

# CHAPTER TEN - ECONOMIC DEVELOPMENT ELEMENT

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Sequim Comprehensive Plan

## INTRODUCTION

Economic development seeks to strengthen a community through the expansion of its tax and employment base. A strong tax and employment base allows the community to support a higher quality of life for its residents by improving public services (parks, schools, libraries, sewer and water services, police, fire and emergency response, garbage and other governmental services). Ideally, economic development should balance economic vitality with stability, environmental protection, and preservation of the Sequim's small town character.

The need to plan for future economic development was noted early in the planning process by the Visioning Task Force. The Task Force identified the following concerns relating to the economic viability of the community:

- The need to provide family-wage jobs for current and future Sequim residents.
- The importance of the retirement and health care industries as economic development opportunities for the region.
- The need to encourage the development of long-term employment opportunities for community residents so that young people can remain in the community.
- The importance of tourism to the sustainability of the regional economy.
- The importance of “downtown” Sequim as a regional commercial center.
- The potential impacts and opportunities to economic growth associated with the proposed Highway 101 By-Pass.
- The importance of acknowledging Sequim's agricultural heritage.

The Task Force members felt Sequim did not provide the type of job opportunities which would allow the City's young people to remain in the community after graduation from high school, or encourage them to return after they had completed additional education and training. The Task Force noted the concern of many students who expressed a desire to remain part of the Sequim community but felt they would be unable to do so because of the lack of high quality employment opportunities.

The Task Force identified the strong economic growth within the community in the retirement and health care fields, and wished to promote continued expansion in these areas. In addition, the Task Force identified opportunities to build on the communities successful tourism and retail base.

Small technology-based and light industrial businesses were identified by the Task Force as a desired growth area which could broaden the City's economy.

An area of concern which was identified by the Task Force was in the rapidly expanding service sector. Although this sector has created a number of employment opportunities, many of these jobs typically offer lower salaries, especially in the personal service area.

A strong economy is essential for achieving Sequim's vision of the future. That vision calls for locally based jobs and the on-going development of retail and entertainment businesses that serve the needs of City residents. Sequim's high quality of life is, and will continue to be, a major contributor to its economic success. We would like our City to be known as a safe community with attractive neighborhoods, well-designed buildings and good schools.

As companies become more mobile due to the shift from a resource-based economy and advances in telecommunications, quality of life issues will become an increasingly important criteria in site selection.

## **ECONOMIC DEVELOPMENT GOALS**

### **EDG-1**

The City of Sequim shall support existing businesses and shall seek to attract new business and industries which promote and protect the environment and strengthen and diversify the economic base, expand and enhance the tax base, improve wage and salary levels, increase the variety of job opportunities and utilize the resident labor force.

### **EDG-2**

Future efforts to strengthen the local economy should recognize that our children are a key to Sequim's future; if they are to continue to live and work in the community, economic opportunities to support them and their families need to be expanded.

### **EDG-3**

Environmentally clean light industrial and manufacturing uses should be attracted to Sequim to broaden employment opportunities for community residents. Heavy industrial and manufacturing uses shall be resource-based, and shall be located in the rural areas of the County.

### **EDG-4**

Sequim should seek to facilitate economic growth in the retirement, health care and related fields.

### **EDG-5**

Sequim should facilitate the establishment of appropriately scaled home-based ("cottage") businesses and other small businesses as an important contributor to the local economy.

**EDG-6**

Sequim should pursue building restoration, the removal of non-conforming signage, the provision of public and private landscaping, and the revitalization of existing businesses as essential elements for a healthy central business district.

**EDG-7**

The City should seek to maintain and enhance year-round opportunities for sustainable tourism based on the area's natural resources, historical heritage and cultural amenities (without diminishing the quality of life of residents).

**EDG-8**

Sequim shall participate in local and regional organizations that both conduct economic development research and develop regional strategies which market the City and the region. These organizations such as the Sequim-Dungeness Valley Chamber of Commerce, the Port of Port Angeles, North Olympic Peninsula Visitors Bureau and the Economic Development Council (EDC) contribute to the creation of an information infrastructure and promote a business atmosphere which encourages and supports technology-based industry.

**EDG-9**

Sequim shall permit agricultural uses and support small scale agri-business within the City and its Urban Growth Area.

**EDG-10**

Sequim shall provide, maintain and encourage infrastructure development that is adequate to attract and accommodate desired economic growth throughout the City.

**EDG-11**

The City shall ensure that there is sufficient prime commercial and industrial zoned land to accommodate desired economic growth in the Sequim Dungeness Valley over the 20 year planning horizon.

