

PIONEER SQUARE ECONOMIC DEVELOPMENT PLAN

STEERING COMMITTEE MEETING #5 – MARCH 5, 2010

Offices of ING Direct, 83 So. King Street

Meeting Summary

ATTENDEES

COMMITTEE MEMBERS

Dave Brunner, McCoy's Firehouse
Tina Bueche, Synapse206
Lisa Dixon, Pioneer Square Community Association
Anne Fennessy, Cocker Fennessy
Rick Friedhoff, Compass Housing Alliance
Guy Godefroy, Trinity Nightclub
Kate Joncas, Downtown Seattle Association
Laine Ross, Resident
Leslie Smith, Pioneer Square Community Association
Annie Strain, Resident
Paul Swegle, ING Direct/Sharebuilder
Richard Thurston, Grover/Thurston Gallery

CITY STAFFING TEAM

Nancy Yamamoto, Office of Economic Development
Kerry Wade, Department of Neighborhoods
Genna Nashem, Department of Neighborhoods
Victoria Schoenburg, Parks and Recreation
David Yeaworth, Legislative Aide to Sally Clark

OTHER ATTENDEES

Don Blakeney
James Grindle, Earconscious and Knightriders Inc.
Adam Hasson, Samis Land Company
Dana Hofbauer, Colliers/Interurban Building
Jen Kelly, The New Pioneer Square blog
Michael Kelly, Resident/Banyan
Pearl Leung, Vulcan, Inc.
Sean O'Meara, Klondike Gold Rush NHP
Tom Pantaloni, Distant Lands
Stephen Phillips, Schoenfeld Interiors
Scott Surdyke, Conover Bond

CONSULTANTS

Bonnie Berk, BERK & ASSOCIATES
Allegra Calder, BERK & ASSOCIATES

INTRODUCTIONS AND ANNOUNCEMENTS

After self introductions, including many attendees who were new to the group, Paul Swegle welcomed the group to the offices of ING Direct/Sharebuilder. Paul explained that ING Direct/Sharebuilder is an online brokerage financial securities company with 250 employees in Seattle and 50 in Wilmington, Delaware that handle the East Coast call volume. Paul noted that ING Direct is very committed to the neighborhood and he is happy to be involved with this effort.

Bonnie Berk reviewed the agenda and then asked the group for updates and announcements. Nancy Yamamoto noted that, by way of context for this project, the Broadway Economic Action Plan that the City and community stakeholders worked on in a similar effort, has just been completed. This is noteworthy since the Plan was developed in 2006, and was intended to run for three years, through 2008. In reality, City involvement has just ended in 2010.

Leslie Smith announced that the City of Seattle will receive \$1M in grants from the National Historic Trust. The money will go towards a variety of projects across the City, and several of the candidates are in Pioneer Square. On April 14 the public will be able to vote online for specific projects.

Annie Strain gave an update on the planned reception for Mayor McGinn. It will be part of a walking tour of the International District and Pioneer Square on March 18, and will begin at 5:45. The location is still to be determined.

COMMITTEE DISCUSSION: DRAFT ECONOMIC DEVELOPMENT PLAN 2.0

The Committee then discussed the most recent draft of the Pioneer Square Economic Development Plan. A summary of the Committee's discussion is presented below, organized by Goal area of the Draft Plan. Draft Plan goals are in *italics*, followed by a summary of the comments and discussion.

Goals and Strategies: Community Roles and Actions

Goal #1: Improve Public Safety and Civility

- *Develop standards for social service agency responsibilities regarding clients outside their buildings and in the neighborhood*
- *Implement a program of private security funded by club owners to support a safe and health nightlife*
- *Assess the need for a community center for Pioneer Square; a place for people to go during the day*

Committee Comments and Discussion

- Regarding the order of the Goals in the draft. The group noted that public safety and civility is critical, but it should not be the number one priority for an Economic Development Plan. It was proposed that Goal #3 (Engage Businesses and Support Business Growth) be moved to #1, and Goal #5 (Organizational Capacity) be moved up to #2.
- There are two separate stay out of drug areas (SODA) in downtown. If someone is arrested in one, they tend to move to the other to avoid violating the conditions of parole set by the judge. The judicial system determines the area, but it might be worth pushing on because it's been going on for a long time.
- Note that the private security funding is happening in conjunction with the Metropolitan Improvement District (MID).

