

NOVEMBER 16, 2016



CITY OF AUBURN, WASHINGTON

TEN-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN



HEARTLAND



ACKNOWLEDGEMENTS



PROJECT STEERING COMMITTEE:

Mayor Nancy Backus
Dana Hinman
Kevin Snyder
Doug Lein
Bob Lee
Shelley Coleman
Ingrid Gaub
Jeff Tate
John Holman
Paul Haugan
Daryl Faber

PROJECT MANAGEMENT TEAM:

Dana Hinman, *Director of Administration*
Douglas Lein, *Economic Development Manager*
Tiffany Dickman, *Project Coordinator*

HEARTLAND

HEARTLAND is a Seattle-based real estate advisory and investment firm with over 30 years of experience designing, analyzing, and implementing strategies to manage risk and optimize value in all aspects of both the built and natural environment. Our five business lines include public-sector advisory, private-sector advisory, capital markets, brokerage services and investment.

CONSULTING TEAM:

Matt Hoffman, *Senior Project Manager, Integrated Analytics*
Lanzi Li, *Associate Project Manager*

CONTACT:

1301 1st Ave #200
Seattle, WA 98101
PH: 206.682.2500
www.heartlandllc.com



TIP STRATEGIES, INC. is a privately held economic development consulting firm with offices in Austin and Seattle. TIP is committed to providing quality solutions for public and private-sector clients. Established in 1995, the firm's primary focus is economic development strategic planning.

CONSULTING TEAM:

Jeff Marcell, *Senior Partner*
Caroline Alexander, *Project Manager*

CONTACT:

2905 San Gabriel Street, Suite 550
Austin, Texas 78705
PH: 512.343.9113
www.tipstrategies.com



RETAIL COACH is a premier national retail recruitment and development consulting firm, founded by C. Kelly Cofer, President and Chief Executive Officer. Since 2000, The Retail Coach has provided the research, relationships and strategies to achieve retail recruitment and development results that have helped more than 350 communities throughout the US become better, stronger places to live and work through an expanded sales tax base.

CONSULTING TEAM:

C. Kelly Cofer, *CCIM, President/CEO*
Aaron Farmer, *Senior Vice President*

CONTACT:

86 Clark Boulevard
Tupelo, MS 38804
PH: 662.844.2155
www.theretailcoach.net

The Ten-Year Economic Development Strategic Plan was adopted by the Auburn City Council in Resolution No. 5256 on November 21, 2016.

Auburn City Council: Largo Wales, Claude DaCorsi, Bill Peloza, Yolanda Trout-Manuel, John Holman, Rich Wagner, Bob Baggett

RESOLUTION NO. 5 2 5 6

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, APPROVING THE CITY OF AUBURN TEN-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

WHEREAS, in the fall of 2015, the City of Auburn embarked on a process to develop an Economic Development Strategic Plan; and

WHEREAS, it was intended that this plan could provide a guideline for the City's economic development activities over the next decade; and

WHEREAS, to assist in this endeavor, the City hired a team that included TIP Strategies, Heartland, and the Retail Coach. Building on the recent Imagine Auburn Comprehensive Plan, the consulting team developed this strategic plan with the input of more than 200 stakeholders and based on findings from a detailed analysis of demographic, economic, and market data; and

WHEREAS, the goals and strategies were also informed by the consulting team's knowledge of trends and best practices that shape economic development outcomes and programs across the nation. The result is a set of goals, strategies, and actions that will propel the City of Auburn forward towards its vision for 2025; and

WHEREAS, the City's development and adoption of this strategic plan is timely. Auburn is in the path of growth and has already attracted high-profile investments in multi-family housing (Trek Apartments and Merrill Gardens), manufacturing (Orion Industries), and community services (Junior Achievement); and

CITY OF AUBURN

WHEREAS, these successful investments highlight Auburn's competitive advantages, its central location, historic downtown, regional transportation linkages, and access to labor; and

WHEREAS, the spillover growth from Seattle is just beginning in Auburn. With large tracts of land coming into to play, such as the 129-acre General Services Administration (GSA) Complex and the 70-acre Valley Drive-In, and the momentum that has already built up around Auburn, the City is wise to contemplate how it wants to grow so it can be better positioned to guide its future; and

WHEREAS, Auburn can and should harness Seattle's success to shape its own economic development future as a vibrant, connected City with a strong and diverse employment base; and

WHEREAS, the City of Auburn should also build opportunity from within by encouraging companies to start, stay, and grow in the City. All of this work must be accomplished without losing sight of its purpose: to benefit the citizens of Auburn and provide employment opportunities for the children that grow up there; and

WHEREAS, this work will take discipline and direction, leadership and collaboration, and patience and perseverance across the City and multiple partners. The City of Auburn's Ten-Year Economic Development Strategic Plan provides the foundation and lays out the framework to coordinate the City's transformation into a unique and thriving hub in the Seattle-Tacoma region.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, HEREBY RESOLVES as follows:

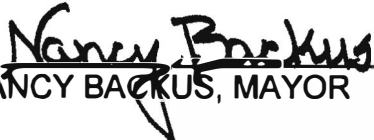
Section 1. That the Economic Development Plan, a copy of which is attached hereto, marked as Exhibit "A" and incorporated herein by this reference, is adopted as the City of Auburn Ten-Year Economic Development Strategic Plan.

Section 2. That the Mayor is authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. That this Resolution shall take effect and be in full force upon passage and signatures hereon.

Dated and Signed this 21st day of November, 2016.

CITY OF AUBURN



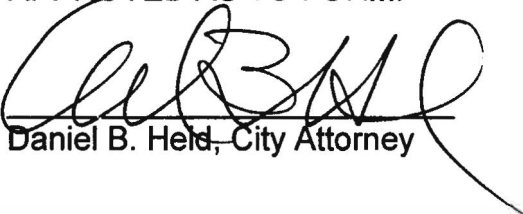
NANCY BACKUS, MAYOR

ATTEST:



Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

CONTENTS

Executive Summary 1

Strategic Plan 5

 Introduction 7

 Vision & Guiding Principles 13

 Focus Area 1. Delivery..... 15

 Focus Area 2. Product..... 21

 Focus Area 3. Place 27

 Focus Area 4. Messaging..... 32

Implementation and Organization 36

Conclusion 52

EXECUTIVE SUMMARY

In the fall of 2015, the City of Auburn embarked on a process to develop an economic development strategic plan. This plan will provide a guide for the City’s economic development activities and investment over the next decade. To assist in this endeavor, the City hired a team that included TIP Strategies, Heartland, and the Retail Coach. Building on the recent Imagine Auburn Comprehensive Plan, the consulting team developed this strategic plan with the input of more than 200 stakeholders and based on findings from a detailed analysis of demographic, economic, and market data. The goals and strategies were also informed by the consulting team’s knowledge of trends and best practices that shape economic development outcomes and programs across the nation. The result is a set of goals, strategies, and actions that will propel the City of Auburn forward towards its vision for 2025.

The City’s development and adoption of this strategic plan is timely. Auburn is in the path of growth and has already attracted high-profile investments in multi-family housing (Trek Apartments and Merrill Gardens), manufacturing (Orion Industries), and community services (Junior Achievement). These successful investments highlight Auburn’s competitive advantages—its central location, historic downtown, regional transportation linkages, and access to labor. But the spillover growth from Seattle is just beginning in Auburn. With large tracts of land likely to be redeveloped, such as the 129-acre General Services Administration (GSA) Complex and the 70-acre Valley Drive-In, and the momentum that has already built up around Auburn, the City is wise to contemplate how it wants to grow so it can be better positioned to guide its future.

Auburn can and should harness Seattle’s success to shape its own economic development future as a vibrant, connected City with a strong and diverse employment base. It should also build opportunity from within by encouraging companies to start, stay, and grow in the City. All of this work must be accomplished without losing sight of its purpose: to benefit the citizens of Auburn and provide employment opportunities for the children that grow up there.

This work will take discipline and direction, leadership and collaboration, and patience and perseverance across the City and multiple partners. The City of Auburn’s Ten-Year Economic Development Strategic Plan provides the foundation and lays out the framework to coordinate the City’s growth as a unique and thriving hub in the Seattle-Tacoma region.

AUBURN’S TARGET INDUSTRIES

As part of the analysis, the consulting team examined industry data, Auburn’s competitive positioning, as well as available buildings and sites in order to identify a set of industries to target with marketing and outreach efforts related to business attraction. A look at the top ten traded industry clusters reveals the growth potential for four key sectors in Auburn’s economy:



MANUFACTURING



**DISTRIBUTION,
LOGISTICS &
TRANSPORTATION**



**OFFICE-USING
BUSINESSES**



RETAIL

Within each of these broad sectors, niches were identified that are good fits for Auburn and likely to expand in Auburn. Detailed information on each of the sectors can be found in Appendices C and F.

STRATEGIC PLAN SUMMARY: FOCUS AREAS & STRATEGIES

The strategic plan is structured around four focus areas that have the potential to set the stage for Auburn’s success through a more robust, proactive, and focused economic development program. The four areas were derived from key findings from an analysis of the City’s Strengths, Weaknesses, Opportunities, and Threats. The SWOT analysis summarizes the input of more than 200 stakeholders and augmented by the results of the various analyses carried out by the consulting team that were components of the planning process. The strategies that support each of the four areas will help address Auburn’s primary weaknesses and position it to capitalize on its principal opportunities.

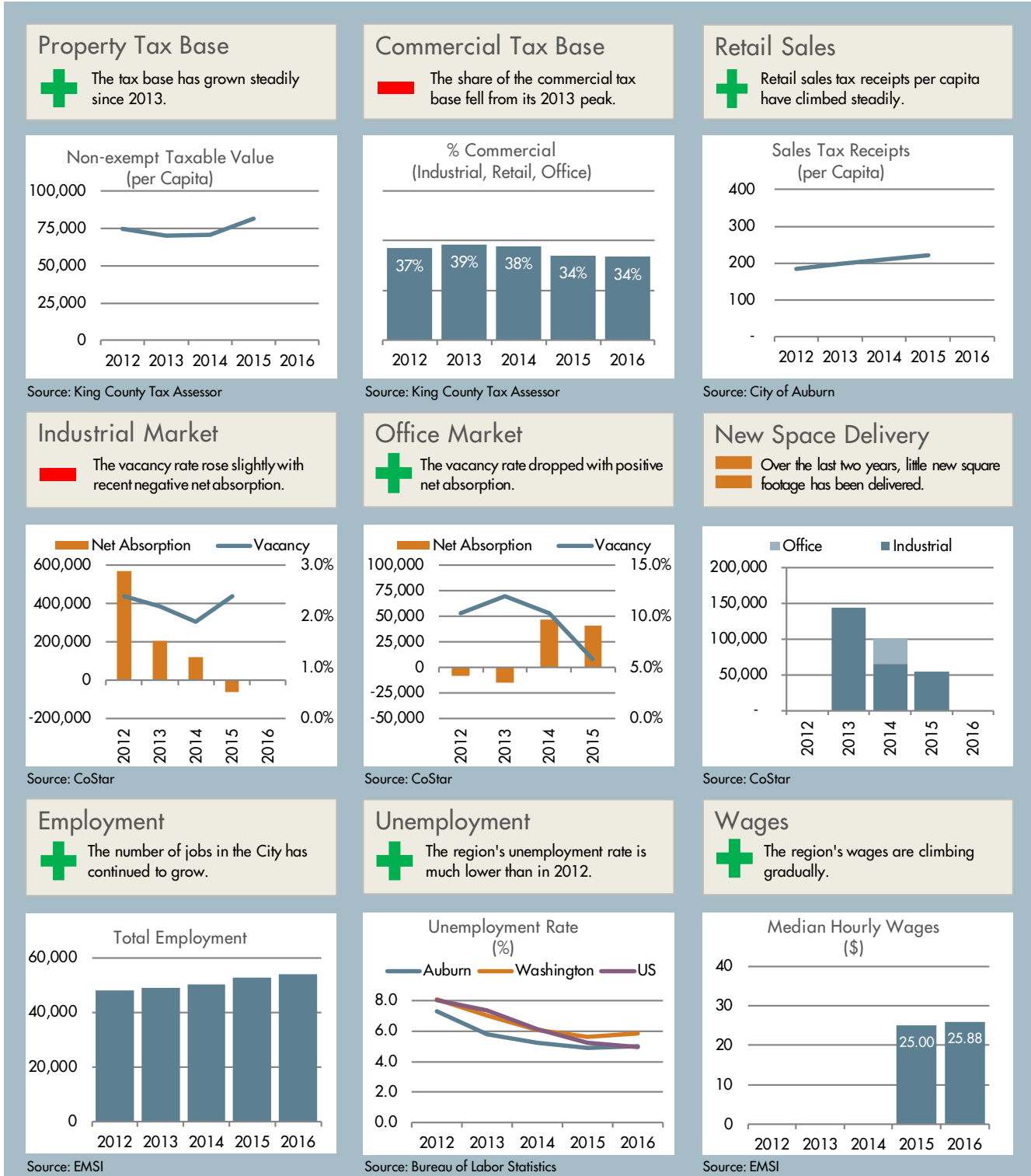
These focus areas and their supporting strategies are summarized below. Detailed actions for each of the strategies are provided on pages 4 through 36 of the Strategic Plan.

