

09/14/15



Agenda Sheet for City Council Meeting of:

09/14/2015

Date Rec'd	9/1/2015
Clerk's File #	RES 2015-0101
Renews #	
Cross Ref #	RES 2015-0084
Project #	
Bid #	
Requisition #	

Submitting Dept	PLANNING & DEVELOPMENT
Contact Name/Phone	SCOTT SIMMONS 625-6584
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Agenda Item Type	Resolutions
Agenda Item Name	0650 - AMENDED RESOLUTION - COMPREHENSIVE PLAN

Agenda Wording

A RESOLUTION regarding amendments to the City's Economic Development Strategy.

Summary (Background)

This project is facilitated by the Spokane City Council, the Mayor and Mayor's staff. These entities will collaborate to craft a set of business recruitment, retention, and expansion strategies the City can use to incentivize business development and economic growth in the defined areas including target investment areas to be further defined by the Council President and Mayor Staff.

Fiscal Impact	Budget Account
Neutral \$	#
Select \$	#
Select \$	#
Select \$	#

Approvals		Council Notifications	
Dept Head	MEULER, LOUIS	Study Session	9/3/15
Division Director	SIMMONS, SCOTT M.	Other	PCED 7/20/15
Finance	SALSTROM, JOHN	Distribution List	
Legal	RICHMAN, JAMES	lhattenburg@spokanecity.org	
For the Mayor	SANDERS, THERESA	aworlock@spokanecity.org	
Additional Approvals		tstripes@spokanecity.org	
Purchasing		smsimmons@spokanecity.org	
		bstuckart@spokanecity.org	

ADOPTED BY
SPOKANE CITY COUNCIL:

9/14/2015
Lena K. [Signature]
CITY CLERK

Resolution No. 2015-0101

A resolution regarding amendments to the City's Economic Development Strategy.

WHEREAS, on August 10, 2015 the City Council adopted a resolution (Resolution No. 2015-0084) which states their support for and established an Economic Development Strategy to implement the City's Comprehensive Plan and growth strategies; and

WHEREAS, the Economic Development Strategy provides for a targeted investment area approach through which public resources may be dedicated towards capital improvements, financial incentives and other assistance in certain areas of the City and for projects which are considered of "Citywide significance"; and

WHEREAS, Resolution 2015-0084 further provides that the Council President will work with the Mayor's staff regarding the specific areas to receive increased focus and the detail of the mechanisms which can be deployed to advance the objectives of the strategy; and,

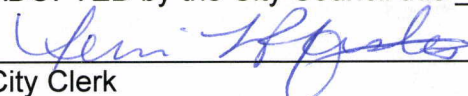
WHEREAS, the Council has requested the Council President bring forward a set of necessary and/or desirable changes to policies or procedures, the Spokane Municipal Code, and other guidance such as illustrative forms, maps and other documents as needed for Council's consideration as it considers a framework for focused, specific, measurable, transparent and impactful business recruitment, retention, and expansion strategies for the City of Spokane, including projects of Citywide significance which includes private investments of \$5 million (five million dollars) and greater; and

WHEREAS, a work group which included members of the City Council, including the Council President and the Mayor's staff met on July 21, July 28, and August 11 to review and discuss the framework and details for Economic Development strategy; and

WHEREAS, the City Council at this time wishes to add Attachments "B" and "C" attached hereto to Resolution 2015-0084.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPOKANE that the City Council hereby adds Attachments "B" and "C" to the Economic Development Strategy as described in Resolution 2015-0084, providing guidance and direction which supplements and is in addition to that contained within Attachment "A" of said Resolution 2015-0084.

ADOPTED by the City Council this 14th day of September, 2015.



City Clerk

Approved as to form:



