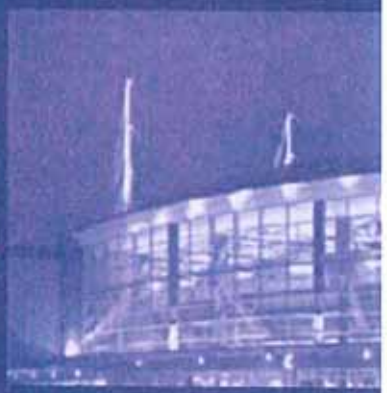
TECHNICAL ASSISTANCE PANEL
OCTOBER 11, 2006



EVERETT

ULI

# MOBILIZING THE PRIVATE SECTOR TO INVEST IN DOWNTOWN EVERETT

CITY OF EVERETT, WASHINGTON

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### ULI Seattle

The Urban Land Institute provides leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI Seattle, a District Council of the Urban Land Institute, carries forth that mission as the preeminent real estate forum in the Puget Sound Region, facilitating the open exchange of ideas, information and experiences among local, national and international industry leaders and policy makers.

**Our mission is to:**

- Build a regional vision of the Puget Sound area that embraces and acts upon quality growth principles.
- Encourage the collaboration among all domains – public and private – of the real estate industry.
- Build consensus among industry and public leaders who influence land use, transportation, environmental, and economic development policies.

### City of Everett

The City of Everett, located 25 miles north of Seattle on the Interstate 5 corridor, has a population of 101,100 and is the center of commerce, industry and government for Snohomish County. It was founded in 1893 as an industrial city – nicknamed the City of Smokestacks - with a deepwater port and factories ringing the Port Gardner Bay and Snohomish River shorelines. While most of the smokestacks are long gone, Everett is home to the Boeing Company 747 / 767 / 777 / 787 assembly plant and Naval Station Everett. More than 80,000 people work at jobs in Everett. Everett has a rich history and wide variety of neighborhoods, parks, educational facilities, recreational and cultural attractions. The City's unofficial slogan – "Live, work, play" – reflects the opportunities for those who wish to enjoy life in a community offering many reasons to visit and stay.

# EXECUTIVE SUMMARY

## Background

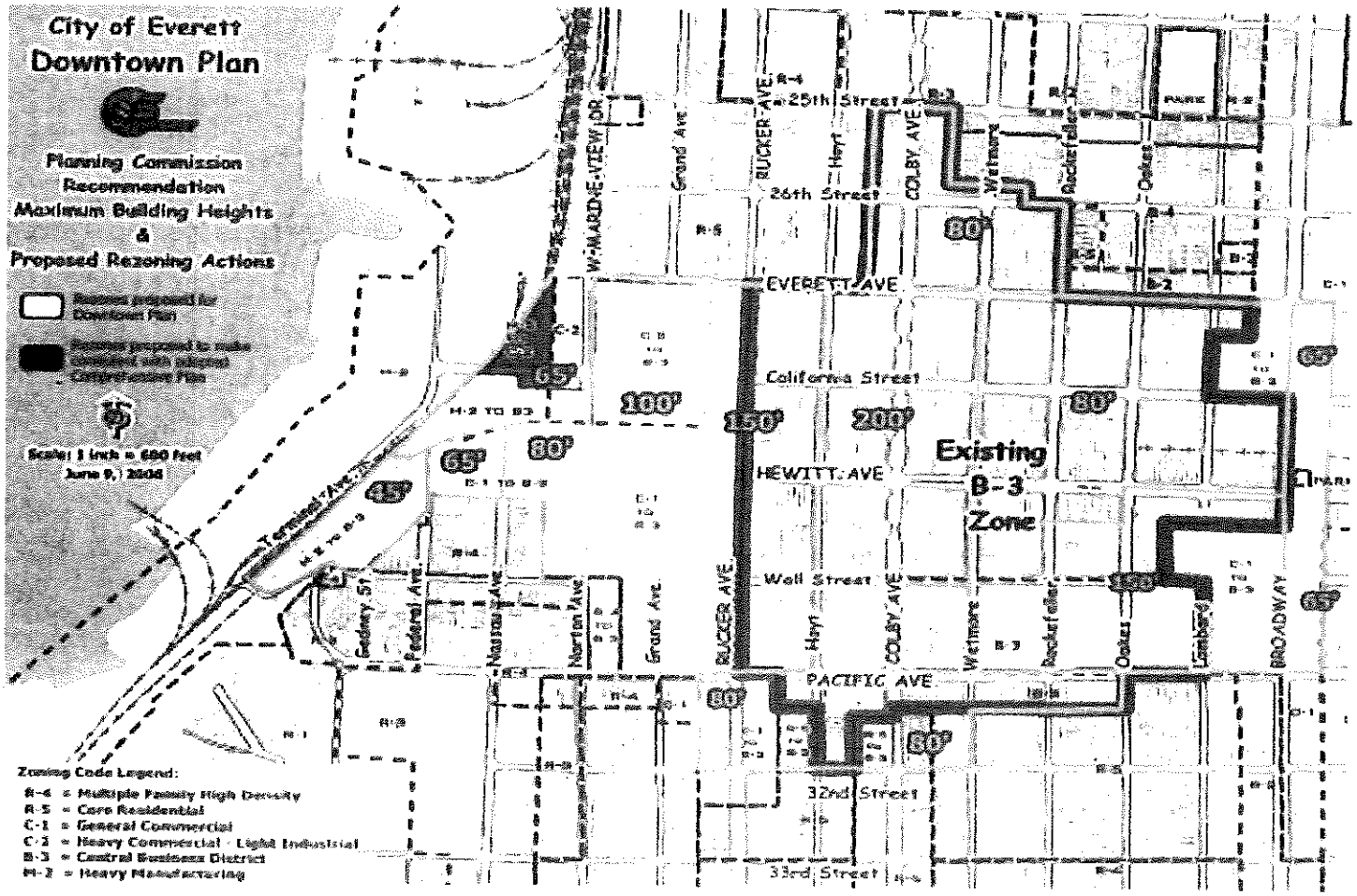
The City of Everett's new Downtown Plan seeks to guide future land use decisions to transform the downtown core into a vibrant mixed-use urban center. Significant public investment by the City in downtown amenities has improved the appearance of the city center, but so far has failed to motivate several landowners to either invest in their property or to sell, despite evidence of market interest in the higher-use development that the City has envisioned.