 <p>1. DELIVERY <i>A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn</i></p>	 <p>2. PRODUCT <i>An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base</i></p>
<p>1.1 Value-Added Services. Clearly define the services that the City of Auburn provides to businesses both directly and through partnerships</p> <p>1.2 Local Business Visitation. Formalize a business visitation program in partnership with the Chamber of Commerce to track trends among Auburn employers and identify any businesses in need of assistance</p> <p>1.3 Business Recruitment. Recruit new businesses, including retail, to Auburn to provide better economic opportunities and enhance Auburn’s quality of place</p> <p>1.4 Catalyst Projects. Identify and advance catalyst projects that will facilitate Auburn’s evolution</p> <p>1.5 Strategic Relationships. Foster relationships with key entities that support economic activity in the City</p>	<p>2.1 Labor Market Information. Design and maintain information resources that demonstrate Auburn’s strength in terms of its access to skilled labor</p> <p>2.2 Deal-Ready Sites. Ensure a supply of deal-ready sites to accommodate new business investment in Auburn</p> <p>2.3 Economic Development Toolbox. Create a robust toolbox to influence economic development outcomes</p> <p>2.4 Continuous Process Improvement. Evaluate and continue to improve the City’s land use and building permit process and performance</p> <p>2.5 Zoning Modification. Reevaluate zoning districts and modify certain aspects of the code</p> <p>2.6 Cost Comparison. Annually compare Auburn’s development/impact fees, tax rates, and rebate programs to peers</p>

 <p>3. PLACE <i>Attractive gateways, impression corridors, and destinations that define the character of Auburn</i></p>	 <p>4. MESSAGING <i>A coordinated marketing and branding campaign that elevates Auburn’s reputation among internal and external audiences</i></p>
<p>3.1 Strategic Investment. Create a target investment program to guide infrastructure investments that enhance Auburn’s economic development opportunities</p> <p>3.2 Regional Transportation. Maintain and enhance regional transportation connections to ensure ease of travel to, from, and within Auburn</p> <p>3.3 Downtown Revitalization. Continue to invest in downtown revitalization</p> <p>3.4 Auburn Way South Revitalization. Designate Auburn Way South as an additional Targeted Investment Area</p> <p>3.5 Destination Connections. Create stronger connections between Auburn’s primary tourism assets and develop new assets to attract more visitors to Auburn</p> <p>3.6 Regional Tourism. Strengthen regional tourism connections</p>	<p>4.1 Brand Enhancement. Develop a stronger brand for Auburn and reinforce this with unified messaging across organizations</p> <p>4.2 Internal Image. Build a more positive perception and a greater sense of community among Auburn residents through a strong partnership with the Auburn Reporter and other local media outlets</p> <p>4.3 Social Media. Continue to strengthen the City’s social media strategy to improve Auburn’s internal and external perceptions</p> <p>4.4 Public Relations. Launch a formal public relations campaign to change the region’s perception of Auburn</p> <p>4.5 Real Estate Market Reports. Develop a system for effective communication to the marketplace that educates businesses, developers, and brokers on opportunities available in the City</p> <p>4.6 Strategic Outreach. Reach out to decision makers in the target industries to encourage them to consider expanding or relocating in Auburn</p>

The City of Auburn’s Ten-Year Economic Development Strategic Plan is an ambitious plan that will require specialized staff and additional resources to implement. The transition to a more robust and proactive economic development program necessitates additional capacity in deal making; economic and market research; prospecting and prospect management; real estate finance; as well as marketing and outreach. Most municipally run economic development departments or offices that undertake this type of comprehensive economic development program are staffed by three to four specialists. Over the next three years, the City of Auburn must build up its economic development capacity, both in terms of staff and operating budget, in order to execute on these recommended strategies. The ideal staffing pattern would be an experienced economic developer supported by three economic development specialists (business development, marketing, and redevelopment) in addition to the tourism coordinator and real estate analyst.

Successful implementation will require not only additional resources but also an evaluation system that will demonstrate progress and provide feedback to the City about which strategies are working and which must be strengthened. Below is dashboard of outcome measures that should be tracked over the course of implementation. A more comprehensive list of metrics and measurement tools can be found on page 51.



INTRODUCTION

The City of Auburn (the City) benefits from a number of advantages including a rich cultural and economic history and a hard-working, civic-minded community. Auburn takes pride in its unique history while looking to the future. The annual Veterans Day Parade is an example of the value placed on family, community, and country by the City. From its origins as a farming community that capitalized on its access to rail, the City has transformed into a center for industry. The City's manufacturing sector expanded and includes one of Boeing Commercial Airplanes' most essential fabrication sites and the largest airplane parts plant in the world. The community's commitment to quality of place is demonstrated by the Auburn Environmental Park (a 200-acre passive open space and educational facility located one mile west of downtown) and the attention to detail given to civic spaces in recent downtown redevelopment projects. Nothing could be more emblematic of the community's focus on its future than Junior Achievement's World Learning Center in Auburn, which holds the successful BizTown and Finance Park programs that serve children around western Washington. The Innovation Partnership Zone further illustrates Auburn's forward-thinking approach and demonstrates its focus on economic success through partnerships.

Even with all of its successes, the City understands that the only path to a sustainable, healthy economy is through good jobs and a diversified economic base. Leaders have seen firsthand what happens when a single concentration of businesses in one industry is too large. The region boasts one of the country's largest clusters of distribution centers, of which the City has historically held a major concentration. These facilities were attracted to the area due to exceptional highway access and close proximity to two deep-water ports and an international airport. Despite low employment per building area, relatively low wage jobs, and the strain they place on city transportation infrastructure, these centers benefited the City because of the large amount of sales tax revenue they generated. However, in 2008, changes made by the Washington State legislature impacted these revenues. These changes redefined how the point-of-sale location was determined, moving it away from the distribution point. As a result, the City found itself facing all of the challenges of the industry without the associated tax revenue.

The City is at a pivotal time in its history. Over the last several years, remarkable development has taken place. New buildings have emerged and more are planned in and around the authentic downtown, like the recently completed 126-unit Trek Apartments, the 129-unit Merrill Gardens at Auburn that is currently under construction, and the 592-unit multifamily and senior housing development called the Reserve. New businesses are building and expanding in the community, such as Orion Industries' 100,000 square foot manufacturing facility that employs 265 people. Momentum has been built through hard work from elected leaders, City staff, and visionary business leaders and investors. With growth from Seattle spilling southward, the City will no doubt continue to see its own growth accelerate over the next ten years.

With the opportunity to shape its own future in mind, the City of Auburn embarked on a process to develop a ten-year economic development strategic plan to formalize its economic development program and transform it into a proactive, entrepreneurial effort. This plan will provide a guide for the City's economic development activities and investment over the next decade.

APPROACH AND METHODOLOGY

To assist in the development of the strategic plan, the City hired a team that included TIP Strategies, Heartland, and the Retail Coach. The scope of work was comprehensive and ambitious and took place over the course of eleven months. The pieces of the scope are described below:

- **Deep dives into the economic context and Auburn’s real estate market fundamentals:** This task required an in-depth analysis of Auburn’s position in the region versus its peer communities from the standpoint of demographics, schools, housing, job growth, tax rates and fees, and industrial and office markets (rents, stock, age, and development). The findings from this task painted a clear picture of Auburn’s strengths and weaknesses within the region.
- **A regulatory review:** A review of the regulatory environment (both policy and process) provided insights into any constraints to development in Auburn.
- **A market capacity study:** Heartland estimated the square footage of office and industrial space needed to meet the demand from project job growth and compared this figure to the amount of square footage the remaining developable land could support. This comparison provides a tool to evaluate whether or not Auburn can support future job growth.
- **An analysis of retail opportunities:** The Retail Coach defined Auburn’s retail trade areas and analyzed the demographics and psychographics of these areas to identify potential retailers that would be a good fit for Auburn. They assisted the City in creating and distributing customized marketing materials to these target retailers and worked with the City to identify potential sites for interested retailers. Their deliverables provide tools for the Economic Development Division and community partners to use when recruiting retail. These tools include demographic profiles for the retail trade areas, an interactive mapping application, and general instructions on how to use the information to target retailers.
- **A perception survey:** A survey to regional commercial real estate brokers documented the perceptions they hold about Auburn.
- **An assessment of Auburn’s competitive positioning:** This task assessed Auburn’s relative positioning based on the top ten factors that are important to corporate site selection and location.
- **Target industry analysis and profiles:** TIP analyzed industry clusters and segments to identify industry niches to target for business recruitment. Once the categories of industries and specific niches were identified, detailed profiles were created as a tool for the Economic Development Division as they develop industry knowledge and position Auburn for success in targeted business recruitment.
- **A review of key marketing materials:** The City’s online presence is the most important tool for the Economic Development Division to support its outreach activities. TIP evaluated the existing economic development webpage and made recommendations to improve its effectiveness.
- **Organizational recommendations:** TIP evaluated the City’s capacity to implement the strategic plan and made recommendations for resources needed from an operational standpoint.

The resulting deliverables are included as supporting documentation and analysis. In addition, the team conducted extensive public input, reaching more than 200 employers, community and regional leaders, residents, and other stakeholders. The key findings from both of these exercises are summarized in the next section.

KEY FINDINGS

The key findings below provide the City, the Economic Development Division, and its economic development partners information about Auburn’s competitive positioning—from both a business attraction and a development standpoint. It also identifies major constraints or barriers to economic development as well as key opportunities.

Demographics. The City of Auburn has been growing rapidly, adding almost 18,000 new residents over the last ten years. According to Esri, a leading data provider, the population of Auburn is expected to reach almost 85,000 residents by 2020. With a median age of 33.5 years old, Auburn’s population is relatively young and the senior (age 65+) is smaller than many of its peers in the region. However, Auburn’s population has lower educational attainment levels than many of its regional peers and has lower median household incomes.

Workforce. More than 37,000 residents are part of Auburn’s labor force. However, Auburn-based employers draw labor from a large area that extends across densely populated areas of the Seattle-Tacoma region. In fact, more than 35,000 workers commute into Auburn each day for work while more than 25,000 workers leave Auburn for jobs outside of the city limits. Auburn’s position within the region and its access to labor is one of its greatest strengths from a business attraction standpoint. Within a 45-minute drive time, there are an estimated 1.5 million workers.

Economy. Auburn has a diverse economic base with notably strong manufacturing and retail sectors. Auburn’s employment base grew by more than 6,500 jobs (14 percent) between 2010 and 2015 and is projected to add another 6,400 over the next ten years. Though Auburn’s manufacturing sector remains strong, the sector’s outlook is largely dependent upon Boeing specifically and the aerospace industry more generally.

Tax Base. Sales tax and property tax revenues account for more than two-thirds of the City’s sources of funds. This structure highlights the importance of a robust retail sector and a healthy commercial tax base. Motor vehicle sales are a vital part of the City’s retail tax revenue. Industrial uses, aerospace-related being one of the largest, are the most prominent segments of the commercial tax base. The City’s dependence on motor vehicle sales and aerospace could leave the City’s revenue at-risk in light of current trends in these two industries.

Quality of Place. Auburn is fortunate to have a strong and improving school district and Green River College to provide educational opportunities and workforce training. Relatively low and declining crime rates and a wide array of recreational and entertainment amenities support a high quality of life. Downtown Auburn is one of the City’s most unique and distinguishing features. Although conditions in the downtown have improved greatly over the last few years, much opportunity remains. The state of Auburn Way South, as one of the main perception corridors in the City, is an area with great potential and in need of significant enhancement. The issue of homelessness remains a problem both in Auburn and in the greater region.

Real Estate Market & Product. Auburn is a regional industrial center with a large stock of space 20 to 30 years old. Auburn’s industrial rents are the third highest in the South Sound subregion and its vacancy rate is one of the lowest. Its office market is relatively small and most of the square footage was built before 1990, but its vacancy rate is one of the lowest and its rents are about average for its peer group. Auburn’s low vacancy rates and lack of available buildings are its major constraints to job growth and economic diversification.

Regulatory Environment. Auburn’s regulatory environment was found to be comparable to its peer communities. Permitted uses are generally flexible. Height is prescriptive and massing is flexible for most zoning

CITY OF AUBURN

categories. Parking requirements are comparable to peers. The development process is relatively predictable and responsive. Auburn's fee structure makes it "average" in terms of the cost of doing business.

Market Capacity. Auburn's developable lands that are zoned for industrial and office uses are adequate to support Auburn's projected job growth over the next ten years. Opportunities for growth include the redevelopment of Valley 6 and the GSA Property as well as further development in Downtown Auburn and around the airport. The conversion of warehouse space to manufacturing represents another opportunity for strengthening and diversifying the tax base.

Retail Market. Auburn's primary retail trade area, which is the draw area for the "everyday shopper," has a population of 169,377 with median household incomes of more than \$70,000. Auburn's retail trade area, which is the draw area for its destination retailers such as those at the Outlet Collection, has a population of 525,778 with median household incomes of about \$68,000. The most significant areas of retail leakage were food and beverage stores, foodservice and drinking places, building material and garden equipment stores, and general merchandise stores.

Site Selection Competitiveness. Auburn is fortunate to be in a region that is known for being a magnet for world-class talent and companies. This regional strength can put Auburn on the list in the competition for business recruitment. Within the Seattle-Tacoma region, Auburn stands out for its central location, access to labor, and quality of life. The City's willingness and creativity in offering business assistance is another strength. The lack of available buildings and sites is Auburn's primary constraint.

Broker & Developer Perception. Among the more than 50 brokers who participated in an online survey, their perception of Auburn is more negative than their perception of regional peers. Respondents' perception of Auburn's business climate is more negative than other South Sound peers. In addition, respondents ranked the likelihood of clients considering Auburn for projects as lower than its peers. Among developers interviewed, there was more awareness of opportunities to invest in Auburn and the developers held a more favorable perception of Auburn's business climate. Promoting a more positive perception of Auburn and making sure brokers and developers in the region are aware of Auburn's value proposition is a significant opportunity.