Assistant City Attorney



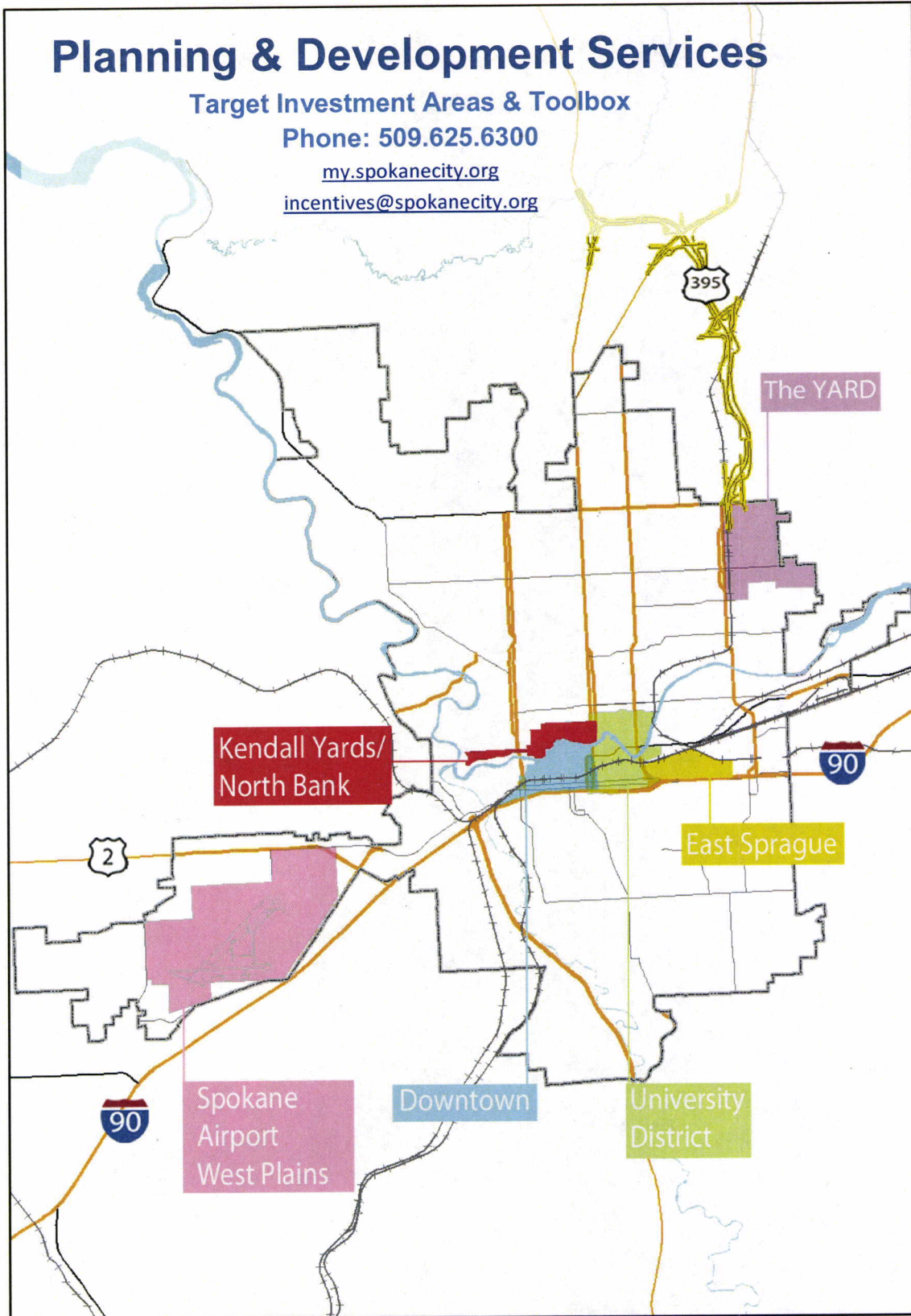
Planning & Development Services





Target Investment Areas & Toolbox

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Partnership Assistance and Incentives Available		In	Outside
	Traffic Impact Fee Due at Occupancy (SMC 17D.075.040(C)).	✓	✓
	Brownfield Redevelopment (Integrated Planning).	✓	
	Brownfield Remediation.	✓	✓
	Home Improvement Tax Exemption (RCW 84.36.400).	✓	✓
	Blight Remediation (CDBG funding).	✓	✓
	8 or 12 year Multi-Family (property) Tax Exemption (MFTE) (SMC 08.15).	Within MFTE*	
	Historic Preservation – Special Valuation Tax Exemption (SMC 17D.040.310).	✓	✓
	Commercial Rate Clarification Policy for existing buildings (Resolution 2014-0077 and Admin Policy 5200-14-04).	✓	
	General Facilities Connection (water & sewer) Waiver (GFC)(SMC 13.03.0732 and 13.04.2042).	Within EZ*	
	Tax Increment Financing (TIF) (RCW 39.89).	✓	
	ROW improvement requirements waived prior to public investment. (Admin Policy)	✓	
	Urban Utility Installation Program (Downtown & Sprague only in 2015) (SMC 08.10.230).	✓	
	"Projects of Citywide Significance" Financial Incentive (Qualifying projects of \$5,000,000 or greater new investment).	✓	✓
Value Added Target Area Assistance and Pre Planning			
	<ul style="list-style-type: none"> • Target Investment Partnerships & Planning (Brownfield, Integrated Capital . . .) • SEPA Planned Action Building blocks • Comprehensive Planning Integration with Growth Strategies 		
	<ul style="list-style-type: none"> • Arterial Street Improvements • Combined Sewer Overflow System Improvements "Cleaner River Faster" • Utility Improvements (integrated planning) • Streetscape/Place Making Improvements 		
	<ul style="list-style-type: none"> • Ombudsman Assistance for Applicants • Assistance researching and filing for Federal, State and County Incentives • Bundling incentives into a package showing dollar value - Partnership Portfolio • Creating ROW improvement agreements 		

Financial Incentive Plan – Projects of Citywide Significance.