**EDG-12**

Sequim shall coordinate with local and regional educational institutions to develop and maintain skills enhancement and training opportunities for the business community.

**EDG-13**

Sequim shall contribute to the creation of an economic environment in which annual wage rates in the City meet or exceed both the Washington state average and the U.S. average annual wage through the adoption of supportive plans, goals, policies and regulations.

**EDG-14**

Sequim shall encourage the provision of a continuum of educational opportunities responsive to the changing needs of the work place locally and regionally.

**EDG-15**

Sequim shall encourage the proactive provision of infrastructure and services necessary to attract and serve new commercial and industrial development.

**EDG-16**

Efforts to encourage the relocation of new businesses to Sequim should focus on attracting uses which fill the unmet commercial needs of the community.

## **ECONOMIC DEVELOPMENT POLICIES**

### **GENERAL**

#### **EDP-1**

The City of Sequim should work cooperatively with the business community, employees and residents to foster a good business climate and maintain a high quality of life.

#### **EDP-2**

Sequim shall encourage the establishment of a diverse economic base that provides economic opportunity for all residents, including the unemployed, the under-employed, and special needs populations, through adoption of appropriate plans, goals, policies and regulations.

#### **EDP-3**

Encourage public and not-for-profit organizations to enter into partnership arrangements with private business interests to facilitate economic development projects that would not otherwise occur without the cooperation of both the public and private sectors.

### **COMMERCIAL**

#### **EDP-4**

Encourage the development of strategies which reduce retail sales leakage.

#### **EDP-5**

The City shall provide opportunities through zoning for the concentration of complimentary businesses that can attract increased customers or provide needed services or producer and/or consumer goods for surrounding uses.

#### **EDP-6**

Encourage the use of shared parking, carpooling, and the establishment of transit incentive programs within commercial projects.

#### **EDP-7**

Maintain an adequate supply of commercial lands within the UGA, based on both the average absorption rates of the last five years plus an appropriate market factor.

- a. Designate sufficient commercial land within the urban growth area for the 20 year planning period.
- b. Update inventories of commercial lands at least every five years to assure that an adequate supply is available.
- c. Encourage infill and redevelopment of underutilized commercial sites.

**EDP-8**

Locate convenience-oriented retail and service developments adjacent to residential neighborhoods; encourage small-scale neighborhood commercial uses directly within residential areas.

**EDP-9**

The City shall encourage, through the designation of appropriately zoned land, the development of regional commercial retail centers.

**EDP-10**

Develop standards which ensure that commercial projects are established with minimal impact on surrounding land uses, are consistent with related community appearance/design guidelines, and assure pedestrian as well as vehicular access.

**INDUSTRIAL**

**EDP-11**

Designate industrial land at locations that are, or will be, accessible from roadways of arterial classification or higher, served within utilities, and free of major environmental constraints such as unsuitable soils, floodplains, and wetlands. Where possible, prioritize capital facility expenditures to facilitate the development of these lands.

**EDP-12**

Maintain a minimum ten year supply of prime industrial land within the Sequim UGA, based on the average absorption rates of the past five years plus an appropriate market factor.

- a. Designate a minimum of 200 acres of vacant prime or potential industrial land for the 20 year planning period located within the urban growth area.
- b. Review and update (if necessary) inventories of industrial lands at least every five years.
- c. Encourage the “land banking” or retention of large, undivided industrial sites.

**EDP-13**

Consider the re-zoning of primary, secondary, and tertiary industrial lands to other non-industrial uses, only after a determination that:

- a. Such lands cannot feasibly be improved to prime status due to physical conditions (such as topography, street patterns, public service, existing lot arrangements, etc.)
- b. After other replacement sites have been designated industrial to achieve no net loss of industrial lands, and
- c. A non-industrial designation is more appropriate.

**EDP-14**

Provide appropriate buffering between industrial lands and adjoining non-industrial properties to enhance protection from incompatible uses.

**EDP-15**

Assure the continued availability of properties designated for industrial use that are suitable for a mix of business and industrial park users; include properties developed by both private and public entities; and provide access to multimodal transportation services including motor freight and air.

**EDP-16**

Provide incentives for industrial and commercial developments that preserve important open space and natural areas or that provide for active recreation complexes.

## TOURISM / RECREATION

**EDP-17**

The City should support a coordinated approach to marketing Sequim as a tourist destination. Encourage visitors to use Sequim as "home base" while visiting the region's attractions (e.g. Olympic National Park, Victoria).