Target Industry Analysis. Auburn's greatest opportunities for business expansion and attraction are still related to manufacturing and warehousing. Within these sectors, there are opportunities to expand and diversify into new or growing areas. In manufacturing, Auburn has a robust supply chain that supports the aerospace sector. These specializations and capabilities can support a wide range of innovative manufacturers. Auburn has the elements to become a regional hub for innovative "makers", but must work to build its reputation in this regard. Auburn is the heart of the regional distribution network. While warehousing uses are the dominant use currently, there is an opportunity for Auburn to deliberately grow its base of employers that support transportation and warehousing such as third-party logistics providers, wholesale trade agents and brokers, and transportation arrangement. The City's desire to increase its base of office-using businesses will require a degree of "market-making" as Auburn has a very small existing office market. The Sounder Station and the associated Transit-Oriented Development as well as the future redevelopment of the Valley 6 Drive-In are Auburn's key office opportunities. Finally, targeting retailers and restaurants will continue to be an opportunity for Auburn and an important component of diversifying and growing Auburn's tax base. Retail recruitment will also play a vital role in the revitalization of Downtown and Auburn Way South and in enhancing Auburn's quality of place, in general.

Marketing Tools. Websites are the single most important marketing and outreach tool in economic development. The City of Auburn’s primary online presence for economic development is through www.auburnwa.gov. The Economic Development Division is under the “Doing Business” section and reflects the consistent look and feel of the City’s website. While most all of the useful elements of an economic development website are there in www.auburnwa.gov/doing_business/economic_development.htm, it is difficult to find certain key information or requires many clicks to find it. Reorganizing and optimizing the City’s economic development online presence will improve the effectiveness of Auburn’s economic development marketing and outreach efforts.

Organizational Capacity. The City of Auburn’s Economic Development Division is a division of the Administration Department and is staffed by an economic development manager with a part-time contractor. Recently, a real estate analyst was transferred from Facilities to the Economic Development Division and a part-time tourism coordinator has been hired to support tourism promotion. This lean division is supported by many contributions of other departments, most directly by the Community Development and Public Works Department and the Finance Department. Under this current organizational structure, the City does not have excess capacity to implement a strategic plan or staff a proactive, entrepreneurial economic development initiative. Many peer cities both inside and outside of the region staff their departments with three to four economic development professionals or specialists and additional administrative support as needed.

THE RESPONSE

The City’s decision to develop and adopt a ten-year economic development strategic plan speaks to its acknowledgement that shaping Auburn’s future requires a formalized economic development program. Such programs have systematic processes for generating leads, managing prospects and projects, and providing a clear set of value-added services. Leads are generated through marketing and outreach efforts, and relationship management is an essential building block of a high-quality lead generation network. Leads are converted to prospects and projects through effective sales, and the depth of knowledge from the findings of this body of work informs and enhances the economic development team’s ability to articulate Auburn’s value proposition. In addition, forward-looking economic development programs build in mechanisms for identifying transformative projects that, if realized, would attract additional private investment to the City. Finally, the most successful programs recognize that strong partnerships greatly increase the impact and reach of their programs. All of these aspects of economic development programs are grouped into the strategic plan’s first focus area: **Delivery**.

Sales and marketing of any kind requires a clearly defined “product.” In economic development, the “product” is the real estate as well as the assets, amenities, business climate, and other factors that influence the attractiveness of the real estate. Auburn’s greatest strength is its access to a large labor pool. The City can make sure that its workforce strengths are documented and packaged well as a means of product enhancement. One of Auburn’s primary constraints is the lack of available buildings and sites that are “deal-ready.” This constraint is notable because businesses cannot expand or locate where there are no appropriate sites. Generating leads is futile if there is not suitable real estate. Auburn’s business and regulatory climate is not a constraint, but there are a few changes and enhancements that could make it even better. Auburn can directly influence its supply of available sites and buildings and can ensure that its business climate is competitive and supportive of responsible business growth. Strategies related to product enhancement and development are grouped into the plan’s second focus area: **Product**.

CITY OF AUBURN

Quality of place is important to both business and talent retention and attraction. A community's assets and amenities are central to its quality of place and define the community's character. A programmatic process for defining target areas and making strategic investments can have a transformative impact on a community's quality of place.

Downtown Auburn and Auburn Way South are the two areas that stakeholders prioritized for investment. Better connecting these and other assets can be a way of building critical mass that can propel Auburn to the tipping point. Strategies pertaining to enhancing Auburn's quality of place are grouped into the third focus area: **Place**.

A clear barrier to Auburn's success that came across through stakeholder input is the perception that internal and external audiences hold of the City. This perception can be influenced through branding, consistent messaging, as well as social media and public relations campaigns. More targeted outreach is needed to change perceptions and build awareness of Auburn among the regional real estate community and companies in the target sectors.

Strategies to change this perception and reach target audiences are grouped in the fourth focus area: **Messaging**.

These four focus areas define the structure of the plan. Each area was chosen for its potential contribution to moving Auburn forward towards its vision for the future. Each area also directly addresses an existing barrier to economic development and positions Auburn for future success.

STRATEGIC FRAMEWORK: FOCUS AREAS	
	1. Delivery: A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn
	2. Product: An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base
	3. Place: Attractive gateways, impression corridors, and destinations that define the character of Auburn
	4. Messaging: A coordinated marketing and branding campaign that elevates Auburn's reputation among internal and external audiences

THE REPORT

On the following pages, we define discuss Auburn's economic development vision. Then, we present each focus area with the strategies, actions, projects, and partnerships that support it. After discussing the recommended strategies, we propose responsible parties and a timeline for implementation as well as an organizational structure and resource plan for the City to expand its capacity dedicated to economic development.

The detailed findings and deliverables associated with each task in the scope of work are contained in a separate report of supporting documentation and analysis. Within this section of appendices are additional implementation tools to support the economic development team, such as strategic considerations in the target industry profiles and retail market analysis. There is also additional information that can and should inform how the economic development team positions Auburn in its marketing and outreach activities. The wealth of information contained in these pages should be a valuable resource to the implementation team.

VISION & GUIDING PRINCIPLES

A clear vision and guiding principles provide an overarching direction for strategic plans. In 2015, Auburn set out a vision for itself in the Comprehensive Plan. This vision was established through the Imagine Auburn visioning exercise and developed in the context of the Washington State Growth Management Act, King and Pierce County Planning Policies, and the Puget Sound Regional Council's VISION 2040.

The vision that emerged was:

"In 2035, Auburn is a city of connected and cherished places, from a vibrant downtown to quiet open spaces and everything in between, where a community of healthy, diverse, and engaged people live, work, visit, and thrive."

Along with this statement, the Comprehensive Plan set out a series of values that encapsulated the vision and formed an evaluation and decision-making framework for future city policies, regulations, initiatives, and investments. Each of these values is defined in detail in the Comprehensive Plan, which provides a very useful reference point for this economic development strategic plan. The value and vision from the Comprehensive Plan provides a clear guide for economic development activities over the next ten years and beyond.

Auburn's seven value statements are:

- 1. Character.** Developing and preserving attractive and interesting places where people want to be.
- 2. Wellness.** Promoting community-wide health and safety wellness.
- 3. Service.** Providing transparent government service.
- 4. Economy.** Encouraging a diverse and thriving marketplace for consumers and businesses.
- 5. Celebration.** Celebrating our diverse cultures, heritage, and community.
- 6. Environment.** Stewarding our environment.
- 7. Sustainability.** Creating a sustainable future for our community.

In addition to these value statements, the "Economy" value statement and description is further fleshed out with the articulation of a vision statement in the economic development element of the Comprehensive Plan. This vision statement is:

"Auburn is a community that has a robust and diverse economy where businesses seek to locate, people desire to visit, and residents enjoy a range of commercial offerings. Businesses that locate in Auburn find it easy to enter the marketplace, encounter ideal conditions for their long-term success, and become rooted and involved in the community. Visitors continue to return to Auburn because of its high-quality natural resources, parks, public spaces, and commercial attractions. Residents choose to live in Auburn because of the diverse, family wage employment opportunities and access to entertainment, restaurant, retail and services."

The vision above paints a picture of a vibrant commercial, employment, entertainment, and recreation center that has a regional draw. It is a magnet for businesses, talent, and visitors due to its high quality of place, diverse employment opportunities, and various entertainment and recreation options.

CITY OF AUBURN

It is with this vision and values in mind that the strategic planning process of Auburn’s ten-year economic development plan was defined. The process was driven by the understanding that achieving Auburn’s vision will take a deliberate, sustained, and strategic approach to economic development.

This planning effort builds off the Imagine Auburn initiative by adopting a simplified economic development vision and guiding principles that are consistent with the overarching vision laid out in the Comprehensive Plan, but narrower in scope and specific to this planning effort. This statement and principles will guide the economic development strategy and will help the City articulate its competitive advantages and its intentions. The framework that encompasses the City’s economic development approach is presented below.

VISION
<i>Auburn is the City that Works</i>
GUIDING PRINCIPLES
<ol style="list-style-type: none">1. A vibrant, connected, healthy community for residents to live, visitors to enjoy, and businesses to thrive2. A robust, diverse employment base that provides good economic opportunities for residents and supports high-quality city services3. A strong educational system that prepares residents with skills that Auburn-based employers seek

This simplified economic development vision is an acknowledgement of Auburn’s heritage as an agricultural and manufacturing center and to the strong work ethic of its residents. It also speaks to the City’s willingness to partner with the private sector to achieve its vision. The guiding principles define the City’s goals for its community, employment base, and educational system. The goal for the community is to be vibrant, connected, and healthy, in terms of both its residents and its physical environment. The employment base is to be diverse, resilient, and sustainable, supporting both current and future residents of Auburn. The educational system is aligned with employers’ needs, with a strong workforce development component and a K-12 system that prepares students with 21st Century skills. This vision and these guiding principles form the foundation of Auburn’s Ten-Year Economic Development Strategic Plan.



FOCUS AREA 1. DELIVERY

A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn

Auburn is fortunate to be in the path of growth, and, in the past years, the City has successfully set the stage for increased investment. As a result, the interest in and momentum around Auburn have been increasing and continue to build.

In 2014, Auburn’s population was almost 76,000. By 2020, Esri, a leading demographic data provider, estimates that Auburn’s population will be nearly 85,000. With the cost of housing continuing to climb throughout the Seattle region, Auburn and its South Sound peers will likely see population growth accelerate even more than these conservative projections predict.

Currently, the City is a net importer of labor with more workers commuting to Auburn for jobs each day than leaving. As new residents move into the community, Auburn’s economic development activities will influence whether there are job opportunities for these new residents in Auburn or whether they will commute outside the city limits for work.

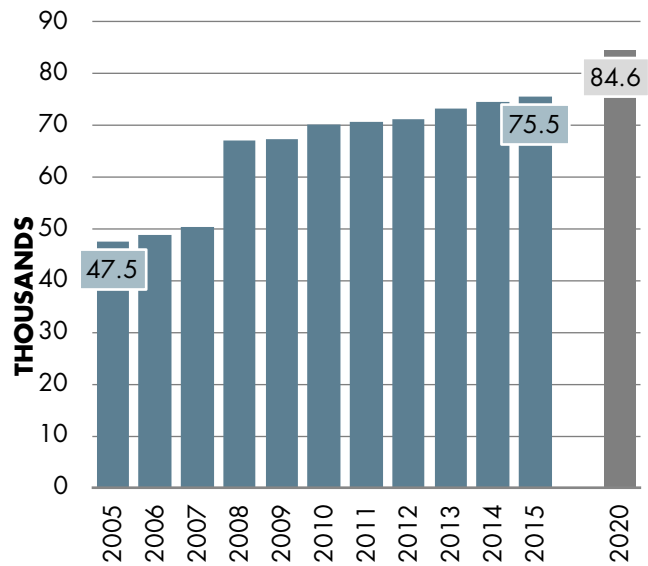
According to EMSI, a leading economic and labor market data provider, the City is projected to add over 6,400 jobs over the next 10 years. This number is also likely conservative. The actual number and composition of jobs could change dramatically with a targeted, entrepreneurial economic development program.

The City’s current economic development resources and structure allow the City to be responsive to opportunities that come its way. It has a proven track record of dedication and creativity that has yielded impressive results to date. However, the current program does not provide the capacity needed for the City to be proactive in seeking out the opportunities that it wants. To transform Auburn’s economic development delivery system to be both responsive and proactive, the City will need to augment its program with additional resources and stronger partnerships. This will position the City to better support the attraction, formation, retention, and expansion of businesses that form the economic backbone of the community and provide more and better economic opportunities for Auburn residents.

PRIORITY PROJECTS

- 1 New & Improved Website (1.1)
- 2 Structure for Identifying and Realizing Catalyst Projects (1.4)

FIGURE 1. CITY OF AUBURN, WA
ANNUAL ESTIMATES JULY 1 OF EACH YEAR



Source: The Washington State Office of Financial Management, Forecasting and Research Division. Projections via Esri.