In Resolution 2015-0084 Council requested that the Council President bring forward a set of necessary and/or desirable changes to policies or procedures, the Spokane Municipal Code, and other guidance, such as illustrative forms, maps, white papers, background materials, and other documents as needed, for the Council's consideration as it considers a framework for focused, specific, measurable, transparent and impactful business recruitment, retention, and expansion strategies for the City of Spokane, including projects of Citywide significance which includes private investments of \$5 million (five million dollars) and greater.


The following evaluation and scoring process is to be used when considering financial incentives for projects of Citywide significance.

Projects will be evaluated and scored based on the project's merits with regard to the following: incremental revenue generated for the City by increased property tax, sales tax and utility tax dollars added; the overall long-term job generation, both the number of jobs created and number with wages at or 30 percent greater than the average per capita income in Spokane; how well the project implements existing community plans, Comprehensive Plan, design standards and cleans up the environment; advances state and regional industry cluster growth and regional economic development plans; and whether the project is in a core infill development area such as within a Center or Corridor, targeted area.

Below are the evaluation sections and the maximum score possible.

a. Property Based Incremental Revenue	Max Score	30
b. Job Creation	Max Score	60
c. Comp Plan, Design, and the Environment	Max Score	60
d. Industry Cluster Advancements	Max Score	10
e. Geographic Priority Areas	Max Score	<u>10</u>
	Total Score Possible	170

Individual projects considered for financial incentives under the Projects of Citywide significance program will be evaluated in accordance with these scoring parameters by a committee formed for such purpose. Committee membership and review process should be provided in an administrative policy to be developed prior to any such recommendation. At a minimum, the membership should include City economic development and finance staff, 2 members of City Council and a member of the community at large with experience and expertise in the field of economic development. Recommendations of the committee on project incentives will be made to the City Council and shall include all evaluation details on each individual project for review along with the incentive agreement on projects, including value of the incentive agreement and any conditions related to the award of the incentive.

Projects of Citywide Significance			
 Financial Incentive Plan	<h2 style="margin: 0;">Financial Partnership Portfolio Evaluation</h2>		Points Possible
			Score
Project based Incremental Revenue			
<i>City Property Tax, Sales Tax (Retail and Construction), Utility Taxes, Utility Revenues</i>			
<i>Incremental Revenue:</i>			
<i>3 year total incremental revenue:</i>			
<i>Exceeds \$1 million - 30 points</i>			
<i>Between \$750,000 and \$999,999 - 25 points</i>			
<i>Between \$500,000 and \$749,999 - 20 points</i>			
<i>Between \$250,000 and \$499,999 - 15 points</i>			
Max group score possible		30	
Job Creation			
<i>Number of new jobs</i>			
<i>Greater than 100 - 10 points</i>			
<i>75 to 99 - 8 points</i>			
<i>50 to 74 - 6 points</i>			
<i>25. to 49 - 4 points</i>			
<i>1 to 24- 2 points</i>			
<i>Living Wage Job creation Multiplier (>130%Median Per Capita Income)</i>			
<i>80% to 100% of new jobs - 6X</i>			
<i>60% to 79% of new jobs - 5X</i>			
<i>40% to 59% of new jobs - 4X</i>			
<i>20% to 39% of new jobs - 3X</i>			
<i>10% to 19% of new jobs - 2X</i>			
<i>Less than 10% of new jobs - 1X</i>			
Max group score possible		60	
Comp Plan, Design and the Environment			
<i>Brownfield redevelopment - 5 points</i>			
<i>Innovative or exemplary site design - 5 points</i>			
<i>Design includes enhanced public amenities - 5 points</i>			
<i>Project Includes Neighborhood or Sub-Area improvements - 5 points</i>			
<i>Incorporation of Low Impact Development standards - 5 points</i>			
<i>Incorporation of adopted green building standards -5 points</i>			
<i>Transit Oriented Development - 5 points</i>			
<i>Mixed Use Development - 5 - Points</i>			
<i>Mixed Income Development - 5 points</i>			
<i>Historic Preservation - 5 points</i>			
<i>Adaptive reuse - 5 points</i>			
<i>Blight removal - 5 points</i>			
Max group score possible		60	
Industry Cluster Advancement			
<i>Manufacturing - 10 points</i>			
<i>Aerospace/Aviation - 10 points</i>			
<i>Technology (Biotech, medical, IT, etc) - 10 points</i>			
<i>Tourism - 10 points</i>			
Max group score possible		10	
Geographic Priority Areas			
<i>Located in a C&C or Downtown - 10 points</i>			
<i>Located in a target investment area - 10 points</i>			
<i>Infill location with existing infrastructure capacity - 10 points</i>			
Max group score possible		10	
TOTAL SCORE POSSIBLE		170	
"Special Considerations" Bonus - 10 points			
<i>(Can be added to total score when warranted in consideration of special public benefit factors not addressed above.)</i>			
<i>Median Per capita income \$24,000 est. \$11.5/hr. (2015)</i>			
<i>130% of median per capita income is \$31,200 annually and approximately \$15/hour</i>			