Goal #2: Improve the Built Environment in the Square

- *Increase Residential Development and Density in Pioneer Square*
 - *Build relationships with property owners and developers*
 - *Convene key partners and facilitate advancement of major development opportunities,*
 - *Advocate for specific incentives needed to create more residential space in the neighborhood*
- *Address Vacant, Dilapidated, and Underused Buildings*

- *Identify, inventory, and map neglected buildings. Use the building inventory done for the Livable South Downtown effort as a starting point*
- *Develop targeted strategies for each dilapidated, neglected building in the Square*
- *Engage property owners directly in efforts to improve the appearance, tenancy, and upkeep of the District*
- *Activate storefront windows with art, fashion, and design displays, including working with the City's Office of Arts and Cultural Affairs on this initiative*

Committee Comments and Discussion

- Securing the National Historic Trust grant money would be a great start.
- With respect to residential development, there is a lot of emphasis on the North lot, but it will be a while until the development is completed so we should target smaller, infill development, vacant buildings etc. There may be an opportunity to target a few things.
- There is a disconnect between establishing a new identity and preserving the old identity.
- We reference both historic buildings and historic district.
- The Plan should support the Livable South Downtown Recommendations.
- We should advocate for maintenance, improvement and activation of public spaces.
- Portland has a new park with a café in the center to activate the space. A café/kiosk could really help Occidental Park and food carts might also support this goal.

Goal #3: Engage Businesses and Support Business Growth

- *Research and inventory the businesses and nonprofit organizations located above the ground floors; understand "who is in Pioneer Square" and accurately characterize the economy*
- *Inventory existing businesses, and identify missing complementary uses*
- *Meet with businesses individually and in groups to engage them, solicit their needs for business retention and expansion*
- *Reach out to large companies and institutions outside Pioneer Square, to obtain their support and engagement*
- *Develop a system to track business activity – openings and closings*

Committee Comments and Discussion

- The MID has an inventory of everyone at the street level in Pioneer Square. The BIA attempted to inventory second floors about 12 years ago. The PSCA is redoing the street level inventory for the Pioneer Square map. Could landlords facilitate getting the information for the second floors? Answer: Yes, though it will depend on the landlord.
- A recent article mentioned that HTC has a "secret software space" somewhere in Pioneer Square, so it may be hard to develop a complete inventory, given that some offices are "secret."
- It would be good to merge any new data collected with the Downtown Seattle Association database.
- Following the inventory, we should identify what clusters to focus on for recruitment, and build off of our strengths.

Goal #4: Marketing, Branding and Promotion

- *Develop a comprehensive PR/Marketing/Communications plan with timelines and resources for implementation*
 - *Communicate the Square’s architecture as “one of the great historic districts in America;” create materials to illustrate the quality, scale, and value of the buildings*
 - *Consider partnering with organizations focused on historic preservation or architecture*
 - *Promote the District’s accessibility by transit*
- *Communicate Seattle’s cultural and historical heritage, including existing venues and events, such as the Square’s specialty walks, museums, historical plaques*
- *Build on the First Thursday Art Walk to attract more and new people to the Square*
- *Support the Trails to Treasure program*
- *Support existing and emerging economic clusters*
 - *Support existing clusters, such as art galleries, clubs, and independent retailers – and conduct outreach to attract additional businesses*
 - *Support efforts to expand the Square’s digital media and gaming cluster*
- *Work with other districts (ID, downtown and the waterfront) to coordinate messages about the future (post viaduct) and leverage resources*
- *Take advantage of free resources offered by the Mariners: half page ads in Mariners magazine, free tables in the concourse and pre-game video presentations*
- *Advocate for street vending carts in the Square. (Needs further discussion -- enforcement, cleaning and equity issues (BIA assessment). [Also, there is a community-based effort to begin a Saturday mobile food and craft market in Occidental Park.]*

