

### MEMORANDUM

**To:** Councilmember Lisa Herbold, Chair

Councilmembers Kshama Sawant and Mike O'Brien, Members Civil Rights, Utilities, Economic Development and Arts Committee

From: Lish Whitson and Eric McConaghy

**Date:** July 7, 2016

**Subject:** Seattle 2035: Economic Development and Arts and Culture Elements

On July 12, the Civil Rights, Utilities, Economic Development and Arts (CRUEDA) Committee will discuss the Economic Development Element and the Arts and Culture Element of the Mayor's Recommended Comprehensive Plan, "Seattle 2035." The purpose of this memo is to provide an initial discussion and preliminary issue identification related to changes to elements of the Comprehensive Plan that address subject within the scope of the CRUEDA Committee's oversight.

### Overview

The Comprehensive Plan's Economic Development Element provides goals and policies for economic growth and vitality and a high quality of life. It provides direction about how to maintain and grow Seattle's vibrant, diverse, and increasingly global economy to benefit individuals across income levels, as well as business, and Seattle's diverse industries. Background information about the local economy is contained in the appendix to the Land Use Element. Key changes proposed for the Economic Development Element include:

- Promoting business clusters;
- Encouraging businesses to pay a living wage, provide employment benefits, and hire local residents; and
- Addressing the needs of businesses that act as community centers for marginalized communities and that can be vulnerable to displacement as the city grows.

The current Comprehensive Plan's Cultural Resource Element is proposed to be renamed the "Arts and Culture Element". According to the plan's introduction, it includes goals and policies that outline the City's strategies to support the arts and artists, cultural institutions, and historic preservation. Key changes proposed for the Arts and Culture Element:

- Providing for a toolkit to help communities make their own art;
- Helping provide affordable work space for artists and cultural organizations; and
- Supporting cultural districts in places where there are existing clusters of cultural activities.

#### Discussion

Central Staff has identified the following as possible items for discussion based on a review of the Mayor's Recommended Plan, internal discussions, and testimony and letters provided to the Planning Land Use and Zoning Committee at a hearing on June 27.

## **Economic Development Element**

## 1. Support for Communities undergoing redevelopment

The Mayor's Recommended Plan and the City's Equitable Development Implementation Plan both highlight the need to develop new strategies to support neighborhoods undergoing redevelopment. Under the plan significant development is expected to occur within the city's urban centers and villages. Single-story commercial structures, which today provide space for locally-owned businesses, are among the likeliest sites to be redeveloped. The Mayor's Plan includes two new policies related to this issue:

**ED 1.6** Pursue strategies for community development that help meet the needs of marginalized populations in multicultural business districts, where small businesses are at risk of displacement due to increasing costs.

**ED 3.6** Address the needs of culturally relevant businesses most vulnerable to redevelopment pressure and displacement.

Councilmembers may want to consider other policies to provide support for businesses in areas vulnerable to redevelopment pressure and displacement.

## 2. Industrial Sector

Seattle's two Manufacturing/Industrial Centers (Ballard-Interbay-Northend and Duwamish) are regionally-designated areas intended to support the maritime, manufacturing and industrial sectors. These sectors provide comparatively higher-than-average wages to employees who may not have higher education. Many of Seattle's industrial businesses rely upon the maritime sector and the clustering of similar businesses to support their suppliers.

Each year, including this year, as part of the annual Comprehensive Plan amendment process, the Council receives a number of proposals to remove land from Manufacturing/Industrial Centers. The Mayor has indicated that he intends to convene a group of stakeholders from the Maritime and Industrial communities to identify appropriate policies related to Manufacturing and Industrial areas. The Mayor expects to have recommended policy changes in time for consideration in 2017. Consequently, the Mayor's Recommended Plan does not include many policies that were part of either the previous draft of the plan or the draft put out for public comment last fall. Without those policies, the City's policy related to the industrial sector is unclear.

Councilmembers may want to retain policies from the current Comprehensive Plan related to manufacturing and industrial areas and businesses until the Mayor provides recommendations for amendments.

## 3. Industry Clusters

The Mayor's Recommended Plan focuses on a number of industry clusters that pay higher than average wages, bring new capital into the economy, are environmentally minded, and add variety to the economic base. The plan identifies manufacturing, maritime, biotech and life sciences, global health and health care, clean technology, tourism, and film and music as examples of Seattle's industry clusters. Policies related to industry clusters "encourage industry clusters to have workforces that are representative of Seattle's racial and economic groups."

The plan also includes a new section related to the city's workforce. Policies in this section seek to support programs that provide education and training so that Seattle's residents can access jobs in these industry clusters, and encourage all businesses to pay a living wage, no matter what industry they are part of. Councilmembers may want to consider whether there is sufficient emphasis in the Comprehensive Plan on supporting locally-based industries that hire local residents with fewer skills and less training.

# 4. Quality of Life

Many studies have shown that quality-of-life is one of the key drivers of a successful region's economy. With its thriving arts and culture communities, educational institutions, access to nature and high-quality health care, Seattle provides a high quality-of-life for its residents. Previous versions of the Comprehensive Plan identified the high quality-of-life in Seattle as one of the drivers of the City's economic growth. For example, Economic Development Goal 2 currently states:

**EDG2** Recognize that Seattle's high quality of life is one of its competitive advantages and promote economic growth that maintains and enhances this quality of life.

The concept of quality-of-life for Seattleites is no longer part of the Economic Development Element. Councilmembers should consider whether they want to reintroduce the concept of quality-of-life into the Economic Development Element.

## **Arts and Culture Element**

### 5. Historic Preservation

The introduction to the Arts and Culture Element states that it "outlines goals and policies related to the arts, cultural institutions, and historic preservation." However, as Historic Seattle has pointed out, the goals and policies related to historic preservation have been removed from this element and are consolidated in the Land Use Element. While the Mayor's general approach of consolidating topics in one place in order to reduce redundancy in the plan is laudable, in this case, the opportunities and benefits of historic preservation are lost.

As one example, the Mayor's Recommended Plan includes a new section on "Creative Economy," which discusses the importance of arts and culture in the city's economy, but has no mention of historic resources in the goals and policies. By not incorporating historic preservation into these policies, the Mayor's Recommended Plan downplays the significant benefits to the City's economy and unique sense of place provided by historic districts like the

Pike Place Market or Columbia City and City, State and National Landmarks like the Smith Tower or Hiram Chittenden Locks. Lost also is the importance of many of the city's landmarks as places that support cultural activity, including venues such as Town Hall Seattle or the East Kong Lick Building in the Chinatown/International District, home to the Wing Luke Museum.

Councilmembers should consider whether they want to either 1) reintroduce a specific section on historic preservation to the Arts and Culture Element or 2) add policies to key sections of the Arts and Culture Element that reflect the relationship between historic preservation and other arts and culture.

## 6. Definition of Culture

The plan is currently unclear about what is meant by "culture". There is a definition in the plan's glossary of "cultural resources", which are defined as: "Buildings, objects, features, locations and structures with scientific, historic, and societal value." But the phrase "cultural resources" is never used in the Arts and Culture Element.

Instead, the Element uses the following phrases: "cultural spaces", "cultural uses", "arts and cultural organizations", "arts and culture", "cultural institutions", "culturally relevant", and "arts and culture opportunities"; elsewhere in the plan "cultural identity", "cultural background", and "cultural needs", "culturally sensitive", "cultural development", "cultural facilities" are used. "Culture" and "cultural" are not defined. The Council may want to clarify what is meant by culture in these circumstances.

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