



Capital Projects Seminar – Norfolk, Virginia  
Profitable developments to increase community goodwill

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Port of Everett, Washington State  
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# Audience Participation

TEXT YOUR QUESTIONS  
DURING PRESENTATION  
425-420-8330



# The Role of the Port

- ▶ Economic development
- ▶ Job creation
- ▶ Tax base expansion
- ▶ Access to recreation

TEXT YOUR QUESTIONS TO 425-420-8330 DURING PRESENTATION

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# Balanced Waterfront: Scorecard

## Why not do it?

- ▶ Massive capital demands for a competitive terminal operation
- ▶ Challenging impaired parcels
- ▶ Lack of supporting market presence

## Why do it?

- ▶ Catalyzes community redevelopment
- ▶ Strengthens regional image
- ▶ Restores public lands to tax roles
- ▶ Promotes environmental sustainability
- ▶ Builds community interest/goodwill



TEXT YOUR QUESTIONS TO 425-420-8330 DURING PRESENTATION

# Elements for mixed use project:

## MUST HAVES

- ▶ Ripe Opportunity
- ▶ Leadership with aligned intent
- ▶ Determination
- ▶ Community Support

## STEPS

- ▶ Define Opportunity Area
- ▶ Develop Key Partnerships
- ▶ Research Market Advantages
- ▶ Create Vision and Define goals
- ▶ Evaluate Feasibility and Identify Incentives
- ▶ Invest in infrastructure
- ▶ Early Win Strategy
- ▶ Community Communication Plan



# City of Bremerton, Washington

## CASE 1 DISINVESTED REAL ESTATE







1932: 250 ton hammer head crane

## Opportunity Situation

### World War II Era Navy Town

- Rural mall development gutted main street
- Built with its back to the waterfront
- Industrial history not embraced
- Crisis of community confidence
- False starts based on disconnected vision and silver bullet theory



## Catalyst Events

- Aligned/determined leadership sustained over time
- Ripe real estate opportunities
- Walkable scale
- Realization of unique story
- Trend toward town center development

## Positive Actions

- Sustained public **commitment**
- True **partnering** (risk and reward)
- **Authentic** story
- **Realistic** Expectation
- A focused approach



## Public Investment

- Utilities infrastructure
- Marina
- Conference center
- Fast Ferries
- Dinner Theatre
- New parks
- Condos
- Government building
- Road improvement
- Wayfinding



## Public Funding

- Municipal capital projects
- Port of Bremerton
- Government facilities
- Utilities rates
- State Public Facilities District
- Homeland Security
- State and Federal Transportation
- National Endowment for the Arts
- HUD Economic Development



*Admiral Theatre: former cinema National Endowment for the Arts*



Bremerton Park



PSNS Naval Museum



## Development Catalyzed

- Fine dining restaurant
- Hotel
- Housing
- Retail
- Business start ups
- Art district
- Improved regional image
- Private investment
- 20 years in making



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Sailor Statue

## Lessons Learned

- ▶ Build on the authentic place
- ▶ Be strategic about intensity of messaging
- ▶ Keep it connected
- ▶ Private partners/business are key to traffic generation
- ▶ Never give up





