

**BURIEN BUSINESS AND
ECONOMIC DEVELOPMENT PARTNERSHIP (BEDP)**

MEETING MINUTES

Date: February 9, 2007

Time: 7:00 – 8:30 AM

Members Present: Kevin Fitz, David Elliott, Jim Hughes, Doug Moreland, Ryan Warnes, Tom Gehl, Debra George, Mark Minium, Rick Cosgrave, Harvey Aulgur.

Absentees:

Excused Absentees: Nancy Damon, Bob Ewing, John Welch, Karen Lautermilch

Staff: Mike Martin, City Manager; Dick Loman, Economic Development Manager; Janet Stallman, Department Assistant, City Manager's Office

Guests: Geri Fain, Highline School District; Bruce Millis, Consultant, Marco Milanese, Port of Seattle, Councilmembers Sue Blazak and Lucy Krakowiak.

Call to Order: Meeting opened at 7:05 a.m. by Chairman Kevin Fitz

Minutes: Minutes from January 26, 2007, were approved and accepted as submitted.

Chair's Report: Kevin Fitz

Having no report, Kevin deferred the floor to the City Manager.

City Manager's Report: Mike Martin

On the topic of annexation, the City Manager explained that House Bill 1139 would give Seattle around \$7 million in sales tax credit while Burien would receive about \$1.2 million by annexing the same area in North Highline. Burien has expressed concern that this is not equitable. The City of Burien is working with Seattle to resolve this conflict. Representative Joe McDermott has said that the Bill won't move forward until Burien and Seattle come to some agreement.

Dick Loman gave a brief update on the Strobel property. Dick stated that the Supreme Court ruled there would be no further review of the City's eminent domain case. While this is an important ruling, possession and use of the property was left with the Strobel Family. The City has assumed the lease of the Meal Makers restaurant by assignment from Kevin and Kathy Fitz. We continue to make the lease payments to the Strobels.

This week, the Strobel Trust, through their attorney, agreed to stipulate to public use and possession. This gives the City the authority to demolish and perform other necessary site work. The value of the real estate is being established by independent appraisers. The City will pay \$765,000 into a court registry, and at that point, the Stipulation Order and use of property comes into effect. Negotiation would still continue on the value of the property. If no agreement is

reached, a jury trial would take place in May to resolve the issue. Regardless, the real estate stays with us. This is very important as it helps keep the project on schedule.

Mike Martin reported that the City Council authorized his signature on the 2007 Discover Burien Contract, which contains new conflict of interest language.

Mike mentioned that there will be a lot of time spent in the near future on the Parks Facilities Plan. Many things will need to be decided such as how the Senior Center and the Community Services Center will look? Will they be combined? Where should they be located? There are many options to evaluate, and it will take many months.

Mike mentioned that he has sold his house and is looking forward to joining the residential community here.

Mike reported that the City of Burien had been asking for \$5 million to purchase residential properties for reconfiguration and resale in the Northeast Redevelopment Area (NERA), but that we had changed this priority, and in its place we are asking for \$1.6 million to be used for a two-story parking garage just north of the new city hall facility in Burien Town Square. One parking level would be below grade, the other would be on grade. This would be a solid addition to the Town Square project, which would increase parking by 60-80 parking spaces.

The City is investigating a new idea for the Northeast Redevelopment Area (NERA). According to the "NEST" study, the estimated tax revenues on the property as currently configured and zoned would amount to only \$135,000 - \$336,000 for the City, annually. As Burien is looking for new funding streams for continued sustainability, other ideas have emerged that could provide better long term returns.

The City has been rethinking the use of the 165 acres of NERA, and how it might be more productive. We decided that we should sit down with the Port of Seattle and discuss having an active partnership with them to master plan the area. If a large retailer, (i.e. Home Depot) were to locate in the NERA area, a possible sales tax revenue of \$600,000 - \$1,000,000 per year could be a real possibility for the City. The property would have to be rezoned for this use.