1.1. Value-Added Services. Clearly define the services that the City of Auburn provides to businesses both directly and through partnerships. The list below lays out the value-added services that the City and its partners can or do provide existing businesses and businesses looking to relocate to Auburn. The City’s economic development webpage should be organized around these areas. (See Appendix G for more recommendations on the website)

Value-Added Service Area	Supporting Actions
<p>RELOCATION ASSISTANCE: <i>Activities include: site selection, development services, incentives</i></p>	<p>1.1.1. Utilize the IPZ Taskforce as TEAM AUBURN to help sell Auburn to prospects. Organize regular meetings of these team members to keep them informed of the prospect pipeline, meetings with prospects, and potential recruitment trips. Educate the team members on Auburn’s value proposition and the associated messaging to present a unified voice to prospects.</p> <p>1.1.2. Continue to assist prospects in finding suitable sites, navigating the development process in Auburn, and securing available incentives from local and state sources</p>
<p>SMALL BUSINESS ASSISTANCE: <i>Activities include: incubator management, 3No Networking, workshops and technical assistance, access to capital</i></p>	<p>1.1.3. Launch and manage a business incubator</p> <p>1.1.4. Continue to organize weekly 3No Networking at Auburn-based businesses</p> <p>1.1.5. Continue to partner with the Small Business Assistance Center at Green River College on technical assistance and workshops for small businesses</p> <p>1.1.6. Establish partnerships with area SBA lenders, community development financial institutions, and other nonprofit microlenders to provide better access to capital for businesses that do not qualify for bank financing</p> <p>1.1.7. Assemble a list of revolving loan funds and other financing resources that are available to Auburn-based businesses (a good start can be found here: http://www.oria.wa.gov/?pageid=737)</p>

Value-Added Service Area	Supporting Actions
<p>WORKFORCE DEVELOPMENT: <i>Activities include: custom training, talent pipeline partnerships</i></p>	<p>1.1.8. Continue to partner with Green River College and WorkSource to provide customized training</p> <p>1.1.9. Strengthen the partnership between Auburn Public Schools, Green River College, and Auburn’s business community by organizing industry sector partnerships that explore workforce demand, critical occupations, and available curricula</p>
<p>INFORMATION RESOURCES AND PUBLICATIONS: <i>Activities include: demographic and economic data, real estate market information, retail trade area data, supplier database, investment opportunities</i></p>	<p>1.1.10. Maintain a catalog of information and resources relevant to economic development on the City’s webpage</p> <p>1.1.11. Employ data such as CoStar, the King County Assessor database, and City-managed development tracking datasets to establish systems that regularly collect and visualize market trends, including new development, asking rents, vacancy rates, absorption, sales activity, and sales and leasing activity. Update and review this data at least quarterly and distribute the findings to stakeholders as part of the effort to espouse “Why Auburn” to the regional real estate community</p> <p>1.1.12. Update retail trade area data on an annual basis and make this accessible to stakeholders and partners electronically</p> <p>1.1.13. Provide profiles on the City’s target investment areas (See Strategy 3.1). These should include a map, basic information, public investment projects, as well as resources and tools available for private projects</p>

- 1.2. Local Business Visitation.** Formalize a business visitation program in partnership with the Chamber of Commerce to track trends among Auburn employers and identify any businesses in need of assistance
 - 1.2.1.** Establish a visitation protocol, a list of information to be collected during each visit, and set a goal how many businesses each year. Visiting four to eight businesses each month is a reasonable goal that would allow the City to reach a critical mass of employers.
 - 1.2.2.** Create a database of Auburn-based employers with the City’s business license database, paying particular attention to the inclusion of employers in key economic drivers (business & professional services, manufacturing, healthcare, distribution)

- 1.2.3. Using CoStar or other sources, identify employers who have leases that will be expiring in the next two or three years to be prioritized for visitations
- 1.2.4. Maintain detailed notes on visits in the economic development project database to document the relationship over time
- 1.2.5. Compile information collected from visits to track trends among employers and distribute these findings to stakeholders, such as local and regional economic development partners, the mayor, the city council, and city department heads, in an annual report and presentation

1.3. Business Recruitment. Recruit new businesses, including retail, to Auburn to provide better economic opportunities and enhance Auburn’s quality of place

- 1.3.1. Strengthen relationships with brokers, developers, and industry associations in the metro area and create an education outreach program targeted to these groups to ensure that Auburn stays top of mind for business relocation. NAIOP (Commercial Real Estate Development Association), International Council of Shopping Centers (ICSC), and Urban Land Institute (ULI) are important organizations in which to be actively involved. In addition, industry associations, such as the Pacific Northwest Aerospace Alliance, the Aerospace Futures Alliance and the Center for Advanced Manufacturing Puget Sound, are also good vehicles for cultivating strong relationships.
- 1.3.2. Cultivate strong partnerships with the Economic Development Council of Seattle & King County, the Economic

RETAIL RECRUITMENT

Retail recruitment will be an important part of Auburn’s business attraction activities. An expanded and more robust retail sector not only generates sales tax for the City but also augments the City’s quality of place by providing additional amenities. Thus, retail recruitment reinforces the City’s efforts to diversify the tax base, attract new employers and residents, as well as revitalize target areas such as downtown and Auburn Way South.

As part of this strategic planning process, the Retail Coach (TRC) defined Auburn’s primary retail trade area and retail trade area. For each area, TRC summarized key demographic characteristics, examined the retail opportunities, and established the major psychographic profiles. These analyses are provided both online and in Appendix C.

TRC then identified target retailers, created custom retailer feasibility packages for each retailer, and sent these packages to the real estate departments of each of the retailers. Any leads that came about from this outreach were referred to the City’s Economic Development Office.

In addition, TRC created retail market profiles that the City and its partners can use to reach out to additional retailers.

Finally, TRC made recommendations on how the City can best approach retail recruitment:

1. Continue to focus on the recruitment of developers, as they tend to drive much of the retail development in Washington.
2. Attend ICSC RECON every year as well as ICSC regional events taking place in Washington, Oregon, and California throughout the year.
3. Sell Auburn to retailers and developers as a Primary Trade Area population of 169,377 and not as a community population. For those larger and destination retailers, use the Retail Trade Area population of 525,778.
4. Continue to use the Cell Phone Shopper Analysis as a tool to combat retailers’ perceptions of store spacing issues.
5. Build awareness of Auburn among national retailers by advertising in publications such as the Dallas Business Journal, New York Business Journal, Shopping Centers Today, etc.
6. Maintain awareness of retail incentives being offered by other communities in the region and consider using similar incentives sparingly in cases that would significantly expand the retail trade area or generate a great deal of new tax revenue.

CITY OF AUBURN

Development Board for Tacoma-Pierce County, the Washington State Department of Commerce, the Port of Seattle, the Northwest Seaport Alliance, the Greater Seattle Trade Development Alliance, and Challenge Seattle to identify co-marketing opportunities and joint trade missions in order to strengthen Auburn's lead generation network

- 1.3.3.** Join the coalition of local governments and organizations that represent the communities of the greater South Sound region (from Des Moines south to Olympia). This effort is in the process of being formed and will be centered on growing the South Sound economy and addressing unique economic challenges and opportunities
- 1.3.4.** During business visitations (*see Strategy 1.2*), ensure that Auburn-based businesses are aware of the value-added services that the City provides and have information on the different economic development initiatives. This group of business leaders can serve as an indirect salesforce (e.g. they can generate leads among their peers) if they are saying positive things about Auburn's business climate and economic development opportunities
- 1.3.5.** Cultivate relationships among promising young companies across the metro who are currently involved in incubator or accelerator programs. Market Auburn as an inviting "landing pad" where they can grow in a supportive environment that is well-located, accessible, and affordable
- 1.3.6.** Actively prospect among companies in target industries (*See Appendix F*)

1.4. Catalyst Projects. Identify and advance catalyst projects that will facilitate Auburn's evolution

- 1.4.1.** Work with city council and department heads to identify and prioritize potential catalyst projects, ensuring that the projects also align with all department activities. The Livable City Year provides an opportunity to vet projects in 2016-17 and can be a starting point for this project list
- 1.4.2.** Hold quarterly work sessions with this group to learn from guest speakers about what other communities are doing and to brainstorm what Auburn could do. Guests could include staff from other cities, urban planners, or economic developers that could share their experiences with the group
- 1.4.3.** From the project list generated in the quarterly sessions, prioritize projects based on feasibility, expense, time frame, impact, and alignment with Auburn's focus areas
- 1.4.4.** For the two or three top ranked projects, attain formal approval from department heads and the city council to move them forward
- 1.4.5.** Create project teams for each approved project of three to five individuals responsible for implementation
- 1.4.6.** Maintain a tool that tracks progress on project implementation, and report progress and outcomes at the quarterly meetings
- 1.4.7.** Build awareness of these projects and report the successful implementation of any projects through the public relations campaign (*See Strategy 4.4*)

1.5. Strategic Relationships. Foster relationships with key entities that support economic activity in the City. These include:

- 1.5.1. Puget Sound Energy:** Energy availability and cost to deliver are common questions from businesses looking to locate in an area. The City should be able to connect prospective businesses with the appropriate PSE staffer to have questions quickly addressed. The City should be aware of planned improvements to the system
- 1.5.2. Muckleshoot Tribe:** The Tribe is a major property owner in the City and has shared its economic development goals. The City should work together with the Tribe to ensure that planning activities with overlapping interests are cooperatively discussed and considered
- 1.5.3. Port of Seattle:** As part of the Port's Century Agenda, it is seeking to help add 100,000 jobs in the next 100 years. To do this, it has stated an interest in assisting cities with unlocking industrial property and positioning it for redevelopment. Land around the airport and in northwest Auburn that is challenged with wetlands may be opportunity areas
- 1.5.4. King County:** Work with the County on improving the stormwater function in the area west of SR 167
- 1.5.5. Army Corps of Engineers:** Establishing a working relationship with the ACE regarding wetland delineation and mitigation strategies is important for proactively assisting developers seeking to improve land with wetlands. The early involvement of the ACE should improve permitting efficiency
- 1.5.6. Transportation:** Engage with agencies that support multimodal transportation infrastructure including PSRC, Sound Transit, King County Metro, and Pierce Transit. The City should continue to advocate for funding to support transportation improvements



FOCUS AREA 2. PRODUCT

An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base

Economic development takes place in a competitive environment. This competition often starts on a global scale and continues down to specific sites as companies filter out possibilities based on their operational needs. Area Development’s 2015 Survey of Corporate Executives ranked respondents’ top site selection criteria. The top ten criteria are presented in Figure 2.

Auburn’s primary strength, and the strength of the South Sound region, is its access to skilled labor. In the 145 zip codes that are within about a 45-minute drive of Auburn, there are 1.5 million workers. Over 800,000 of these workers fall into the “middle skills” segment of workers. In fact, Auburn has very good access to hard-to-find skillsets such as customer service representatives, truck drivers, registered nurses, maintenance and repair workers, and various types of technicians that support manufacturing operations.

Auburn’s primary constraint is the availability of sites and buildings with vacancy. This constraint is important because a community’s inventory of sites and buildings determines whether or not it can enter into the competition for business investment.

The majority of the other site selection factors distinguish regions across the country from one another. In that regard, Auburn is fortunate to be located in a region that is a magnet for talent and investment, which provides it with an advantage over communities of similar size in less competitive regions.

Within the Seattle–Tacoma Metro area, the competition to attract businesses is stiff, and communities must differentiate themselves to stand out from their peers. At this level, local incentives, business climate, available amenities, reputation, and relationships often play a large role in determining where a project lands. With a concentrated effort to make enhancements in each of these areas, Auburn can significantly improve its competitive positioning among its regional peers.

PRIORITY PROJECTS

- ① Labor Profile (2.1)
- ② Deal-Ready Site Inventory (2.2)

FIGURE 2. TOP SITE SELECTION FACTORS
FIRST QUARTER 2016

FACTOR	AUBURN RATING
1. Availability of skilled labor	●
2. Highway accessibility	◐
3. Quality of life	◐
4. Occupancy or construction costs (Seattle MSA)	●
5. Available buildings	◐
6. Labor costs (Seattle MSA)	◐
7. Corporate tax rate	◐
8. Proximity to major markets	●
9. State and local incentives	◐
10. Energy availability and costs	◐

Scale: ● = Excellent; ◐ = Poor

Source: Area Development’s Survey of Corporate Executives, TIP Strategies Research.

2.1. Labor Market Information. Design and maintain information resources that demonstrate Auburn’s strength in terms of its access to skilled labor

2.1.1. Maintain up-to-date labor market information on Auburn and its laborshed and make this information available on the economic development website as well as in a report format. This information can be obtained through paid data sources such as EMSI or from free sources such as the Employment Security Department, the Bureau of Labor Statistics, and the Census Bureau’s On the Map application

2.1.2. For target industries, create profiles that highlight the availability of relevant occupations as well as training programs and other workforce development resources

2.2. Deal-Ready Sites. Ensure a supply of deal-ready sites to accommodate new business investment in Auburn

2.2.1. Maintain an inventory of Auburn’s most important parcels and sites – those with high-impact development or redevelopment potential or that are located in strategic areas.

2.2.2. Among the eight sub-areas identified in the Comprehensive Plan, focus on the airport area, Emerald Downs, the GSA Property, and Northwest Auburn as key planning areas with high commercial development potential. Appendix F details industries that would be a good fit for Auburn and how Auburn and these planning areas should be positioned to attract these industries

2.2.3. Work with relevant land owners or brokers to package these sites with highly informative information packets (electronic) (*see Site Packaging to the right*) and actively promote these sites to prospective businesses and regional brokers

2.2.4. Encourage the land owner and broker to list the site on the City’s inventory of buildings and sites

SITE PACKAGING

In the past five years, there has been a proliferation of site certification programs across the US. To be certified, landowners collect vital information and conduct some of the preliminary studies necessary for site development. While the mechanics of these programs vary widely from place to place, the primary value of the certification programs is the depth of information available on these key sites. An inventory of sites with this kind of information available can provide a community an edge over competition.