## The Panel's Charge

The City of Everett invited the Urban Land Institute Seattle Technical Assistance Panel to address several core questions facing the City in its efforts to implement the Downtown Plan.

## Core Questions

1 How de we encourage property owners to invest in property improvements or sell to higher uses?
2 How do we attract new investors given the condition of existing buildings?
3 How do we utilize the available legal, political, financial and public relations tools to change the status quo?
4 What are our constraints and how do we overcome them?
5 What can we learn from other cities?



# SUMMARY OF MAJOR RECOMMENDATIONS

## Encouraging Property Owners to Invest or Sell

To encourage current unmotivated property owners to either improve their properties or sell to higher uses, the panel recommended:

- Aggressively enforcing current codes;
- Investing in a focal point on Colby to create a stellar two-block stretch as a magnet for activity and investment;
- Developing pools of capital such as loan programs and venture capital, as well as strategic leveraging of public investment, to encourage private improvements;
- Instituting a façade improvement program;
- Developing and enforcing a Minimum Maintenance Ordinance; and
- Applying public pressure to expose problem behaviors.

## Attracting New Investors

To attract new investment to downtown Everett, the panel recommended:

- Leading from the public sector by making innovative government investment;
- Rebranding Everett through a targeted public relations campaign;
- Creating a key attraction to serve as a magnet for activity and investment;
- Actively and evenly enforcing current maintenance and safety codes; and
- Embracing generational change in property ownership.

*"Downtown Everett is now at a crossroads"*

*– Reid Shockey*

## Utilizing Tools for Change

The panel felt the City of Everett had a number of powerful tools at its disposal, and recommended:

- Accessing funds for investment through a Loca Improvement District (LID) or similar taxation vehicle that will ensure that unmotivated landlords will not get a "free ride"
- Enhancing investment readiness through prequalification for tax credits and up-front reviews
- Managing public perception to change investors' views of Everett and pressure current landlords to invest or sell
- Building partnerships and meeting regularly with other public entities interested in the success of downtown
- Creating an entrepreneurial development authority that can access markets, take risks, and act in the public interest

## Overcoming Contraints

The City of Everett has already developed considerable support behind the Downtown Plan. To continue that momentum, the panel recommended:

- Concentrating resources on a specific area or set of issues;
- Maintaining the political will to allocate resources, stand behind enforcement, and make strong decisions; and
- Partnering with social service agencies as strategic allies.

# EVERETT'S DOWNTOWN PLAN
## Transforming the downtown core into a mixed-use urban center

Following an extensive one-year public participation process and with broad-based support, the City of Everett adopted a Downtown Plan in July 2006. The Plan seeks to guide future land use decisions, as well as other public service and public investment actions in downtown Everett, as a sub-area of the City's Growth Management Comprehensive Plan. The Downtown Plan comprehensively addresses a number of issues, including the vision for downtown, proposed design guidelines and development standards, streetscape standards, parking management, transportation strategies and proposed rezones.