Mike met with Mark Griffin and others from the Port of Seattle to discuss some of the ideas that we have been considering. The uses permitted in this area are more regional in nature, and not nationally FAA regulated. This may allow for more optional property uses.

Questions and Answers

Q. Do you split revenue with the Port if you put "big box" retail in NERA? A. This is still unclear. Port may lease property to Burien.

Dick commented that it is a Leasehold tax – on gross rents generated by property, about 13% of gross rents. The state has it calculated so it's pretty much what you get from a real estate tax.

Marco Milanese – at the end of the month, Mark Reis will brief the Port about this new direction, and they hope the City of Burien will be there, too.

Mike Martin commented that having a partnership with the Port will make for a stronger ask in Washington, D.C., as many cities that neighbor airports don't have good relationships.

There was concern about the public discussion of the Discover Burien contract. Some thought that Council appeared not to have been fully aware of the scope of work of the contract. City Manager Martin stated that staff could have done a better job in getting information to Council ahead of time. Councilmember Blazak mentioned that they would work on better communication.

Kevin mentioned concern about the parking study. He wants BEDP to get a copy of the draft study. There was some real concern about the process of the development of the plan. He mentioned that it needs to be looked at with some critical questions. Dick said copies will be sent to the group.

Discover Burien Report – Debra George

The First Avenue S. project is moving along. A subcontractor has been causing some delays. Still working on the corner of 160th.

Dinner & Silent Auction – Elks Lodge, Friday, March 2nd. Soliciting donations for auction
April – Team Sweep coming up again. Debra hopes to have sign up sheets by next meeting.
Empty Bowls event was a huge success; money raised exceeded last year's totals; didn't run out of soup.
Debra thanked Jim Hughes for washing all the bowls so we could eat out of them.

Geri Fain

Geri Fain gave information regarding the replacement levy that will be on the ballot March 13th. This levy would replace the last 4-year levy which expires at the end of this year. The levy funds approximately 20% of the District's budget, so if it fails, it makes a huge impact on the educational system in our District.

Levies need 60% approval to pass. Some impacts of a levy failure include: cutting teaching positions, cutting activities and athletics, shortening the school day, cutting pupil transportation, and providing fewer classroom materials.

Q. What part of the District's budget represents security, such as police officers in the school?

A. Geri didn't know the percentage of the budget spent on security. However, she said that the City of Burien supports an School Resource Officer (SRO) at Highline High School and that they do have police officers at each of the high school campuses, which are funded by partnerships with the cities in which they reside. Two Security Service Officers also work for district. They have gone to the police academy, and work in the high schools and middle schools. These officers do carry weapons. Also, there are security officers on campus who are unarmed and have some training, but are not academy-trained.

Q. Are there surveillance cameras in new schools throughout the building? A. Security cameras are installed in hallways, common areas and exterior areas. Safety is considered when new buildings are designed. Safety will always be an issue. The partnerships with law enforcement, and having officers in the school community is a critical.

Q. Are there metal detectors in any schools? A. No, it is cost prohibitive, and very difficult to monitor. We concentrate more on prevention education and having skilled people observe.

Geri gave a brief update on new school construction. Cedarhurst Elementary is under construction and will open in September. It can house up to 600 students. It will be two-story construction and be sound attenuated, because of its location. Shorewood Elementary went through design last year; work will be bid soon. Shorewood will be moved to an interim site next year.

Aviation High School is currently housed at South Seattle CC at Duwamish Campus. The school must move at the end of this year. It will move to Olympic next year; Highline School District is seeking legislative and private support for a new site for Aviation.

Bruce Millis

Dick Loman introduces the topic of municipal branding and gives a bit of background. When a municipal corporation considers a branding initiative, first it makes a list of its assets and tries to identify “clusters.” Burien has several well known and nationally recognized health facilities, including Highline Medical Center, Group Health, Shick-Shadel, and a mental health campus – Highline Mental Health Center, that quietly accomplish a tremendous amount of work. Dick asked Bruce to do some investigating and find out what clusters we do have in Burien, and how it might be utilized to “brand” Burien.