# City of Bothell, Washington

## CASE 2 REALIGNMENT OPPORTUNITY



City of Bothell™



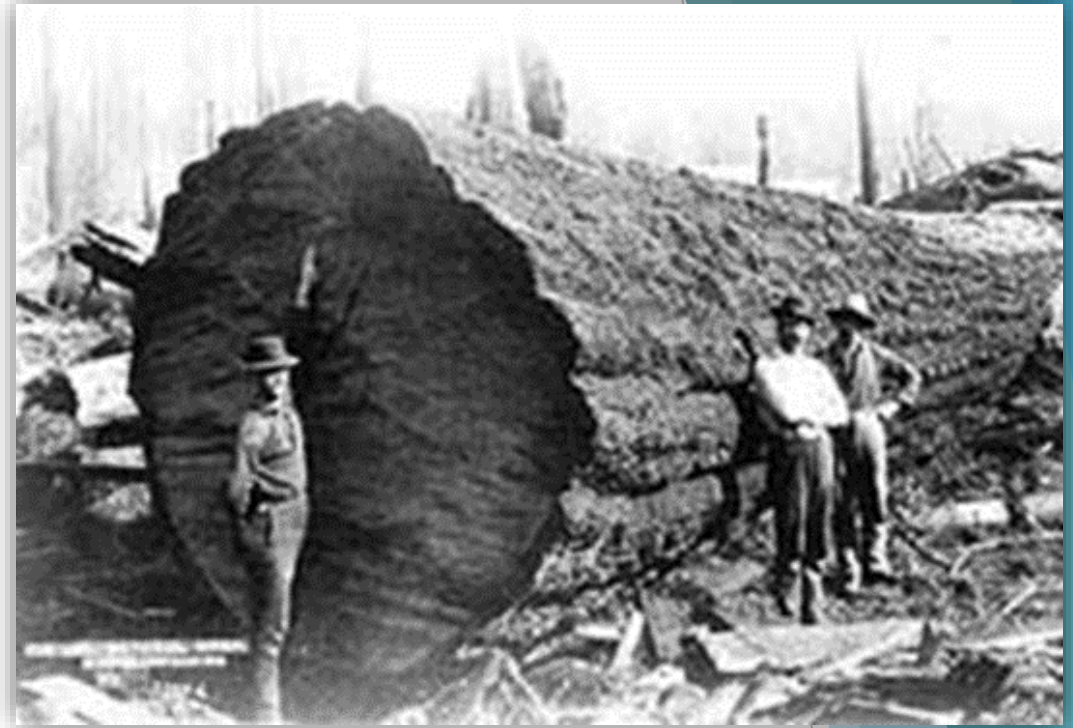
ICSC RECON 2018

Toni Barbuolo, CECD



Sammamish Slough





## Opportunity Situation

- ▶ 100-year old logging community
- ▶ Strong urban fabric
- ▶ More jobs than people
- ▶ Location close to major commuting corridors
- ▶ High cost of living in adjacent cities

*Downtown Bothell*

## Catalyst Events

- ▶ Decaying main street
- ▶ State highway toll
- ▶ University of Washington branch campus
- ▶ School district vacating major 18 acre property downtown
- ▶ Strongly aligned pro-growth leadership following a lengthy no-growth leadership



*Bothell Main Street*

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## What WE did right!

- ▶ Leveraged catalysts
- ▶ Aligned community intent
- ▶ Major investments
- ▶ Partnering opportunities
- ▶ Reinforced milestone wins
- ▶ Developer outreach
- ▶ Developer-centric culture and process
- ▶ Remained agile but persistent
- ▶ Staffed project



*Plan with Specific Objectives*





*Horse Creek Daylighted (LEMONS TO LEMONADE story)*

## Public Investment

- Subarea Plan & Master Utilities Plan
- Abatement program
- Addressed Clean Up
- L.I.F.T. (tax increment)
- Acquisition by city of key sites
- City Hall
- New park
- Road and utilities improvement
- Wayfinding Signage
- Historic Overlay and Community Benefit (P3)
- Daylighted underground culvert

# Public Funding Sources

- National Historical Preservation
- Utilities capital
- Brownfields Planning Grants
- State Remedial Action Grants
- Dedicated one-time revenues,  
(permit or excise tax funds)
- Transportation Improvement  
Program
- Federal Highway Administration



*Anderson School: Future McMenamins*



# Lessons Learned

- ▶ Financial plan equally important to subarea plan
- ▶ Federal acquisition regulations
- ▶ Solvent sites require early action
- ▶ Second deal never as good as the first
- ▶ Cost of stopping mid-project to redesign can be more costly
- ▶ Don't divide the retail
- ▶ Vision without funding is hallucination
- ▶ Voted levy requires strong tangible benefits
- ▶ Marathon not a sprint