Committee Comments and Discussion

Marketing, Promotion and Branding Discussion

- It is really important that people acknowledge the population on the streets in our marketing and branding efforts. It is a “non corporate” environment, we should reach out to edgy, creative types. Maybe the word is “artsy” or “socially conscious” for Pioneer Square’s brand. We need to capture the essence of the district and focus on artistic. What about “far from stuffy”?
- Shopping local is a trend to capitalize on – “support independent, local retail”
- It would be great to engage the Port of Seattle and Holland America and other cruise lines in promoting Pioneer Square. They may be developing a negative idea of the Square and they bring thousands of cruise travelers to Seattle. Can we provide some incentives, maps etc.?
- Parks and Recreation has been doing programs on the cruise ships before they depart Seattle, so there might be some ways to raise awareness through that effort.
- Engaging the cruise ships has been an effort for the past 15 years. The industry itself is fairly resistant. Working together with Holland America could help; it would be great to better understand the demographics of cruise travelers.

- We are home to two huge transportation hubs (Sound Transit and the Ferry System, plus Union Station) for local people. We should think about how to capture the transit-oriented foot traffic that currently just passes through the neighborhood.
- We need a media strategy; need to generate some positive news stories.

Discussion of the Street Vending Proposal

As Gary Johnson from DPD was not present at this meeting, comments from both sides of the debate were taken and a full discussion will be added to the agenda for the next meeting.

- Many of the restaurants and BIA rate payers have expressed concerns that the City has not thought this through – how will it be enforced? Will the vendors pay into the BIA?
- I have spoken to five other restaurants and they noted that people are bringing their lunch to work and cutting back on expenses. There are restaurant owners who are not even taking paychecks. Owners have regulations and taxes and rent that vendors are not subject to. Food vending is not the only way to improve public space.
- The galleries had similar concerns when the Art Walk was established, but it worked. From a safety perspective, Art Walk really works. Occidental Park is underutilized and it can be scary so vendors could help. I do agree that some contribution (from the vendors) should be made to level the playing field.
- DPD has no answer to our concerns, they seem to want to implement vendors and then fix whatever problems arise.
- An a la carte approach is one model. We should look to other cities for successes, but there is a lot of other work that the city of Portland has done. We are in a vulnerable state right now and whatever happens we should have the opportunity to object. There are a lot of questions and concerns about vendors from all Downtown neighborhoods.
- In general, it's a positive direction, but it has not been transparent or well defined. We want to get it right.
- SDOT is implementing street food in concurrence with public health changes. SDOT is focused on streets and not parks and they would provide a permit for certain spaces for certain hours. Seattle Parks and Recreation is different; we issue a RFP every year for vendors. This year the Health Department has changed its regulations to allow us to offer something other than hot dogs and popcorn. Occidental Park is something that could be coordinated with the community. There could be a recommendation to limit the number of spaces available or look at a different kind of relationship. In fact, Parks does not get that many proposals from vendors and often they close down after a week or two.
- Street food is a trend and it's happening. If we don't capitalize on it, other neighborhoods will.
- Yes, but our bars and restaurants need special care and we as a group have to keep an eye on them.
- If it's proven to be good for the neighborhood, maybe we can level the playing field and give them an incentive.
- Maybe the competitive issue could be solved with limited hours. For example, 2 to 5pm or after club closings.