Below is a list of the information that should be collected on key sites, to the extent that it is available:

- Ownership status
- Description of parcel(s), including current uses, zoning, special zones, and current assessment information
- Boundary survey
- Phase I environment audit/assessment
- Geo-technical studies
- Topographical analysis and maps
- Aerial photography
- Engineered site development plans
- Detailed analysis of site development cost
- Complete information on pricing
- Utility services, including types of services and name of providers
- Industrial power quality
- Transportation access

- 2.2.5. Meet with institutional investors and owners of underperforming properties to make the case for additional investment to increase their yields
- 2.2.6. Facilitate the conversion of industrial buildings that are currently used for warehousing and distribution to manufacturing or other sales tax generating uses by identifying and tracking conversion opportunities based on:
 - Physical building characteristics;
 - Current ownership (proactive outreach to understand motivations and offer support);
 - Current tenancy;
 - Anticipated utility undergrounding requirements; and
 - Whether land area can support a manufacturing parking ratio

FIGURE 3. INDUSTRIAL AND OFFICE DEVELOPMENT OPPORTUNITY AREAS



- 2.2.7.** Work with land owners to facilitate conversion opportunities, redevelopment of high-potential parcels, or the assembly of multiple parcels by addressing barriers where possible and connect them with local developers and real estate investors who seek these kinds of opportunities
- 2.2.8.** Maintain a database, as part of the economic development project database, of all known businesses seeking additional space in the region to make connections with property owners in Auburn as space becomes available
- 2.2.9.** Work with the ACE and King County to identify and implement strategies that may unlock wetland/storm water impaired areas of the City where appropriate.
- 2.2.10.** Evaluate the feasibility of annexing some or all of the areas adjacent to the City that are in unincorporated King County as a means of improving Auburn’s commercial land base. Two of the three areas highlighted in **Figure 3** are located within the urban growth area (UGA), and one is located outside the UGA.

2.3. Economic Development Toolbox. Create a robust toolbox to influence economic development outcomes

- 2.3.1.** Catalog all tools available. The Municipal Research and Services Center (MRSC) has a good database: <http://mrsc.org/Home/Explore-Topics/Economic-Development/Financing-Economic-Development/Funding-Sources-for-Economic-Development-Financial.aspx>. For each tool, summarize how it works and how can be used
- 2.3.2.** Consider and evaluate the feasibility of the following programs:
 - As part of the pending 2017/2018 DUC code updates, the permitting of taller buildings that could provide structured parking in the building podium and improve the likelihood of project feasibility
 - A property tax abatement program similar to the Multifamily Tax Exemption for properties looking to convert existing warehouses to manufacturing uses. This would need to be piloted with approval from the State Legislature
 - A Landscape Conservation and Local Infrastructure Program (LCLIP), which allows the City to access County property tax revenues to support needed infrastructure improvements
 - Public Development Authorities (PDA) for areas such as the airport that may leverage revenue bonds.
 - New Market Tax Credits (NMTC) for commercial projects (nmtccoalition.org)
 - Community Economic Revitalization Board (CERB) grants for transportation projects
- 2.3.3.** Collect examples of communities who use these tools in an innovative way to support projects that advance their economic development goals and share these with relevant City stakeholders
- 2.3.4.** Ensure that city council and City staff are well-informed of the type and use of financing tools available to municipalities

- 2.3.5.** Establish a policy that sets out the City’s goals for the use of these various tools as well as a process and framework for evaluating projects
- 2.3.6.** Adopt the guideline for effective and responsible incentives use (*See guidelines listed in call-out*)
- 2.3.7.** Adopt a comprehensive fiscal and economic impact tool to measure the return on investment for projects being evaluated. Impact Datasource or InformAnalytics are two examples
- 2.3.8.** Create content for the City’s website and for brochures that allows owners and developers to understand the tools and programs that may be available for their project and how it relates to their pro forma
- 2.3.9.** Develop a clear flowchart that establishes the process that owners and developers will need to follow to obtain assistance in order to set realistic expectations

2.4. Continuous Process Improvement. Evaluate and continue to improve the City’s land use and building permit process and performance. Projects that require key decisions from multiple departments have reportedly been slowed by an inefficient decision making process. To address this:

- 2.4.1.** Continue to employ the permitting performance tracking system to understand performance. This should track the progress of a permit and allow the applicant to know in real time which department(s) are reviewing the permit and when a decision is to be made.
- 2.4.2.** Develop a regular report based on information from the tracking system that allows the development community and city staff to understand how efficiently permits are being processed.
- 2.4.3.** Create a map-based report with supporting tables that tracks all major commercial developments in the City including new construction and major renovations. This should be updated quarterly and be made available to the public.

GUIDELINES FOR EFFECTIVE AND RESPONSIBLE INCENTIVE USE

- Incentives should be aligned with the city’s economic development goals.
- Upfront data and analysis can reduce risk and improve outcomes.
 - Due diligence that includes background research on applicants and business case analysis for projects seeking major discretionary incentives help communities make good decisions.
 - Evaluating project attributes relative to economic development goals and quantifying fiscal and economic impacts of proposed investments enable economic development organizations to determine whether projects can generate net benefits for the community.
 - Good analysis can help explain and build support for decisions.
- Define performance requirements and monitor compliance with performance agreements to assess whether project milestones were reached.
- Be prepared to report on who is receiving incentives, how much is being spent, and the results of that spending.
- Establish policies to protect the community in the case of non-performance.
- Regularly (every three to five years) evaluate the city’s portfolio of incentives to understand which programs are most helpful in achieving economic development goals.

Source: www.smartincentives.org.

2.4.4. Consider reviewing the fee structure associated with permit reviews. Currently the fee covers three review iterations. A stepped fee structure that increases with each review would create an incentive for the applicants to thoroughly incorporate code requirements prior to plan submittal.

2.4.5. Establish precedents log that may be used for future staff to reference how certain situations that share similar conditions were addressed previously. This would create a mechanism to retain institutional knowledge and serve as reference for staff to provide developers and their design team with a clearer idea as to how react to its proposal.. This should track the progress of a permit and allow the applicant to know in real time which department(s) are reviewing the permit and when a decision is to be made.

2.5. Zoning Modification. Reevaluate zoning districts and modify certain aspects of the code

2.5.1. Expand the Downtown Urban Center (DUC) zoning district to include the logical adjacent areas. To enact this change, cooperation with the Puget Sound Regional Council (PSRC) will be necessary.

2.5.2. Consider zoning modifications related to height and parking discussed in Appendix B to improve project feasibility

2.5.3. Add flexibility to the industrial land use code to allow for more yard storage and permitted uses such as building contractors in districts that are currently more restrictive. Such added flexibility could better support desirable business activity without undermining the intent of the original restriction. See Appendix B for more information

2.5.4. Consider an overlay on the Landing Field (LF) zone and adjacent commercial properties to permit airside supportive land uses around the airport

2.6. Cost Comparison. Annually compare Auburn’s development/impact fees, tax rates, and rebate programs to peers

2.6.1. Conduct research on regional peers to identify any rate changes or fee changes and record in a business climate database, which can be created with information from this strategic plan

2.6.2. Document any significant changes and distribute a summary report to relevant department heads

2.6.3. Work collectively to resolve any issues revealed by this research exercise

2.6.4. Publicize the areas where Auburn stands out among its peer group to the regional real estate community



FOCUS AREA 3. PLACE

Attractive gateways, impression corridors, and destinations that define the character of Auburn

Auburn’s Comprehensive Plan designated special planning areas—districts, sub-areas, impression corridors, and gateways—because they warrant additional emphasis in planning, investments, and policy development. Prioritizing the underperforming special planning areas for additional investment and coordinating these investments with other economic development activities can hasten the transformation of these areas into community assets. Together, these areas define rich character areas in Auburn and play a large role in shaping people’s perceptions of the City.

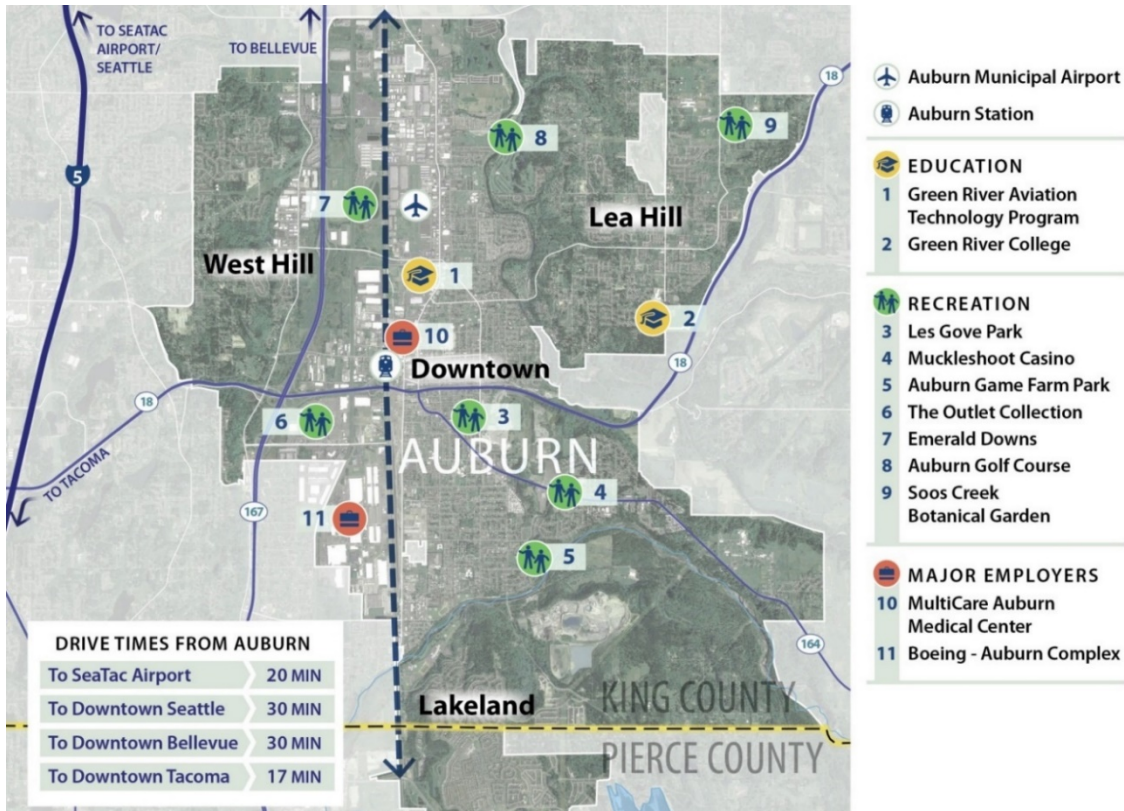
PRIORITY PROJECTS

- 1 Downtown Revitalization (3.3)
- 2 Target Investment Program (3.1)

Auburn is also fortunate to have an array of destinations that draw visitors to Auburn from across the region, including an authentic downtown and a number of different recreational amenities. The map in Figure 4 lists the various assets and amenities. These regional amenities enhance the quality of life of Auburn residents and attract visitors to Auburn.

However, many of these special planning areas and amenities lack connectivity, both socially and physically. Working to connect these different areas and amenities and adding to the inventory of destinations could greatly enhance Auburn’s reputation in the regional tourism and real estate markets.

FIGURE 4. AUBURN ASSET/CONTEXT MAP



Source: Heartland Research.

3.1. Strategic Investment. Create a target investment program to guide strategic infrastructure investments that enhance Auburn’s economic development opportunities.

3.1.1. Create a cross-departmental forum for identifying and prioritizing areas for targeted infrastructure investment

3.1.2. Evaluate market-challenged areas for their potential to attract private investment through targeted public investment projects and designate two or three areas as “Target Investment Areas” based on the criteria below:

- Does this (or could this) area function as a vital gateway, impression corridor, or destination for Auburn?
- Are there sites in the area with high redevelopment potential?
- Are there barriers to redevelopment that can be addressed by infrastructure investments?
- Would investment in the area yield net benefits to Auburn (cost-benefit analysis)?

3.1.3. Align the City’s resources, both planning and programmatic, around the Target Investment Areas to ensure they reinforce capital investments

3.1.4. Tailor a suite of services and/or incentives that is available to support private sector projects in the Target Investment Areas in order to overcome real or perceived market gaps

3.1.5. Package the information and actively market the areas to potential investors and other stakeholders (See *Strategy 2.2.1*)

SPOKANE’S TARGET INVESTMENT PROGRAM

Adopted in 2011 and further refined in 2013, the Spokane Targeted Investment Program seeks to align public investments in economic development, neighborhood planning, community development, and capital improvements with private investments. The goal of this program is to increase the impact of the City’s investments, resulting in more opportunities for business growth and better residential living environments.

The strategy is designed around four pillars:

Revitalization Planning: Implementing the City’s Comprehensive Plan, identifying neighborhood opportunity areas, and aligning different implementation tools;

Targeted Area Development: Creating tailored investment strategies, integrating plans and projects from different City departments, utilizing local nonprofit support, and creating market-driven economic opportunities;

Financial Incentive Planning: Compiling a comprehensive list of available incentives, aligning growth strategies, stressing the “Window of Opportunity” to investors, and creating sustainable and dedicated funding sources for target areas; and,

Economic Development Assistance: Packaging incentives and project portfolios for interested applicants, marketing and outreach activities, and responding to project and stakeholder needs.

The program was initially piloted on two target areas. In 2015, it was expanded to six target areas. To staff the program, there is one incentives expert and a designated expert for each of the target areas. Each area has a separate webpage with news and announcements, project descriptions and maps, and a detailed prospectus.

In addition to its own resources, the City has successfully secured a number of grants to help address some of the challenges in the targeted areas, including brownfield planning and redevelopment, transportation, and other technical assistance.

Through various outreach activities, Spokane’s city staff has promoted awareness of the program and the special incentives available. As a result, there has been an uptick in pre-development applications in certain target areas and increased transactions and building rehabilitation in others. In one of the areas, the business association has requested the creation of a Business Improvement District to support the city’s efforts in their area.