*Bothell Entry Wayfinding*

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## Economic Growth Catalyst

- McMenamin's Resort destination
- 600+ new residential units
- New retail/business
- New City Center
- Improved Brand: citywide property value
- Strengthened business retention and recruiting
- Strengthened university brand creating a more youthful image

Develop continues to springboard with new projects, and district redevelopment expands out from center





# THE POP

📍 Bothell, WA

## PROJECT DETAILS

UNITS  
122

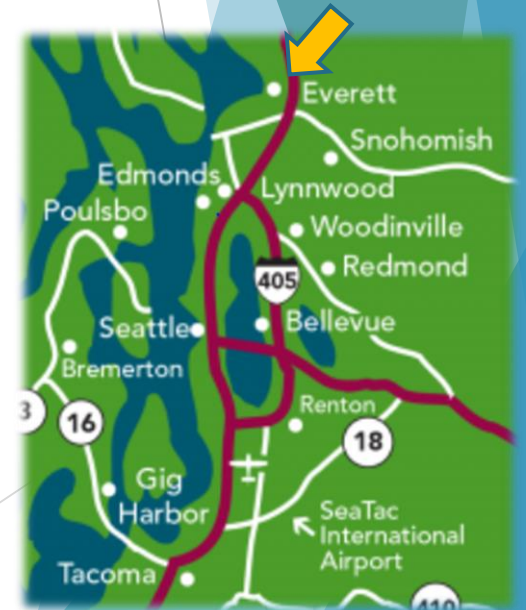
COMMERCIAL SPACE  
12,500 SF

NEW STANDOUT IN DOWNTOWN BOTHELL



# **Port of Everett, Washington**

## **CASE 3 REALIGNMENT OPPORTUNITY**



## Opportunity Situation

- ▶ Prime location available for the first time ever
- ▶ Growth demand in second tier cities
- ▶ Completed remediation
- ▶ Previous efforts to develop ripened opportunity



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## Catalyst Events

- ▶ Prime location never before available as mixed use
- ▶ Vacant due to clean up
- ▶ Completed remediation
- ▶ Extreme low apartment vacancy w/high market demand
- ▶ Strong partnering with city at all levels and complimentary goals
- ▶ Savvy legislative body with direct commercial development experience





## Done right!

- ▶ Opened project office
- ▶ Aligned community intent w/guidelines
- ▶ Leveraged prior planning work product
- ▶ Created a vision that incorporated site history and culture (branding)
- ▶ Committed visibly to major investments
- ▶ Producing easy to understand shovel-ready opportunities; worked with specialized brokers where needed
- ▶ Market research and developer outreach
- ▶ Financial plan backing vision w/ financial ROI guidelines
- ▶ Concentrated in 2-3 year phases
- ▶ Unified plan with clear environmental design
- ▶ Negotiating to accomplish commercially viable deals
- ▶ Transparency and annual open houses



## Public Investment

- Voluntary and negotiated clean ups
- Planned Development Overlay
- Development Agreement/ Design Guidelines
- Planned Action EIS and Master Utilities Plan
- Sub division and Shoreline Permits
- Major infrastructure and open space
- District Stormwater Treatment
- Performance center (Weyerhaeuser)
- Center building and new Yacht Basin
- Bulkheads and guest docks



*Moving Day*



## Public Funding Sources

- Brownfields Planning Grants
- State Remedial Action Grants
- Dedicating business operations revenues
- Water sport and recreation grants (RCO, BIG)
- Revenue from CRE sales and ground leases
- City Multifamily Tax Exemption for market rate housing (8 years)
- Tax Exempt 6320 Non-Profit Benefit Corporation