Over the past several years, the City has also invested over $100 million in the creation of attractive amenities including streetscape improvements and a public arena / special events center in the downtown commercial district. It has rezoned 16 to 18 blocks in the core downtown area from light industry – heavy commercial to Central Business District. Its vision for the area bounded by Broadway, Everett Avenue, West Marine View Drive, and Pacific Avenue, comprising the heart of the downtown commercial district, is a relatively dense urban center encompassing residential, retail, office and public uses.

# PROBLEM STATEMENT
## Encouraging property owners to invest or sell

The downtown core currently is comprised of older, but not necessarily blighted, buildings–some with historic value–and

parking lots. There are a handful of property owners that own many of the buildings and prime downtown properties, including some that are well maintained and others that are not. While the public sector has primed the market with its investment, some existing property owners have been unwilling to date to either invest in their property or to sell, despite evidence of market interest in the higher-use development that the City has envisioned.

The City believed that the problem it faces – mobilizing the private sector to invest in its downtown core – was a challenge that other jurisdictions have faced. It believed that an Urban Land Institute Seattle District Council Technical Assistance Panel could help provide the City with insights, best practices and examples that could be usefully adapted to its situation.

The Technical Assistance Panel met in downtown Everett on October 11, 2006, to address the following questions that were prepared by the City:

1. **Encouraging Property Owners to Invest or Sell:** How can the property owners be encouraged to invest or sell, as opposed to sit on their holdings? Some owners might assert that they cannot afford an investment in renovation given the market rates for likely uses, e.g. residential and small retail rental. Others may simply not be motivated to realize a current market return because they are satisfied with low returns and low risk.

2. **Attracting New Investors**: How can the City attract new investors given the condition of existing buildings and the concentration of relatively few, unmotivated owners in the downtown core?

3. **Accessing Tools:** What tools – legal, political, financial, public relations – are available to change the status quo?

4. **Overcoming Constraints:** What factors constrain the City's full and effective use of currently available tools for change?

5. **Learning from Other Models:** What methods have other cities used to get unmotivated property owners to more effectively manage, market, maintain or redevelop their properties, and do you think those methods would be successful for Everett?

# PRESENTATIONS BY CITY STAFF

The panel began its day-long discussion of downtown Everett by hearing presentations from key City staff.

**Lanie McMullin**, *Executive Director of Economic Development*
McMullin described Everett's dynamic economy and changing landscape. The city's traditional industrial economy, mostly in cyclical industries, had left the city with a survivor mentality, a wonderful can-do spirit, but also an "inferiority complex." Now, the old economy is giving way to the new: a shoreline no longer lined with mills, a more diverse economy, and a switch from industrial to knowledge-based industry.

Everett is a financially stable city with substantial public investment in its downtown core that includes a new arena that attracts 700,000 visitors per year. Market forces are pushing residents from Seattle to more affordable Everett, resulting in a downtown residential market boom, examples of which include view condos valued at $165 to $500 per square foot, seven new residential projects in some stage of development, high-end housing with yacht slips on the waterfront, and a mixed-use 1200-unit development on the riverfront.

> *"The old economy is giving way to the new"*
>
> *-- Lanie McMullin*

However, the downtown core faces a significant problem with what McMullin calls "speculation blight." A small number of landlords are choosing not to sell or invest in their properties, making them unavailable for the higher uses envisioned in the City's Downtown Plan. The majority of these landlords are from out of the area; they are sitting on their properties with a high, sometimes unreasonable, expectation of increased property values, but are unwilling to contribute to the improvements that will create that added value.

McMullin also believes that "The City's reputation precedes us," and can put off potential investors, particularly regional investors with outdated perceptions of the city.

**Allan Giffen**, *Planning Director*
Giffen briefed the panel on the recent Downtown Planning process. He described a very positive public reception to the Downtown Plan, and a high level of optimism and excitement now that the Plan is being implemented. He also discussed a few controversial issues that emerged from the planning process, including building height issues and the rezone process that preceded the plan.

The City's approach to street parking generated a wide variety of public response. Currently, on-street parking in downtown is free, and tends to be heavily used by employees working in downtown offices. A parking analysis conducted by the City revealed significant excess capacity in off-street fee parking lots. The new Downtown Plan eliminates code-required off-street parking for non-residential uses, and recommends charging for street parking, with revenues generated going to downtown streetscape improvements and open space.