Goal #5: Organizational Development and Advocacy

- *Establish organizational capacity, with adequate staff and funding and decision-making authority, to execute this business-oriented economic development agenda*
- *Address the mix of boundaries and overlaid zones – MID, BIA, PS Historic District, planning area, etc; Reevaluate the BIA boundaries*
- *Work with the National Park Service and support the agency’s efforts to have a great Ranger presence on the street*
- *Host forums and events to hear ideas and generate discussion in support of economic development in Pioneer Square.*

Committee Comments and Discussion

- The Plan should say “expand” not “reevaluate” the BIA boundaries. The current system is not fair and is not adequate.
- To expand the BIA boundaries, we need retailers at the table. You can expand it in a number of ways. There has been a lot of discussion, but it has never been expanded. It is a great tax resource that pays for all the things in the neighborhood, such as marketing, public civility, initiatives, etc. We need to be strategic with the use of these funds and the BIA is not equitable currently.
- The most straightforward approach would be to increase the assessment each year by 10%, the maximum allowable under statute, with the approval of City Council.

Getting Started with Implementation: Short Term Actions & Needs

Nancy Yamamoto noted that the City will help staff two teams of volunteers to begin working on some short-term actions around Goal #3: Supporting Business Growth and Goal #4: Marketing, Branding and Promotion. This will require a commitment of two meetings in the next month.

Supporting Business Growth.

Volunteers: Paul Swegle, Annie Strain, Mike Kelly, Tina Bueche, Adam Hasson, Laine Ross, and Sean O’Meara.

- DSA should be able to provide a database.
- Nancy will figure out what is out there and where the gaps are.
- Annie has someone already working who could help with an inventory.
- Fen would be happy to set up an online survey, if that would be useful
- Someone should contact Deputy Mayor Phil Fuji about the power/broadband issue.

Marketing, Branding and Promotion.

Volunteers: Kate Joncas (with DSA staff) Jen Kelly, James Grindle, Scott Surdyke, Laine Ross, Lisa Dixon, Guy Godefroy

- This effort needs to be wrapped up in a comprehensive strategy. It can’t be piecemeal, we’ve done that before. The media strategy should include partners and people who want to write positive stories.

Organizational Development Recommendations

Leslie Smith spoke to the Group on this topic, noting that she is making her comments from the perspective of an organizational development consultant and not as interim director of PSCA. Key points made include:

- It has been my recommendation from the day I started that the PSCA as currently configured needs to go away and some other organization (or more than one) needs to be started. This is not to dismiss the other important activities that are going on at PSCA.
- I look at it like a start up. It should have a small 8-10 person Board of Directors that would serve as a transitional Board. Board members should be willing to offer 10-15 hours of their time and bring significant resources to the equation. PSCA has been expected to do everything since incorporation and it has been primarily paid for on the backs of a very small group of retailers.
- We need people who can think big and bring resources to get a new organization up and running. It needs to be resourced in a way that they can focus on the activities of the plan and other priorities as designated. And it needs to focus on implementation. It needs strong leadership, a positive relationship with the City and other partners, and information, data, and communications to turn things around quickly.
- I don't know what PSCA should continue to do; some of their activities could go to other organizations. When I came to PSCA there were 13 people on the Board and now we have four, by design. There are also assets, including intellectual property, domain names, and partial ownership of the TK building. This group would start with implementation and work to stabilize the organization over a period of 18-24 months. After two years, we would probably need another group to take over.

Committee Comments and Discussion

- It shouldn't be that hard to change some of the bylaws and change the mission. As to the assets, that is more complicated.
- The intellectual and psychological work to get to the fact that PSCA shouldn't exist is hard. People love Lisa, but they hate the organization. We need to decide that our organizations are going to be successful.
- For this effort to be successful, we need to have an organization that will carry credibility. The baggage that we carry is immense. I think the interim organization is important as well. I think the reinvention is critical.
- A new organization is a great idea. Thea Foss Waterway is a great example of getting over infighting. It really sent a vote of confidence and the sense that the organization is bigger than us. I support including economic development in the mission.
- We could turn back 12 years and insert BIA into everything Leslie has said about PSCA. I think the key difference is that the table has gotten so much bigger. A lot of us have been doing this for so long and we've been doing it on no money. I'm all for finding some deeper pockets and taking a larger view.
- The larger, longer view is critical; we need to look beyond this spring's retail cycle.
- One of the things that Donovan talked about was perception. We are talking about "saving the square" but we should be talking about "promoting the square"
- Reinvention might be in order. A new name and office are needed.