3.2. Regional Transportation. Maintain and enhance regional transportation connections to ensure ease of travel to, from, and within Auburn

- 3.2.1.** Prioritize improvements on and around Auburn Way North and Auburn Way South and a better connection from SR-167 connection to downtown
- 3.2.2.** Continue to partner with Sound Transit to secure adequate parking around the Sounder station as well as convenient service and better multi-modal connectivity to downtown and other Auburn destinations
- 3.2.3.** Continue to improve the Auburn Municipal Airport by conducting a needs assessment of businesses located in Auburn and in the immediate region to understand whether they could use an enhanced airport for business purposes and what improvements would be needed

3.3. Downtown Revitalization. Continue to invest in downtown revitalization

- 3.3.1.** Optimize regional multimodal downtown connectivity both to and from the City to ease travel times and improve the downtown experience
- 3.3.2.** Re-evaluate the Business Improvement Area to look at how ratepayers are assessed, who is being assessed, and how the funds can best be used. This is a valuable tool for downtown revitalization but it is currently being underutilized
- 3.3.3.** Develop an investment brochure (electronic and print) for downtown that features a map of the Downtown Urban Center; key data and statistics; overview of public investment; available incentives; photographs that highlight new investment and potential investments; and a map with available parcels
- 3.3.4.** Publicize a comprehensive list of incentives available to support projects in the Downtown Urban Center both in the brochure and on the City’s website. These include the following benefits:

Downtown-Specific

- Multi-Family Tax Exemptions
- Storefront Improvement Program

DOWNTOWN AUBURN REVITALIZATION

Downtown Auburn is one of the City’s greatest assets as few suburban cities have an authentic, historic downtown. Over the past six years, the City has invested millions of dollars in projects to set the stage for increased growth downtown. As a result, a number of large scale projects have been completed or are underway, including the Trek Apartments, Merrill Gardens, and the expansion of Multicare. The core of Main Street, however, remains an underperforming diamond in the rough.

To address this challenge, revitalization efforts should focus on the section of Main Street from Division Street to E Street SE. This corridor should have a carefully curated tenant mix that is anchored by deliberately spaced businesses. These anchor tenants should generate foot traffic for the other storefronts in between them. Together, the tenant mix of Main Street Auburn should create a unique retail and entertainment destination that supports surrounding employers and housing developments and draws people downtown.

While events can help raise awareness of downtown’s businesses, it will have more impact at this stage of downtown revitalization to work directly with building owners and brokers to target specific businesses in order to enhance the area’s tenant mix.

- Downtown Zoning and Design Standards
- A Comprehensive Environmental Impact Review
- Excess Stormwater Capacity

City-Wide

- Deferred Impact Fee and System Development Charges
- Construction Sales Tax Exemption
- Small Business Assistance Program
- New Market Tax Credits (for qualifying Census tracts)
- No Business and Operations Tax

3.3.5. Continue to partner with the Auburn Downtown Association to support existing small businesses downtown and to recruit targeted retailers and tenants downtown

3.3.6. Continue to actively seek investors and developers for downtown projects

3.3.7. Approach successful restaurateurs and local retailers both in Auburn and the Greater Seattle region to ask if they would be interested in expanding downtown

3.4. Auburn Way South Revitalization.

Designate Auburn Way South as an additional Targeted Investment Area

3.4.1. Complete the Auburn Way South Corridor Plan

3.4.2. Develop an investment brochure (electronic and print) for Auburn Way South to highlight the opportunities that are identified in the corridor plan. Include a map; renderings of potential projects; key data and statistics; and an overview of public investment and available programs

3.4.3. Strengthen the City’s partnership with the Muckleshoot tribe around the revitalization of this corridor

3.5. Destination Connections. Create stronger connections between Auburn’s primary tourism

THE PEARL’S FOOD ENTREPRENEUR KIOSK



In San Antonio, Texas, the historic Pearl Brewery has been revitalized to create a vibrant entertainment district. Anchored by the Culinary Institute of America, the Pearl features a number of innovative dining concepts. One of these is the kiosk pictured above. During the weekly farmers’ market at the Pearl, a featured chef takes over the kiosk and tests a menu on the farmers’ market patrons. Customers order at the counter and enjoy their meal at the adjacent outdoor seating area. The kiosk provides food entrepreneurs with space to innovate as well as a built-in customer base. This opportunity to test and sharpen restaurant concepts in the kiosk has bolstered the burgeoning “foodie” culture that is one of the defining features of the Pearl.

assets and develop new assets to attract more visitors to Auburn

- 3.5.1.** Develop and market packages that include visits to three or four tourism destinations to offer to both residents of and visitors to the metro area (e.g. Golf & Gamble, Shop & Slots, Music & More)
- 3.5.2.** Coordinate a brewery and distillery tour. Green River Cyclery has regular tours to breweries and would have good insights into how this would work
- 3.5.3.** Consider creating a food entrepreneur kiosk downtown where a guest chef can serve a featured menu. This could be a way of fostering the growth of unique restaurants in Auburn and could address the need for a sit-down restaurant for business lunches
- 3.5.4.** Explore the feasibility of a hop-on/hop-off tour or shuttle that runs between the Outlet Collection, the golf course, downtown, the casino, White River Amphitheater, and Emerald Downs to facilitate visitors' movement from one place to another

3.6. Regional Tourism. Strengthen regional tourism connections

- 3.6.1.** Evaluate the potential benefits of establishing a Tourism Promotion Area that includes neighboring communities
- 3.6.2.** Establish a regional partnership of communities to jointly promote the South Sound as a tourism destination



FOCUS AREA 4. MESSAGING

A coordinated marketing and branding campaign that elevates Auburn’s reputation among internal and external audiences

Auburn has a strong heritage and history that define a unique character and foster community pride. While Auburn faces challenges, its citizens see great opportunity. The word cloud below is how Auburn’s residents perceive Auburn today.

PRIORITY PROJECTS

- ① Brand Enhancement (4.1)
- ② Target Industry Outreach (4.6)



Auburn is in the midst of an exciting transformation. There are numerous positive changes going on right now in the City, and residents recognize this momentum and the potential for improvement. The word cloud below is how Auburn residents describe Auburn in ten years.



CITY OF AUBURN

Though positive words dominate these word clouds, a number of negative perceptions are held both by Auburn residents, by the larger region, and by the regional real estate community. These perceptions are largely influenced by media reports on crime in Auburn and by under-performing impression corridors and gateways that lead to Auburn's tourism destinations. These negative perceptions undermine Auburn's potential. There is also a large number of residents in the greater Seattle area that have no knowledge of Auburn and hold a neutral perception. Auburn must work to change these neutral and negative perceptions to positive ones. In doing so, the City should also build awareness of Auburn as a destination – for recreation, living, and business investment.

Currently, the organizations that define the City of Auburn's brand identity, both internally and in the Seattle region, are not unified. The City of Auburn's tagline is "more than you imagined." This tagline is also shared by the Auburn Tourism Board. The Auburn Downtown Association and Chamber of Commerce, however, each have unique logos and brands that are distinct from the City's. On social media, the Auburn Police Department, the City of Auburn, the Chamber of Commerce, and the Innovation Partnership Zone have active presences that are also distinct. A more unified, collective voice and identity that spans all of these entities could be more effective in changing the internal and external perceptions of Auburn.

- 4.1. Brand Enhancement.** Develop a stronger brand for Auburn and reinforce this with unified messaging across organizations
 - 4.1.1.** Adopt a new tagline. "More than you imagined" implies that people already hold a negative perception of Auburn
 - 4.1.2.** Coordinate a consistent marketing theme and campaign that applies across the City, economic development, the Chamber of Commerce, the Auburn Downtown Association, and the Auburn Tourism Board
 - 4.1.3.** Regularly (quarterly or annually) create talking points for community leaders and partner organizations that highlight positive developments in Auburn, success stories, and why it is a desirable place to visit, live, work, and invest
 - 4.1.4.** Invest in a wayfinding and placemaking strategy to reinforce this brand across Auburn
- 4.2. Internal Image.** Build a more positive perception and a greater sense of community among Auburn residents through a strong partnership with the Auburn Reporter and other local media outlets including public radio, community websites, and social media outlets
 - 4.2.1.** Profile positive developments in Auburn that feature City investments, new businesses, and other economic development successes in order to build awareness of the City's positive momentum
 - 4.2.2.** Publish interviews of Auburn residents that highlight the things they like to do in Auburn and good memories of Auburn in order to strengthen the community's pride and cohesion
- 4.3. Social Media.** Continue to strengthen the City's social media strategy to improve Auburn's internal and external perceptions
 - 4.3.1.** Develop a more consistent and strategic economic development voice across social media platforms, in particular LinkedIn and Twitter in order to develop a greater awareness of economic development activities in Auburn

4.3.2. Leverage 3No Networking to distribute more positive stories about Auburn and Auburn’s business culture

4.3.3. Connect with Auburn’s key influencers through social media and push out positive content through this network. Content can be about economic development successes, business climate, and other aspects of the City’s transformation

4.3.4. Launch a hashtag campaign (#ThisIsAuburn or #AuburnWorks or #AuthenticAuburn) related to Auburn’s brand that helps promote positive perceptions

4.4. Public Relations. Launch a formal public relations campaign to change the region’s perception of Auburn

4.4.1. Focus on earned media as a strategy to educate the region about Auburn’s positive attributes. Earned media refers to publicity gained through promotional efforts other than advertising, as opposed to paid media, which refers to publicity gained through advertising.

4.4.2. Build awareness of Auburn as a destination for visitors, for residents, and for business investment by making these audiences aware of community assets, the housing market, transportation linkages, and investment opportunities

4.4.3. Create a buzz about Auburn, particularly in the Seattle-Tacoma metro area by publicizing stories in local and regional news outlets that demonstrate what a great location Auburn is. These stories could feature the City’s success stories and relocations (be sure to highlight specifics about Auburn’s assets that enable its companies to succeed). They should also highlight growth in Auburn, including the investment downtown and companies who have invested in Auburn

KEY INFLUENCERS DEFINED

The term “key influencers” is often part of social media strategy. These individuals are active online and are followed by a target audience. Connecting with these individuals allows a campaign to reach these audiences and push content to them. Social media analytics tools, such as FollowerWonk and Klout, can be used to identify key influencers.

AUBURN’S TOP 10 ASSETS

The City has a distinct value proposition and competitive positioning that it must articulate when “selling” itself to brokers, site selectors, and prospects.

1. **ACCESS TO SKILLED LABOR** to support industrial activities
2. **CENTRAL LOCATION** between ports, transportation assets, and anchor cities (Seattle and Tacoma)
3. An **AUTHENTIC AND HISTORIC DOWNTOWN** with a Sounder Station
4. **BROAD AND DEEP SUPPLY CHAIN** to support manufacturing
5. **RECREATION AND ENTERTAINMENT AMENITIES** – parks, casino, race track, golf course, shopping
6. **GREEN RIVER COLLEGE** is a partner in workforce training
7. **UP AND BNSF** rail lines and BNSF is expanding
8. A strong and stable **INDUSTRIAL MARKET**
9. **A DIVERSE COMMUNITY** with a strong sense of pride
10. A city government that is **A WILLING PARTNER**

CITY OF AUBURN

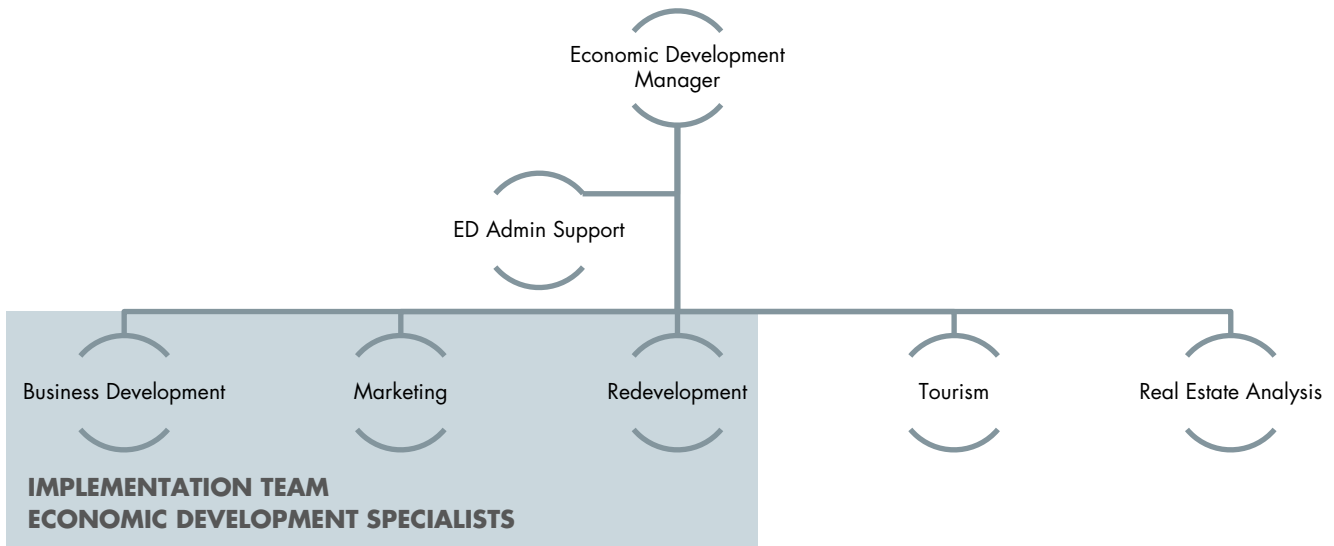
- 4.4.4.** Generate press releases and blog posts that promote opportunities to visit, live, invest, and work in Auburn
- 4.5. Real Estate Market Reports.** Develop a system for effective communication to the marketplace that educates businesses, developers, and brokers on opportunities available in the City
 - 4.5.1.** Transition the internal market tracking system used to evaluate market benchmarks to publish a regular report that can be distributed to the business, brokerage, and development community
 - 4.5.2.** Conduct regular forums with commercial brokers to discuss Auburn perceptions, opportunities, and regional activity
- 4.6. Strategic Outreach.** Reach out to decision makers in the target industries to encourage them to consider expanding or relocating in Auburn
 - 4.6.1.** Leverage Auburn’s community of business leaders and executives to reach peers in their networks by cultivating stronger relationships and keeping them well-informed of Auburn’s strengths and resources available for economic development
 - 4.6.2.** As part of TEAM AUBURN, have a core team of executives who are willing to meet with prospects and help sell Auburn
 - 4.6.3.** Attend key trade shows in target industries and use these events as opportunities to gather industry intelligence and make person-to-person connections. Leave behind compelling marketing collateral with industry players
 - 4.6.4.** Join regional economic development trade missions in collaboration with regional and state economic development organizations whenever possible
 - 4.6.5.** Take advantage of Seattle’s position as a global destination for conferences. Follow the regional conference schedule and look for opportunities to meet with prospects while they attend conferences in the region
 - 4.6.6.** When traveling, schedule appointments with any local executives in target industry sectors that are in the area

IMPLEMENTATION AND ORGANIZATION

The Auburn Ten-Year Economic Development Strategic Plan is ambitious. It will require a transition of the current economic development infrastructure to a cohesive department with additional capacity and expertise. This will allow the City of Auburn to have one of the most robust and entrepreneurial economic development programs in the region. The City’s investment in economic development will yield a return that will strengthen the City’s tax base, create economic opportunities, and transform the City to a vibrant and connected hub in the Seattle-Tacoma metro area.