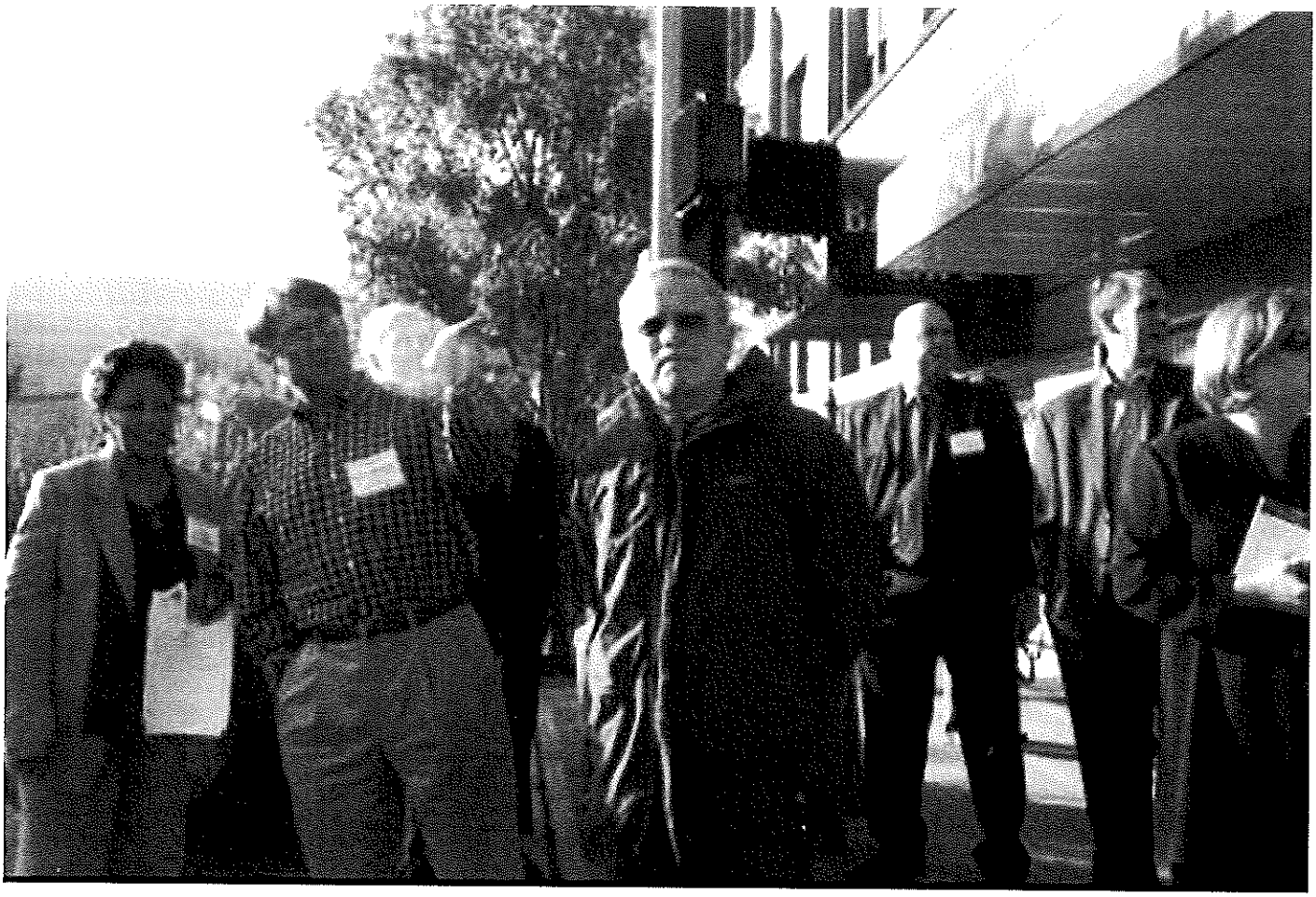
# WALKING TOUR

Panel members were guided on a short walking tour of downtown by Economic Development Director Karen Shaw. City staff showed panelists a rich array of recent streetscape improvements, including Hewitt Avenue, Colby Avenue, and the Everett Event Center,. Successful retail and entertainment tenants on Colby, the excellent cleanliness and attractiveness of downtown sidewalks, and a planned ArtSpace artists' community were noted by panelists as particularly praiseworthy examples of vigorous downtown improvement efforts.

Special attention was paid to properties on Hewitt and Wetmore that exemplified the City's problems with a small number of unmotivated landlords. Many of these properties were vacant, unkempt, and in need of major maintenance. Some of them housed sub-optimal tenants, such as low-end nightclubs, that tended to generate problem behavior on the street.