Bruce reported that for a city of this size, Burien is blessed with a great hospital with excellent technology, good amenities, and great service. We should be proud of Highline Medical Center. We also have many supporting medical practitioners in the area including chiropractors, physical therapists, massage therapists, pharmacies, and dentists. Bruce says he doesn’t see a lot of services for the elderly.

Because of the concentration of these medical facilities, Burien has some unique opportunities. Bruce suggested that there could be a much stronger connection between education and the medical community here. A suggestion of having a nursing training center right across from Highline Medical Center is one example of how education could partner with the medical community.

New technologies with the internet allow for expertise to be exported to all corners of the world. Burien could be at the forefront of exporting medical expertise to small, rural communities to better help them serve their own communities. We could take advantage of our proximity to the airport, as well. There are incredible opportunities to leverage what we do have in this community.

Bruce mentioned that people spend more money on natural medicine than they spend with their primary caregivers.

Q. In what area is Burien saturated in the medical field? A. Burien has a lot of dentists.

In closing, Dick mentioned that the Economic Development theory is that we could brand Burien as an exporter of sophisticated medical services, exporting possibly by internet the specialties practiced in Burien. If we attract medical specialists to Burien, they could live, work, and shop here. We would be attracting good jobs, which would have a positive impact on all Burien business.

Dick asked whether anybody in the group had a different feeling about the idea of branding Burien as a medical hub. That would be the umbrella – the broad identification, in general, of the people and capital that we want to attract to Burien. The medical field is a growth industry that is nowhere near its maturity. It requires skilled workers and would provide good jobs for the community. Everybody seemed to be in agreement that this would be a good direction to go.

The next steps would be to talk to folks about what we are thinking; meet with staff of the major facilities to talk about joint marketing.

Other Business

Concern was expressed that there is nothing visually going on to indicate progress with Town Square. The perception is that nothing is happening. Is the closing on schedule? Dick answered that the closing has been postponed a couple of weeks. The City has nothing further to do, but sign the deed. Urban Partners has signed; delay has been with their equity partner – they review every single document and then countersign. Next Friday, parcel 1 will close – Gottschalks building and parking lot. \$3 million is coming -- \$1.8 million from Urban Partners and \$1.2 million from King County Housing Authority from Lora Lake - \$200,000 per year that they've been putting in the bank for us. The construction contract is signed.

We may work with Denna Cline to hold some sort of event when razing begins on Parcel 1.

Q. Is the parcel to the north of Town Square going to have any tie-in to Town Square? A. Yes. Dick Loman stated that a lot of retail is going to end up over there. The parcel will be a separate part of the "Town Square."

Kevin Fitz asked about movement on an RFP for a private developer for Transit Oriented Development. This will be out for bid very soon. What it will look like will be up to the developer that we attract through that process. We should get someone from the County to talk to us about this.

Future Agendas – Partnership

February 23, 2007, 7 a.m. – INTERIM CITY HALL
15811 Ambaum Blvd. SW

We will have the Public Works Director come in and talk about the 1st Avenue project.

Karen Lautermilch – Reschedule Karen's presentation to next meeting.

Schedule Danni Kirkland soon to come talk about retail at Burien Town Square.

Round the Table

Kevin Fitz reminded the group that six people have membership renewals coming up. If you want to remain on the Advisory Board, please submit your application.

Rick Cosgrave mentioned that Mick Purdy (of Mick Kelly's Irish Pub) is doing a fundraiser for Steve Cox's son; Rick is pleased that this business owner is becoming very community-involved. Rick suggested we invite him to a future meeting.

Adjourned: The meeting was adjourned at 8:37 AM

Next Meeting: February 23, 2007, 7 a.m.