*Fisherman's Tribute*

## Expected Catalytic Economic Growth

- Pays for 25% of upland public access and marina improvements in addition to self funding project
- \$8.9 million in state and local tax generated
- 660 units of market housing
- 1.5 million total square foot mixed use including 400,000 sf office and 63,000 sf retail/restaurants
- 2,075 jobs
- Complements marina operations
- Improved regional identity
- Impacting citywide property value, demand





# Lessons Learning...so far

- ▶ Connect name with place
- ▶ Site construction coordination is complicated! Sea level rise is a big deal!
- ▶ Make your vision big enough for everyone to share.
- ▶ Its not over until the ribbon is cut.
- ▶ Be willing to take as many chances as you expect others to take
- ▶ Federal permits take longer than your wildest dreams







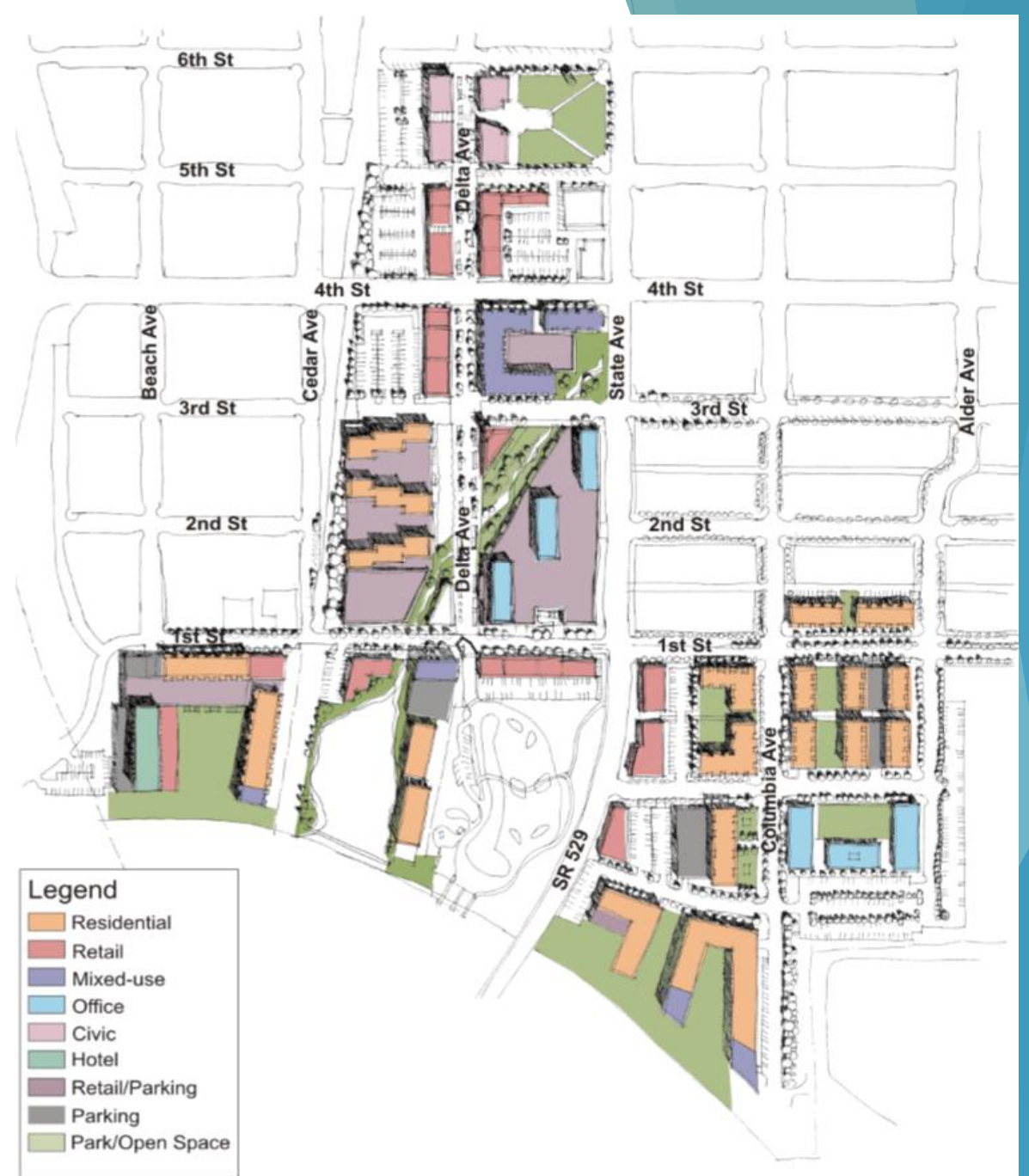


# On the Boards

Snohomish County North

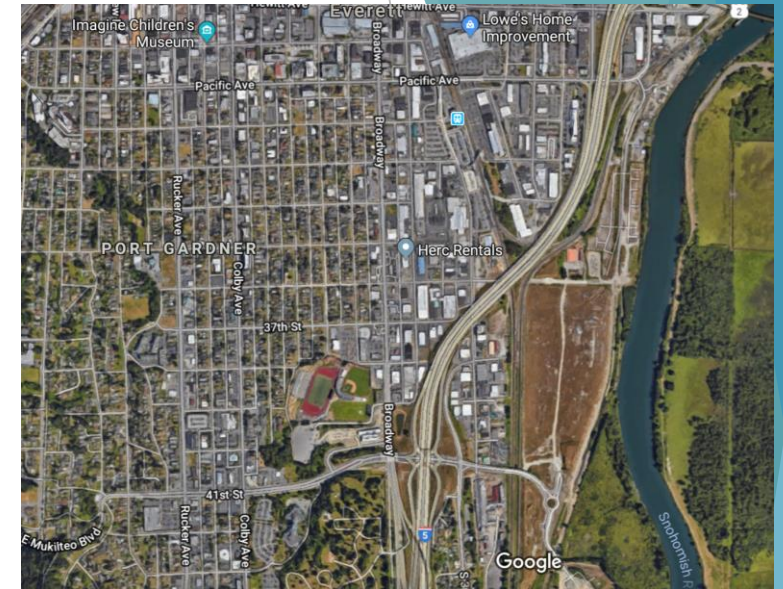


City of Marysville, Washington





# Metro everett: Light rail transit center

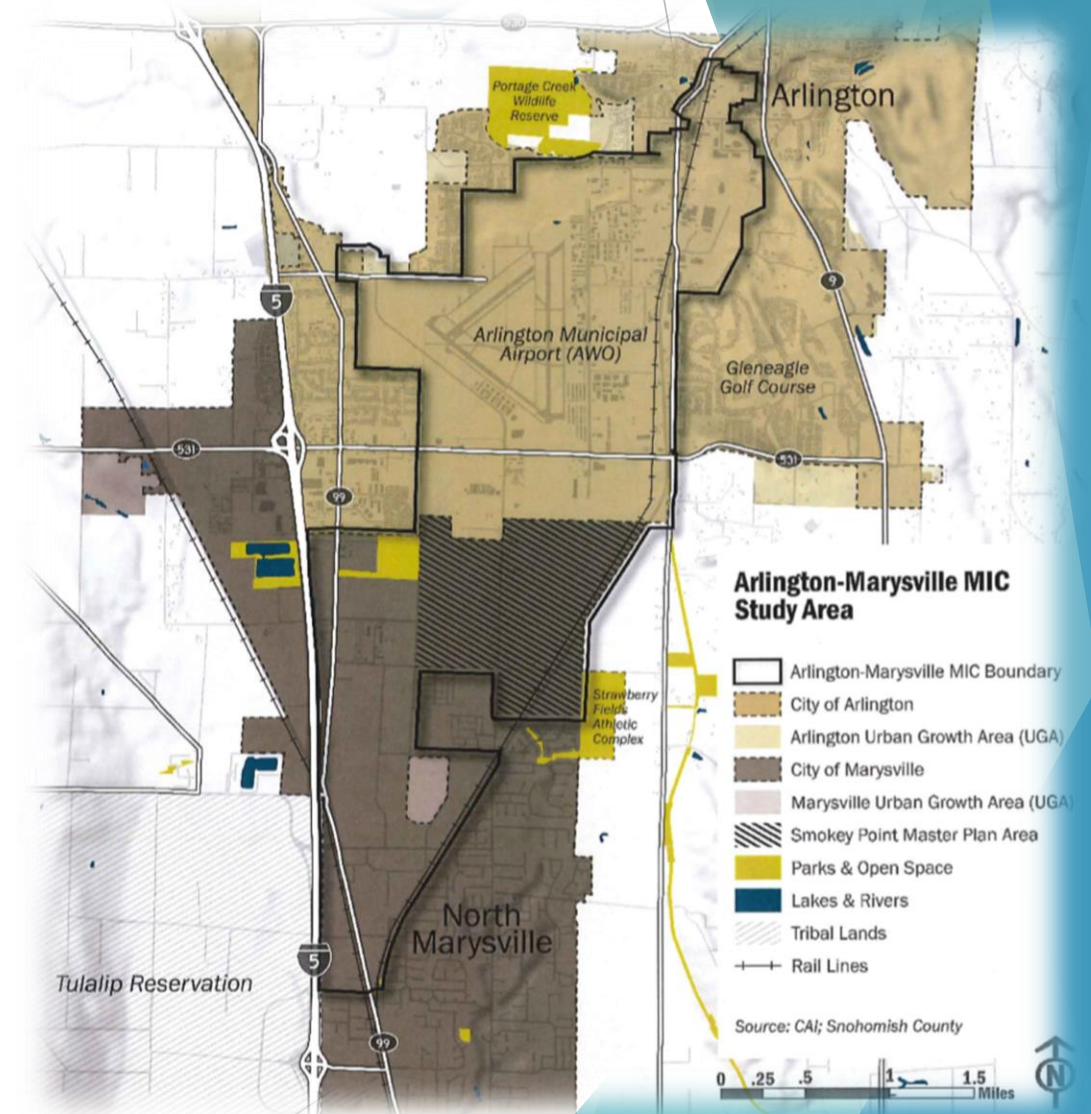




# MARYSVILLE/ ARLINGTON MANUFACTURING INDUSTRIAL COORIDOR

- ▶ 4,000 ACRES
- ▶ 10 year state tax exemption new industrial facilities
- ▶ <1 hour south BC, Canada
- ▶ BNSF mainline access
- ▶ Interstate access
- ▶ Airport adjacent
- ▶ Highly trained workforce/ university
- ▶ Affordable vibrant Life style

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## Scorecard

	Ripe?	Support?	Vision?	Market?	Partners?
Bremerton	Took time	Skeptics	Developed	Nope	Yes
Bothell	Yes!	Mixed	Yes	Yes!	No
Everett	Yes	Mixed	Yes	Emerging	Yes
Metro Everett	Getting there	Emerging	Yes	Emerging	Yes
Marysville	Waiting	Mixed	Emerging	Emerging	Yes

### Recap:

- ▶ Ripe Opportunity
- ▶ Leadership
- ▶ Aligned Intent
- ▶ Determination
- ▶ Community Support
- ▶ Momentum
- ▶ Evidence of Success (wins)
- ▶ Define Opportunity Area
- ▶ Develop Key Partnerships
- ▶ Research Market
- ▶ Create Vision and Define goals
- ▶ Evaluate Feasibility and Identify Incentives
- ▶ Infrastructure to Support Vision
- ▶ Early Win Strategy
- ▶ Community Progress Reports

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# Thank you

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