Giffen reinforced McMullin's observations about "speculation blight." The six or eight unmotivated landlords who have failed to invest or sell may have unrealistic expectations of property values, according to Giffen, based on maximum height limits that do not account for floor area ratio (FAR) limits. The excess development capacity above the FARs could be used by the City to incentivize preservation and other desirable investments.

Leslie Tidball, Community Prosecutor, answered the panel's



questions about the problem behaviors generated by sub-optimal uses on some downtown properties. Poorly maintained, low-rent properties appear to encourage criminal, drug, and nuisance activity, particularly on Hewitt and Wetmore, according to Tidball. She also described several situations in which unmotivated landlords rented to tenants whose businesses required expensive improvements to meet code, without forewarning them of the need for them to make those investments. The City has been increasingly proactive in working with prospective tenants to inform them of code requirements before leases are signed. All three City presenters agreed that the 16 to 20 properties identified as sub-standard are problems themselves, generating problem activity, but that they are also impediments to other investment.

## STAKEHOLDER INTERVIEWS

Panel members met with several business owners and other key stakeholders to hear their perspectives on downtown Everett and the challenge it faces with unmotivated landlords. The following are précis of those interviews.

**Reid Shockey,** *Community Leader and former City Planning Director*
A consultant and former planning director for the City, Shockey believes that downtown Everett is "now at a crossroads," and ready to receive investment. A Planned Action Environmental Impact Study will be completed in 2007 to streamline permitting and encourage investment, and average return on investment is quite favorable compared to the rest of Puget Sound. Shockey believed the key obstacle to development was that investors simply were not aware of Everett's appeal; he believed a strong marketing and branding effort and active communication with regional brokers could help Everett attract the attention it deserved. He also noted that the City should encourage developments of "discriminating quality and design" to help ensure its future success. He noted that in the past, "Everett had tried to be a low cost provider," but people were willing to pay more for good quality.

**C. J. Ebert,** *Investor and Developer*
Ebert, who had been involved in several adaptive reuse projects near downtown, including Port Gardner Landing, discussed the widespread support of the new Downtown Plan, the large number of quality projects already in development, the active support of the City, and the excellent work of the Business Improvement Area to improve and maintain streetscapes. "We have all the tools we need," noted Ebert, "but we need to

make sure everyone is on board, not just a few." He described his frustration at a number of out-of-area landlords hopeful of increased property values, but not willing to make changes to help support that value, and asked "How can we encourage or compel people to pick up the slack?"

**Joel Starr,** *Restaurateur*
Starr, a local business owner, drew the panel's attention to the importance of lively entertainment and retail options in the success of residential and office properties. "Feet on the street" were needed, in Starr's view, to make downtown viable. Like Ebert, Starr expressed frustration with local landlords who had failed to manage inappropriate uses or behaviors. He suggested strict code enforcement, "pushing every button with codes to make sure everyone is making the same investments, not just sitting back and riding the benefit that others create."

**Sue Strickland,** *Downtown Services Manager*
Strickland is a liaison to downtown property owners through the Downtown Everett Association, which can assess every owner in the BIA to coordinate street and property maintenance. She serves as the first line of approach for code violations, and was widely credited by others in the room as a highly effective negotiator. She noted that it is "important to have the teeth with the enforceable rules and regulations that allow you to be very persuasive."

> *"Enforceable rules and regulations... allow you to be very persuasive"*
>
> *– Sue Strickland*

**Craig Skotdal,** *Developer*
Finally, the panel heard a presentation by Craig Skotdal, whose family has been investing in downtown since 1985. Factors positively affecting investment downtown, according to Skotdal, include its superb natural setting, strategic investments made by the BIA and the City, a 10-year tax exemption on new market-rate housing, and a code change that allows an additional floor of development (five floors over two). Challenges include small lot sizes owned by multiple owners which make it hard to assemble land, demographic factors that depress rents, and the lack of urban amenities. Skotdal would like to see the City fully implement the Downtown Plan and designate an alcohol impact area. Discussing his family's planned development on Rucker, he noted that the City had made a significant investment in street improvement on Hewitt, where there was little landlord interest, but had not yet agreed to partner with more willing landlords on Rucker, where public and private investments could be better leveraged.

The stakeholders identified several strong assets for downtown effort: good schools, a strong and growing hospital, a good relationship with the Port of Everett, a growing economy in Snohomish county, and great media support of the Downtown Plan.

## Emergent Issues

Several issues surfaced in many of the presentations.