STAFFING

The recommendations below are based on the consulting team’s knowledge of organizational best practices and a review of peer city budgets and staffing.



Recommended Staffing Structure. The structure above would provide the capacity to implement the strategic plan. The Manager, who leads the team, is an experienced economic developer that has led teams successfully in complex transactions, innovative program management, and effective communications with stakeholders. The Business Development position has expertise in prospect management, deal making, business visitation, and economic development analysis and research. A Marketing position carries out all outreach and marketing activities. The Redevelopment position has expertise in real estate development and real estate finance. An administrative assistant supports the team. In addition, the tourism coordinator position that is funded by the LTAC, and the real estate analyst, transferred from facilities, are now part of the team. This provides the opportunity of greater integration of these functions with economic development.

This staffing structure would provide the City with the capacity to conduct ongoing research to support business recruitment and retention/expansion activities and to consistently produce and deliver content to support a marketing and outreach strategy. Both of these functions enable economic development programs to identify prospective companies and establish/maintain relationships with these potential prospects. This structure also provides the department with the capacity to build a much stronger referral network that consists of local business

leaders and regional real estate brokers and developers. The outcome of this increased capacity should be more and higher-quality prospects and projects, which should accelerate investment and job creation in Auburn. The Redevelopment expertise provides economic development programs with an enhanced ability to identify redevelopment opportunities, structure deals, and complete projects. An in-depth knowledge of financing tools available in the State of Washington and at the Federal Government should enable Auburn to access capital to support redevelopment opportunities.

The additional staffing will cost about \$436,000 annually once the Economic Development Division is fully staffed in 2019.

Operating Budget. Funding the additional functions of the ED Division's programs will require an additional \$78,000. This includes a \$60,000 marketing and outreach budget that can be used for public relations, marketing materials (including web design), social media, trade show travel and attendance, and limited advertising. An additional \$18,000 for data services, memberships, and market and economic research would cover a subscription to Hoovers.com, on-going consulting services, and memberships to NAIOP and ICSC.

Budget Summary. The additional staffing requirements and operating budget will likely require up to a total of \$514,000 annually by 2019.

IMPLEMENTATION

Because of its ten-year scope, this strategic plan has a long list of strategies and actions. Implementing these will take time and can only be done as resources and capacity are added. To implement this plan, the City should first focus on reorganizing itself to be consistent with the strategic direction of the plan. Adding a staff person dedicated to business development will enable the deployment of the program foundations, which should directly correlate with increasing investment into the City. The marketing position will enable the City to implement Focus Area 4 more fully. Redevelopment expertise will allow the City to advance further in the implementation of Focus Areas 2 and 3.

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
OPPORTUNITY 1: DELIVERY					
Strategy 1.1. Clearly define the services that the City of Auburn can provide to businesses both directly and through partnerships.					
1.1.1. Organize regular meetings of the IPZ taskforce as TEAM AUBURN to keep them informed of the prospect pipeline, meetings with prospects, and potential recruitment trips	Manager & Business Development	■			
1.1.2. Continue to assist prospects in finding suitable sites, navigating the development process in Auburn, and securing available incentives from local and state sources	Manager & Business Development	■			
1.1.3. Launch and manage a business incubator	Manager & Business Development / SBDC		■		
1.1.4. Continue to organize weekly 3No Networking at Auburn-based businesses	Manager & Marketing / SBDC	■			
1.1.5. Continue to partner with the Small Business Assistance Center at Green River College on technical assistance and workshops for small businesses	Manager & Marketing / Chamber ADA	■			
1.1.6. Establish partnerships with area SBA lenders, community development financial institutions, and other nonprofit microlenders to provide better access to capital for businesses that do not qualify for bank financing	Business Development / SBDC			■	

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
1.1.7. Assemble a list of revolving loan funds and other financing resources that are available to Auburn-based businesses	Business Development / SBDC			■	
1.1.8. Continue to partner with Green River College and WorkSource to provide customized training	Manager	■			
1.1.9. Strengthen the partnership between Auburn Public Schools, Green River College, and Auburn’s business community by organizing industry sector partnerships that explore workforce demand, critical occupations, and available curricula	Manager / WorkSource Workforce Development Council			■	
1.1.10. Maintain a catalog of information and resources relevant to economic development on the City’s webpage	Business Development	■			
1.1.11. Track and report market trends at least quarterly and distribute the findings to stakeholders as part of the effort to espouse “Why Auburn” to the regional real estate community	Business Development		■		
1.1.12. Update and distribute retail trade area data annually	Business Development	■			
1.1.13. Provide profiles on the City’s target investment areas	Business Development			■	
Strategy 1.2. Formalize a business visitation program to track trends among Auburn employers and identify any businesses in need of assistance					
1.2.1. Establish a visitation protocol, a list of information to be collected during each visit, and set a goal how many businesses each year.	Business Development / Chamber		■		
1.2.2. Create a database of Auburn-based employers with the City’s business license database	Business Development		■		
1.2.3. Using CoStar or other sources, identify employers who have leases that will be expiring in the next two or three years to be prioritized for visitations	Business Development		■		
1.2.4. Maintain detailed notes on visits in the economic development project database to document the relationship over time	Business Development / Chamber		■		
1.2.5. Compile information collected from visits to track trends among employers and distribute these findings to stakeholders in an annual report and presentation	Business Development / Chamber		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 1.3. Recruit new businesses, including retail, to Auburn to provide better economic opportunities and enhance Auburn’s quality of place					
1.3.1. Strengthen relationships with brokers, developers, and industry associations in the metro area and create an education outreach program targeted to these groups	Manager		■		
1.3.2. Cultivate strong partnerships with regional organizations to identify co-marketing opportunities and joint trade missions	Manager			■	
1.3.3. Join the coalition of local governments and organizations that represent the communities of the greater South Sound region	Manager		■		
1.3.4. During business visitations, ensure that Auburn-based businesses are aware of the great services that the City provides and have information on the different initiatives	Business Development		■		
1.3.5. Cultivate relationships among promising young companies across the metro	Business Development			■	
1.3.6. Actively prospect among companies in target industries	Business Development		■		
Strategy 1.4. Identify and advance catalyst projects that will facilitate Auburn’s evolution					
1.4.1. Work with city council and department heads to identify and prioritize potential catalyst projects	Manager			■	
1.4.2. Hold quarterly meetings with this group to learn from guest speakers about what other communities are doing and to brainstorm what Auburn could do	Manager			■	
1.4.3. From the project list generated in the quarterly sessions, prioritize projects based on feasibility, expense, time frame, impact, and alignment with Auburn’s opportunity areas	Manager / Department Heads			■	
1.4.4. For the two or three top ranked projects, create a project team of three to five individuals responsible for implementation	Manager / Department Heads			■	
1.4.5. Maintain a tool that tracks progress on project implementation, and report progress and outcomes at the quarterly meetings	Admin			■	

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 1.5. Foster relationships with key entities that support economic activity in the City					
1.5.1. Initiate and cultivate relationships.	Manager	■			
OPPORTUNITY 2: PRODUCT					
Strategy 2.1. Design and maintain information resources that demonstrate Auburn’s strength in terms of its access to skilled labor					
2.1.1. Maintain up-to-date labor market information on Auburn and its laborshed and make this information available on the economic development website as well as in a report format	Business Development / <i>WorkSource</i>		■		
2.1.2. For target industries, create profiles that highlight the availability of relevant occupations as well as training programs and other workforce development resources	Business Development / <i>WorkSource</i>		■		
Strategy 2.2. Ensure a supply of deal-ready sites to accommodate new business investment in Auburn					
2.2.1. Maintain an inventory of Auburn’s most important parcels and sites – those with high-impact development or redevelopment potential or that are located in strategic areas.	Real Estate & Redevelopment			■	
2.2.2. Among the eight sub-areas identified in the Comprehensive Plan, focus on the airport area, Emerald Downs, the GSA Property, and Northwest Auburn as key planning areas with high commercial development potential	Real Estate & Redevelopment / <i>Community Development & Public Works</i>			■	
2.2.3. Work with relevant land owners or brokers to package these sites with highly informative information packets (electronic) and actively promote these sites to prospective businesses and regional brokers	Real Estate & Redevelopment			■	
2.2.4. Encourage the land owner and broker to list the site on the City’s inventory of buildings and sites	Real Estate & Redevelopment			■	
2.2.5. Meet with institutional investors and owners of underperforming properties to make the case for additional investment to increase their yields	Manager & Redevelopment				■

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
2.2.6. Facilitate the conversion of industrial buildings that are currently used for warehousing and distribution to manufacturing or other sales tax generating uses	Redevelopment				■
2.2.7. Work with land owners to facilitate conversion opportunities, redevelopment of high-potential parcels, or the assembly of multiple parcels by addressing barriers where possible and connect them with local developers and real estate investors who seek these kinds of opportunities	Redevelopment				■
2.2.8. Maintain a database as part of the CRM of all known businesses seeking additional space in the region to make connections with property owners in Auburn as space becomes available	Business Development			■	
2.2.9. Evaluate the feasibility of annexing the areas adjacent to the City that are in unincorporated King County as a means of improving Auburn’s commercial land base	Manager				■
Strategy 2.3. Create a robust toolbox to influence economic development outcomes					
2.3.1. Catalog all tools available in the state	Business Development / Finance		■		
2.3.2. Consider and evaluate the feasibility of the additional programs	Manager / Finance		■		
2.3.3. Collect examples of communities who use these tools in an innovative way to support projects that advance their economic development goals and share these with relevant City stakeholders	Business Development / Finance		■		
2.3.4. Ensure that city council and City staff are well-informed of the type and use of financing tools available to municipalities	Manager / Finance		■		
2.3.5. Establish a policy that sets out the City’s goals for the use of these various tools as well as a process and framework for evaluating projects	Manager / City Council, Finance		■		
2.3.6. Adopt the guideline for effective and responsible incentives use	Manager / City Council, Finance		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
2.3.7. Adopt a comprehensive fiscal and economic impact tool to measure the return on investment for projects being evaluated	Manager / Finance		■		
2.3.8. Create content for the City’s website and for brochures that allows owners and developers to understand the tools and programs that may be available for their project and how it relates to their pro forma	Business Development / Finance		■		
2.3.9. Develop a clear flowchart that establishes the process that owners and developers will need to follow to obtain assistance in order to set realistic expectations	Business Development / Finance		■		
Strategy 2.4. Evaluate and continue to improve the City’s land use and building permit process and performance.					
2.4.1. Continue to employ the permitting performance tracking system to understand performance	Business Development / Community Development & Public Works		■		
2.4.2. Develop a regular report based on information from the tracking system that allows the development community and city staff to understand how efficiently permits are being processed	Business Development / Community Development & Public Works		■		
2.4.3. Create a map-based report with supporting tables that tracks all major commercial developments in the City including new construction and major renovations	Business Development / Community Development & Public Works		■		
2.4.4. Consider reviewing the fee structure associated with permit reviews	Manager / Community Development & Public Works		■		
2.4.5. Establish precedents log that may be used for future staff to reference how certain situations that share similar conditions were addressed previously	Business Development / Community Development & Public Works		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 2.5. Re-evaluate zoning districts and modify certain aspects of the code					
2.5.1. Expand the Downtown Urban Center (DUC) zoning district to include the logical adjacent areas	Manager / Community Development & Public Works			■	
2.5.2. Consider zoning modifications related to height and parking to improve project feasibility	Manager / Community Development & Public Works		■		
2.5.3. Add flexibility to the industrial land use code to allow for more yard storage and permitting uses such as building contractors in districts that are currently more restrictive	Manager / Community Development & Public Works		■		
2.5.4. Consider an overlay on the Landing Field (LF) zone and adjacent commercial properties to permit airside supportive land uses around the airport	Manager / Community Development & Public Works		■		
Strategy 2.6. Annually compare Auburn’s development/impact fees, tax rates, and rebate programs to peers					
2.6.1. Conduct research on regional peers to identify any rate changes or fee changes and record in a business climate database, which can be created with information from this strategic plan	Business Development / Finance, Community Development & Public Works			■	
2.6.2. Document any significant changes and distribute a summary report to relevant department heads	Business Development / Finance, Community Development & Public Works			■	
2.6.3. Work collectively to resolve any issues revealed by this research exercise	Business Development / Finance, Community Development & Public Works			■	