ROUNDTABLE REMARKS AND REFLECTIONS ON THE PROJECT

- This was a very interesting meeting with fun, interesting personalities, and lots of contributions. It's great to hear people's thoughts and it is enjoyable to be involved.
- Having been part of a lot of groups, I think we as people influence others as we express our opinions. This is a good place to start because of the positive energy.
- The first Thursday Gallery Walk will compete with four baseball games this year. When it comes to civility, I'm all about noise. I was on KUOW on Monday speaking about a proposal to stagger bar closing hours. We should really talk about a comprehensive noise ordinance.
- I like the progress that we are making. The streetcar could be a big game changer. We are lobbying hard for the Pioneer Square alignment and the Viaduct is another huge piece.
- It is good to be part of this for the first time and great to see all the work that has been done. As someone who hasn't been all that involved, I would have to say that I've been here for 7 years and have never known what PSCA does, which speaks to a communication problem. It could be that there is not that much communication to small businesses.
- I've always thought that Occidental Park could be the jewel of the neighborhood. It could be a magnet with much more of a community sense.
- Occidental Park has huge potential. Seattle Parks had a call for artists last year and everyone wanted to be a part of the space. It takes a lot of effort but it could be a real jewel. It has something that magnetizes people.
- Without Elliott Bay Books in the area maybe we can add some combination of coffee/magazine/newspaper vendor to the Park, to create a permanent retail use for Occidental Park. It would instantly add vitality.
- The Mariners and Gallery Walk conflict and the club issue and staggered closing are important. I think we need to perfect the existing closing of clubs before experimenting with staggered closings.
- I'm happy to be part of the group. There are lots of ideas and I want to see them implemented comprehensively with enforcement and other resources to support implementation. I'm thrilled that people are looking at the Square with a renewed sense of optimism.
- We are having the Mayor come through on a walking tour and I think it will be a positive thing.
- It is good to see the diversity of the group and that everyone has a voice. I would ask us to reflect and take some responsibility for what goes on externally. You can't just turn your head. It would be great to have more bike parking.
- Impromptu feedings do a disservice to our neighborhood. It would be great to force the integration into our existing social service network.
- Setting the foundation for the future is good because a lot of big things are going to happen.
- I would like to see the feeding programs in the Square integrated with specific human service providers in the area.
- We need to sit down with Vulcan and the Mariners to see if there is some way to mitigate the impacts of the game/Gallery Walk conflict now that it's happening.
- Last night I heard that McMenamin's is looking for a space and I heard that Tamara Murphy is expanding. Good news.
- Bulldog News could be a potential tenant for newspapers and magazines.

- I'm hyper-focused on the March 18 meeting with the Mayor. He will arrive between 5:45 and 6pm. We need more people from Social Services and Galleries. I will email a spreadsheet around with contact info.
- We are the marketing group; the positive message starts here.
- I get frustrated on a daily basis, but being here and at last night's Gallery Walk and Alley Competition I'm reminded of all the great stuff in the Square.
- Pioneer Square is amazing. We had the same conversation about the name of the blog – keep it positive.
- This was my first time meeting with this group, and it's great to hear that this neighborhood wants more residents and retailers. We have been talking with the Seahawks and we'd be happy to talk about promotions on the big screen or on the backs of tickets.
- I love the positive messaging. This was an inspiring meeting and an inspiring group.
- Could our meetings not always be on a Friday afternoon.
- I think this is exciting but the hard work has not begun. We have to focus on finding the win-win. There will be a natural diverse perspective that will allow us to find the new win or shoot ourselves down.
- The streetcar vote will take place at the April Transportation Committee meeting. Also, Spring Clean is coming up and we will need help cleaning.

NEXT STEPS

Our next Draft Plan, version 3.0 will incorporate comments from today.

Next meeting will be in early April and focus on the City actions associated with the Plan.

We will also discuss a proposal for how to advance Organizational Development and hear reports from the two implementation teams.