### *Charging for Parking*

Parking was another issue that surfaced in several presentations. Some local stakeholders were opposed to the introduction of pay parking, while others thought it would be a great way to generate revenue and encourage employees to park off-street, leaving street parking open for customers. Prospective parking revenue was referenced by several stakeholders as a potential source of public investment in amenities and infrastructure.

### *Developing a Downtown Park*

Local debate about a downtown park expanded into a discussion about the creation of a spectacular public amenity – a linear park, a market, or other attraction – which could attract people, put eyes and feet on the street, lend itself to the City's branding effort, and potentially link downtown to the waterfront. Using a strategically drawn Local Improvement District (LID) to create such an urban amenity could encourage the unmotivated landlords, who comprise the minority of the area's property owners, to pay or sell. City staff and stakeholders believe that the City has a progressive administration with the political backbone to pursue such a LID project.

### *Branding Everett*

When asked what the City's "brand" might be, stakeholders replied that "we haven't ruined ourselves yet." Authentic historic architecture, waterfront vistas, linkage to the port, and the City's rich mill history were noted as unique qualities of downtown Everett that could be promoted in a branding effort.

### *Working with Social Service Providers and Their Clients*

The question of how to address social service providers and the behaviors of their clients, generated a healthy debate. Undesirable behaviors were strongly associated with clients of local mini-marts and low-end nightclubs, as well as missions and feeding programs. Leslie Tidball, the Community Prosecutor, talked at length about the difficulty of discouraging street transients within the current legal and resource framework. However, panelists strongly cautioned the City to work with

social service providers as allies, co-opting them with a vision of a vibrant downtown that supports mixed incomes.

# PANEL RECOMMENDATIONS

After considering this rich field of information from City staff, stakeholders, and the walking tour, the panel was asked to answer the core question, "How can we motivate existing property owners to help implement the Downtown Plan?" Panelists considered the set of issues facing the City, and developed a range of strategies to address them. Panel Chair Bill Kreager then presented the panel's recommendations to Mayor Ray Stephanson, City Council President Brenda Stonecipher, and City staff.

## ENCOURAGING PROPERTY OWNERS TO INVEST OR SELL

The panel identified a wide variety of change strategies.

### Aggressively Enforce Codes

The panel suggested developing a list of the worst properties (the "Dirty Dozen") and building enforceable codes to address them. Subsequent aggressive code enforcement, the harnessing of private sector players concerned about values of the surrounding buildings, and the possible use of eminent domain for the most blighted properties will ensure that the City's limited resources are best utilized.

### Invest in a Focal Point on Colby

Rather than City investment over a broad area, focus investment on a concentrated, high-visibility location. Creating a focal point or attraction–investing in a small area to make it truly fantastic–will attract outside investment and create outside pressure for unmotivated landlords to invest or sell. One such strategy would be to focus on two blocks of Colby, already close to achieving success, to create a stellar two-block stretch that becomes a focal point, a magnet to the public. Let the ensuing market forces, building on the new strength on Colby, take care of problem landlords.

## Develop Pools of Capital

The panelists explored a number of options for capital funds to encourage private improvements, including loan programs and venture capital expenditures operating outside government as the City is legally limited in its ability to invest public money in private property. A freestanding venture capital fund, however, could serve public goals while operating within a market structure. The example of a new Puget Sound Family of Funds was offered as a model structure for such a fund. The panel also discussed more strategic leveraging of public infrastructure investment to coincide with private development, working with a housing authority or non-profit developer to buy out unmotivated landlords at the value they are seeking, and using funds for tenant improvements if the tenants have an option to purchase.

## Institute a Façade Improvement Program

A façade improvement program, such as the one enacted in Seattle's University District, is another strategy to entice property owners to improve their holdings. Community Development Block Grant (CDBG) monies, which Everett has historically used for social services, could be made available for this sort of economic development strategy. However, city staff noted – that use of federal funds is more costly, requiring abatement of lead based paint and paying Davis-Bacon Act wages. Dedicating a portion of revenue streams generated by the on-street parking system was mentioned as a potential low interest loan program for façade improvements.

## Develop and Enforce a Minimum Maintenance Ordinance

The most readily available stick is that of enforcement, aggressively monitoring current code compliance and establishing a minimum maintenance ordinance. Uniform enforcement, evenly applied to all property owners, is critical in the City's efforts to improve the physical environment

of downtown. One panelist suggested choosing one or two prominent examples at the beginning of stepped-up enforcement efforts to show that the City is serious. A minimum maintenance ordinance, like the one developed in Seattle's Pioneer Square, could address issues such as broken windows, trash, and leaky roofs, and could include the encouragement of a loan program as well as the ability for the City to make improvements and put liens on buildings that are consistently in violation.