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
2.6.4. Publicize the areas where Auburn stands out among its peer group to the regional real estate community	Business Development & Marketing			■	
OPPORTUNITY 3: PLACE					
Strategy 3.1. Create a target investment program to guide strategic infrastructure investments that enhance Auburn’s economic development opportunities					
3.1.1. Create a cross-departmental forum for identifying and prioritizing areas for targeted infrastructure investment	Manager / Mayor’s Office				■
3.1.2. Evaluate market-challenged areas for their potential to attract private investment through targeted public investment projects and designate two or three areas as “Target Investment Areas”	Redevelopment				■
3.1.3. Align the City’s resources, both planning and programmatic, around the Target Investment Areas to ensure they reinforce capital investments	Manager / Department Heads				■
3.1.4. Tailor a suite of services and/or incentives that is available to support private sector projects in the Target Investment Areas in order to overcome real or perceived market gaps	Manager & Redevelopment				■
3.1.5. Package the information and actively market the areas to potential investors and other stakeholders	Redevelopment & Marketing				■
Strategy 3.2. Maintain and enhance regional transportation connections to ensure ease of travel to and from Auburn					
3.2.1. Prioritize improvements on and around Auburn Way North and Auburn Way South and a better connection from SR-167 connection to downtown	Manager / Community Development & Public Works	■			
3.2.2. Continue to partner with Sound Transit to secure adequate parking around the Sounder station as well as convenient service and better multi-modal connectivity to downtown and other Auburn destinations	Manager / Community Development & Public Works	■			

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
3.2.3. Continue to improve the Auburn Municipal Airport by conducting a needs assessment of businesses located in Auburn and in the immediate region to understand whether they could use an enhanced airport for business purposes and what improvements would be needed	Business Development / Auburn Municipal Airport			■	
Strategy 3.3. Continue to invest in downtown revitalization					
3.3.1. Optimize regional multimodal downtown connectivity both to and from the City to ease travel times and improve the downtown experience	Manager / Community Development & Public Works	■			
3.3.2. Re-evaluate the Business Improvement Area to look at how ratepayers are assessed, who is being assessed, and how the funds can best be used	Business Development / Finance ADA		■		
3.3.3. Develop an investment brochure (electronic and print) for downtown that features a map of the Downtown Urban Center; key data and statistics; overview of public investment; available incentives; photographs that highlight new investment and potential investments; and a map with available parcels	Marketing / ADA		■		
3.3.4. Publicize a comprehensive list of incentives available to support projects in the Downtown Urban Center both in the brochure and on the City’s website	Marketing / ADA		■		
3.3.5. Continue to support existing small businesses downtown and to recruit targeted retailers and tenants downtown	Business Development / SBDC ADA	■			
3.3.6. Continue to actively seek investors and developers for downtown projects	Manager, Redevelopment / ADA	■		■	
3.3.7. Approach successful restaurateurs and local retailers both in Auburn and the Greater Seattle region to ask if they would be interested in expanding downtown	Redevelopment / ADA			■	

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 3.4. Designate Auburn Way South as an additional Targeted Investment Area					
3.4.1. Complete the Auburn Way South Corridor Plan	Redevelopment / Community Development & Public Works			■	
3.4.2. Develop an investment brochure (electronic and print) for Auburn Way South to highlight the opportunities that are identified in the corridor plan	Marketing / Community Development & Public Works			■	
3.4.3. Strengthen the City’s partnership with the Muckleshoot tribe around the revitalization of this corridor	Manager / Mayor’s Office			■	
Strategy 3.5. Create stronger connections between Auburn’s primary tourism assets and develop new assets to attract more visitors to Auburn					
3.5.1. Develop and market packages that include visits to three or four tourism destinations to offer to both residents of and visitors to the metro area (e.g. Golf & Gamble, Shop & Slots, Music & More)	Tourism		■		
3.5.2. Coordinate a brewery and distillery tour. Green River Cyclery has regular tours to breweries and would have good insights into how this would work	Tourism		■		
3.5.3. Consider creating a food entrepreneur kiosk downtown where a guest chef can serve a featured menu	Tourism		■		
3.5.4. Explore the feasibility of a hop-on/hop-off tour or shuttle that runs between the Outlet Collection, the golf course, downtown, the casino, White River Amphitheater, and Emerald Downs to facilitate visitors’ movement from one place to another	Tourism		■		

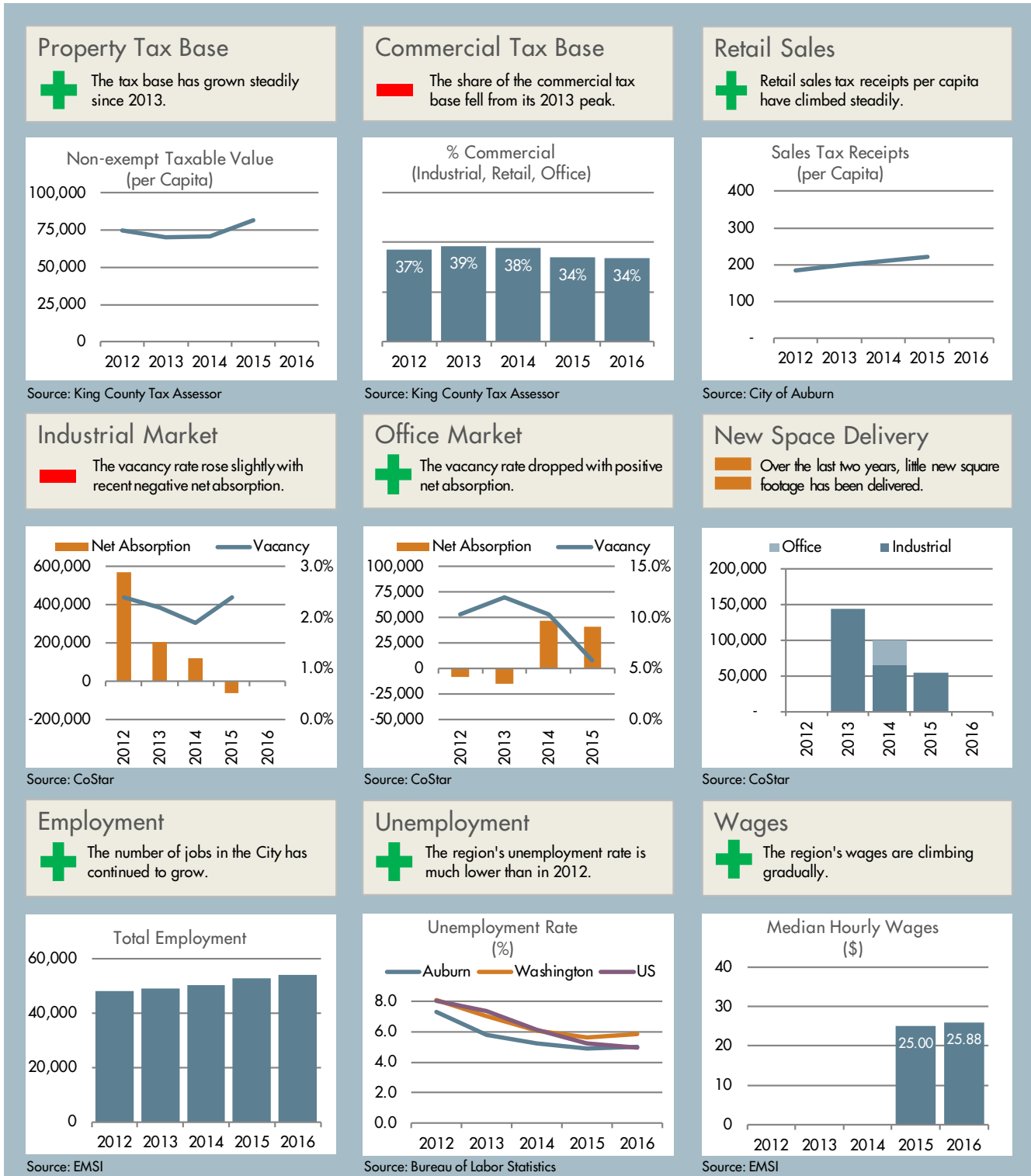
	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 3.6. Strengthen regional tourism connections					
3.6.1. Evaluate the potential benefits of establishing a Tourism Promotion Area that includes neighboring communities	Manager, Tourism			■	
3.6.2. Establish a regional partnership of communities to jointly promote the South Sound as a tourism destination	Manager, Tourism				■
OPPORTUNITY 4: MESSAGING					
Strategy 4.1. Develop a stronger brand for Auburn and reinforce this with unified messaging across organizations					
4.1.1. Adopt a new tagline.	Manager / Mayor, City Council, Department Heads		■		
4.1.2. Coordinate a consistent marketing theme and campaign that applies across the City, economic development, the Chamber of Commerce, the Auburn Downtown Association, and the Auburn Tourism Board	Marketing		■		
4.1.3. Regularly (quarterly or annually) create talking points for community leaders and partner organizations that highlight positive developments in Auburn and why it is a desirable place to visit, live, and invest	Marketing		■		
4.1.4. Invest in a wayfinding and placemaking strategy to reinforce this brand across Auburn	Manager, Marketing / Community Development & Public Works				■
Strategy 4.2. Build a more positive perception and a greater sense of community among Auburn residents through a strong partnership with the Auburn Reporter and other local media outlets					
4.2.1. Profile positive developments in Auburn that feature City investments, new businesses, and other economic development successes in order to build awareness of the City’s positive momentum	Marketing		■		
4.2.2. Publish interviews of Auburn residents that highlight the things they like to do in Auburn and good memories of Auburn	Marketing		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 4.3. Continue to strengthen the City’s social media strategy to improve Auburn’s internal and external perceptions					
4.3.1. Develop a more consistent and strategic economic development voice across social media platforms, in particular LinkedIn and Twitter in order to develop a greater awareness of economic development activities in Auburn	Marketing		■		
4.3.2. Leverage 3No Networking to distribute more positive stories about Auburn and Auburn’s business culture	Marketing	■	■		
4.3.3. Connect with Auburn’s key influencers through social media and push out positive content through this network	Marketing		■		
4.3.4. Launch a hashtag campaign related to Auburn’s brand that helps promote positive perceptions	Marketing		■		
Strategy 4.4. Launch a formal public relations campaign to change the region’s perception of Auburn					
4.4.1. Focus on earned media as a strategy to educate the region about Auburn’s positive attributes	Marketing		■		
4.4.2. Build awareness of Auburn as a destination for visitors, for residents, and for business investment by making audiences aware of community assets, the housing market, transportation linkages, and investment opportunities	Marketing		■		
4.4.3. Create a buzz about Auburn, particularly in the Seattle-Tacoma metro area by publicizing stories in local and regional news outlets that demonstrate what a great location Auburn is.	Marketing		■		
4.4.4. Generate press releases and blog posts that promote opportunities to visit, live, invest, and work in Auburn	Marketing		■		
Strategy 4.5. Develop a system for effective communication to the marketplace that educates businesses, developers, and brokers on opportunities available in the City					
4.5.1. Transition the internal market tracking system used to evaluate market benchmarks to publish a regular report that can be distributed to the business, brokerage, and development community	Business Development, Real Estate, Marketing		■		
4.5.2. Conduct regular forums with commercial brokers to discuss Auburn perceptions, opportunities, and regional activity	Business Development, Real Estate, Marketing		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 4.6. Reach out to decision makers in the target industries to encourage them to consider expanding or relocating in Auburn					
4.6.1. Leverage Auburn’s community of business leaders and executives to reach peers in their networks by cultivating stronger relationships and keeping them well-informed of Auburn’s strengths and resources available for economic development	Manager	■			
4.6.2. As part of TEAM AUBURN, have a core team of executives who are willing to meet with prospects and help sell Auburn	Business Development		■		
4.6.3. Attend key trade shows in target industries and use these events as opportunities to gather industry intelligence and make person-to-person connections	Manager, Business Development		■		
4.6.4. Join regional economic development trade missions in collaboration with regional and state economic development organizations whenever possible	Manager, Business Development / Mayor’s Office		■		
4.6.5. Take advantage of Seattle’s position as a global destination for conferences	Business Development		■		
4.6.6. When traveling, schedule appointments with any local executives in target industry sectors that are in the area	Business Development		■		

PERFORMANCE EVALUATION AND MEASUREMENT

To understand the impact of the City's economic development efforts and to track success, it is important to monitor a set of key performance indicators. Below is a set of indicators that are tied to three topics directly related to the strategies contained in this plan: 1) tax base; 2) real estate market; and 3) economic opportunity.



CITY OF AUBURN

In addition to these key performance indicators, the City should monitor output measures related to these topic areas and other strategies. Suggested measures include:

- Jobs created and average wages- only projects that the ED Division managed
- Private investment overall and by target area
- Square feet of distribution conversions
- Return on investment (ROI) on any incentives (fiscal & economic impact)
- Industrial and office lease rates
- Broker activity
- Restaurants and retailers – new and closed
- Employment by sector
- Wages by sector
- Earned media
- Web traffic

It will also be useful to track some of these metrics for peer cities and the metro area to provide context for Auburn's performance.

Being able to drill down further to get behind the key performance indicators will allow the City to evaluate strategy implementation and make tweaks to the strategic plan as necessary. This feedback loop is how the strategic plan transforms into a living document that will maintain relevancy over the ten-year period.

The Economic Development Office should be responsible for maintaining updating these metrics on an on-going basis with the assistance from the consulting team, as needed.

CONCLUSION

The City of Auburn should be commended for their recognition of the importance of economic development strategic planning at this juncture in Auburn's history and in the context of a booming regional economy. With the plan in place, the City will be positioned to transition its economic development program to a more robust and comprehensive program that will allow it to influence its own economic development future. The implementation and monitoring of the plan will be the next phase. This work will take discipline and direction, leadership and collaboration, and patience and perseverance across the City and with multiple partners. The City of Auburn's Ten-Year Economic Development Strategic Plan provides the foundation and lays out the framework to coordinate the City's continued evolution into a unique and thriving hub in the Seattle-Tacoma region.