### Apply Public Pressure

Another significant stick at the City's disposal is public pressure. Encouraging the press, the private sector and community members to expose problem behaviors could create pressure on unmotivated landlords to sell or invest. Partnering with a broad, representative group of community organizations, who could become the voice of the effort to bring these problem landowners to account, could expose them to powerful public pressure.

## ATTRACTING NEW INVESTORS

The panel believed that the keys to attracting new private investment were: government leadership, branding, creating attractions, and enforcement.

### Lead from the Public Sector

Government leadership is critical in establishing a quality standard and taking on risks that the private sector cannot or will not accept. The City can be an innovative leader with its own investments, and can also work with the private sector to streamline the development process, make it easier to assemble land, and encourage residential development to further feed local retail. Some of the panel commented that the City had invested enough in capital improvements and it was time for the private sector to follow suit.

### Rebrand Everett

The City can actively address Everett's reputation dilemma by a formal or informal branding campaign that seeks to bring public perception more in line with today's downtown. Targeted public information that reaches Everett's desired market of investors will be more effective in the form of a public relations or editorial approach than as paid advertising. One panelist emphasized the importance of retaining the City's big vision, but also publicizing incremental success; "the Downtown Plan and large developments are swinging for the fence," she noted, "but it's smart to start with the success of local developers." Another panelist noted that the City's best tools were "a good database and a color copy machine," and suggested monthly public relations pieces generated by the City as one cost-effective method of keeping the positive information flowing.

### Create a Key Attraction

The panel believed strongly that Everett needed to focus on creating a key attraction – open space, a small but fully developed entertainment district, or linkages to the waterfront. Creating a central celebratory place or park, well located and designed so that it can serve residential and mixed-use properties on all sides, will help investors achieve a higher price point and serve as a magnet for private investment. Linking downtown to the waterfront through trails, walking paths, or transport will help draw some of the waterfront investment into downtown, and develop a synergy among the waterfront, the downtown core, and the riverfront.

> *"A good database and a color copy machine are the best tools to rebrand Everett"*
>
> – The Hon. Cary Bozeman

### Enforce Current Codes

Actively enforcing maintenance and safety regulations is critical, because buyers are put off by evident safety problems. The City must continue to be vigilant in its monitoring of street cleanliness and behaviors, invest the resources necessary to enforce all current regulations, and implement a minimum maintenance ordinance to make downtown appear more investor-friendly.

### Embrace Generational Change

The panel also noted that, in addition to these changes that are within the City's control, generational change will also produce different attitudes toward investment in downtown. In other words, as current owners pass management responsibility to the next generation, these younger decision-makers will likely display a more positive attitude toward downtown investment.

# UTILIZING TOOLS FOR CHANGE

The panel inventoried the financial, public relations, political and legal tools currently in use or available to the City that could encourage property owners to support the Downtown Plan and attract new investment.

### Access Funds for Investment

Funds for public investment in downtown could be generated by a Local Improvement District (LID) or other similar structure, a taxation strategy similar to tax increment financing that distributes a share of capital and revenue gains to the public, or grants and loans such as the Community Development Block Grants (CDBG) that can be used for economic development. A LID or similar structure might be particularly appealing as it would force the private sector to uniformly contribute to improvements, ensuring that the unmotivated landlords will not get a "free ride" from the investments of adjacent landowners. Funds generated by such sources could be used in a variety of ways: creating an attractive urban amenity, investing in infrastructure, or even encouraging the location of specific types of businesses, such as restaurants, in particular geographic areas as a magnet for further development.

> *"Retain the big vision, but also publicize incremental success"*
>
> *– J.J. McCament*

### Enhance Investment Readiness

Strategies the City can implement for improving investment readiness include pre-qualification for historic tax credits or new market tax credits, and upfront SEPA reviews.

### Manage Public Perception

Public perception was noted as a particularly powerful tool both in improving landlord responsibility and attracting new investment. The City should undertake an active public relations campaign, perhaps contracting a PR firm, to generate editorial coverage of positive changes in downtown. Such a campaign, which might or might not include a more formal branding effort, should seek to redefine Everett in the regional public eye, highlighting the incremental changes already underway. Public education can also be used effectively to exert public pressure on unmotivated landlords, helping to develop broad-based coalitions organized against their behavior. Finally, any public information effort should include investor relations, calling attention to investment opportunities in Everett and the steps the City has taken to streamline development.

### Build Partnerships

By finding other entities with a vested interest in the success of downtown – business and property owners, neighborhood organizations, the Port, Navy, Snohomish County, the Everett Housing Authority, and transit agencies – the City could convene regular stakeholder meetings to build a broad-based coalition to support improvement efforts. The willingness of elected officials to make aggressive enforcement and development decisions will also be necessary for Everett to fully realize its potential.

### Partner with Social Service Agencies

Finally, the City should think strategically about its relationship with social services agencies. The City should forge meaningful, broad-based, and more politically viable partnerships by including the social service sector as a strategic ally to address the needs of their clients and the impacts some of the social service programs or agency client behavior may have on the City's goals for improving downtown.

### Create a Development Authority

The City should strongly consider forming an entrepreneurial development authority that can access markets, take risks, and act in the public interest without the constraints of government; similar development councils that could serve as models include the highly successful Kitsap County Consolidated Housing Authority, as well as Public Development Authorities in Portland, Tacoma and Vancouver, BC. The City should also investigate taking advantage of the Community Renewal Act to assemble land.

# OVERCOMING CONSTRAINTS

The panel was highly complimentary of Everett's Downtown Planning effort and the City's success with its streetscape improvements. Clearly, the City of Everett has the interest, the momentum, the human resources, and the tools necessary to have the long-term, positive impact outlined in the Downtown Plan. The panel identified just two potential constraining factors which the City might need to address to fully realize its vision.

### Concentrate Resources

The first is the temptation to work too broadly, rather than concentrating resources and energies on a specific area or set of issues. Downtown Everett has already made great strides, and there is a wide range of positive change already underway, but not yet a focal point for that energy. By picking and prioritizing, strategically partnering and leveraging, and applying resources and political capital to a specific core site or spectacular attraction, Everett can better create a powerful magnet for private investment.

### Maintain Political Will

The second area of concern is political will. By all accounts, the current City Council, more than any past Council, has the political fortitude and momentum to make the hard decisions necessary to maximize results. Councilmembers must continue their willingness to allocate resources, stand behind strong code enforcement, and occasionally make controversial decisions about issues such as parking, a LID, or a minimum maintenance ordinance.

## LEARN FROM ROLE MODELS

Throughout the day, panelists drew on experiences in their own communities to illustrate their recommendations. Some particular communities whose experience is relevant to Everett are:

- Pioneer Square, where the combination of better enforcement and generational change vastly improved landlord responsibility;

- Tacoma, which created visual amenities, an Alcohol Impact Area, an urban residential builders' group, and partnerships with stakeholders like the school district;
- Bremerton, which has used signage, a flower program, and concentration on specific attainable change on its waterfront as successful downtown change strategies; and
- Seattle, which created a Transfer of Development Rights bank targeted at specific goals.

# Panel Recommendations

## Encouraging Property Owners to Invest or Sell

- Aggressively enforce current codes
- Invest in a focal point on Colby to create a stellar two-block stretch as a magnet for activity and investment
- Develop pools of capital such as loan programs and venture capital, as well as strategic leveraging of public investment, to encourage private improvements
- Institute a façade improvement program
- Develop and enforce a Minimum Maintenance Ordinance
- Apply public pressure to expose problem behaviors

## Attracting New Investors

- Lead from the public sector by making innovative government investment
- Rebrand Everett through a targeted public relations campaign
- Create a key attraction to serve as a magnet for activity and investment
- Actively and evenly enforce current maintenance and safety codes
- Embrace generational change in property ownership

## Utilizing Tools for Change

- Access funds for investment through a LID or similar taxation vehicle that will insure that unmotivated landlords will not get a "free ride"
- Enhance investment readiness through prequalification for tax credits and up-front reviews
- Manage public perception to change investors' views of Everett and pressure current landlords to invest or sell
- Build partnerships and meet regularly with other public entities interested in the success of downtown
- Create an entrepreneurial development authority that can access markets, take risks, and act in the public interest

## Overcoming Contraints

- Concentrate resources on a specific area or set of issues
- Maintain the political will to allocate resources, stand behind enforcement, and make strong decisions
- Partner with social service agencies as strategic allies

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The Hon. Ray Stephanson
*Mayor, City of Everett*

Councilmember Brenda Stonecipher
*President, Everett City Council*

Jim Iles
*Chief Administrative Assistant*

Lanie McMullin
*Executive Director of Economic Development*

Karen Shaw
*Economic Development Director*

Allan Giffen
*Planning Director*

Dave Koenig
*Long Range Planning Manager*

Laura Van Slyck
*City Prosecutor*

Leslie Tidball
*Community Prosecutor*

Soojin Kim
*Assistant City Attorney*

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# ULI Seattle

**A district council of the Urban Land Institute**

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