**EDP-18**

The City should participate in regional and state-wide programs aimed at attracting visitors to Washington State and the Olympic Peninsula.

**EDP-19**

The City should support the variety of arts programs and festivals (e.g. Irrigation Festival) which attract visitors to Sequim while providing recreational and cultural opportunities to residents.

**EDP-20**

Encourage commercial lodging, dining and retail facilities, and special events that can capture or support tourism-related traffic generated by significant North Olympic Peninsula visitor attractions. The establishment of "destination" attractions should be evaluated.

**EDP-21**

Develop and enhance those visitor, cultural, historical, and entertainment attractions of the Sequim-Dungeness valley which offer economic benefits.

**EDP-22**

Walking Bike Trail : Sequim shall pursue the development of the Walking Bike Trail as a means of enhancing economic development opportunities within the City. The establishment of the trail will provide a direct economic return to the community by facilitating recreational tourism; enhancing the quality of life for area residents; helping to attract new residents and businesses who would relocate to Sequim for a higher quality of life; providing for a needed connection between many of Sequim's existing and proposed attractions; and generally enhancing the perception of Sequim as a recreational destination.

## HOME OCCUPATION

**EDP-23**

The City of Sequim should encourage opportunities for telecommuting and home businesses that are consistent and compatible with the character of adjoining residential properties and neighborhoods. Development regulations should minimize the potential for negative impacts by limiting signs, maintaining the residential appearance of

neighborhoods, requiring adequate parking while ensuring that parking fits into the neighborhood and is not excessive, limiting truck deliveries, and appropriately managing other potential adverse impacts.

**EDP-24**

Existing home based business regulations should be examined to identify unnecessary or inappropriate requirements which may prevent these businesses from expanding, hiring employees or seeking required business permits.

RELOCATION & EXPANSION

**EDP-25**

Support the retention and expansion of existing firms and recruiting activities for businesses of all types and sizes which demonstrate a commitment to protecting the environment and enhancing the quality of life of the community.

**EDP-26**

Encourage the recruitment of new businesses which hire local residents, including firms whose employment strategy targets local residents who are currently employed outside of the Sequim-Dungeness Valley.

**EDP-27**

If necessary, Sequim should actively seek state and federal funding to help retain, expand, and/or site new firms and economic activities within appropriately zoned areas of the City.

INFRASTRUCTURE & HIGH TECH

**EDP-28**

The City acknowledges that future economic growth, including but not limited to technology-related development, may require advanced telecommunications, and or other specialized infrastructure. New development activities should evaluate the feasibility of accommodating advanced telecommunications and technology related infrastructure.

**EDP-29**

Coordinate the Capital Facilities Element with Clallam County’s plan so that infrastructure funding and construction is consistent with countywide policies for economic development.

**EDP-30**

Implement Level of Services (LOS) and concurrency management systems which are consistent with economic development goals and policies.

**EDP-31**

When re-use water becomes available, tourist related and recreational facility development should be encouraged.

EDUCATION & TRAINING

**EDP-32**

Sequim shall promote programs and services which provide vocational and professional training opportunities for City businesses, employees and residents, creating a skilled labor force for existing and future employers in the community. The City also should encourage the development of new programs that target the retention of employees who are displaced from industries which are out-sourcing due to changing competitive, environmental, regulatory, or market conditions.

**EDP-33**

The City of Sequim should encourage greater communication between educational and training providers, businesses, employees and residents better to meet community needs. Specific focus should be placed on providing continuing education, skills upgrading, mentoring, and lifelong learning programs suitable for large and small employers.

**EDP-34**

To address job dislocations and retraining needs in the Sequim area, the City should work with other agencies to support and encourage the provisions of training and other services for affected workers.

**EDP-35**

Educational institutions, government agencies and businesses should cooperate in providing young people with exposure to a wide variety of employment and business opportunities. Examples include mentoring programs, job fairs and vocational education that includes on-the-job training as part of the program.

**REGULATIONS & PERMITTING****EDP-36**

Coordination should be encouraged between permitting and regulatory agencies to facilitate the timely review of proposed commercial and industrial projects.

**EDP-37**

The City of Sequim should continuously evaluate and improve its development standards and permitting processes to ensure that they are equitable, cost-effective, timely and meet community needs.

**EDP-38**

In developing and implementing City policies and programs, decision makers should seek to improve Sequim's quality of life and the business climate while achieving community goals.

**EDP-39**

Development standards for retail, office and manufacturing areas should balance community goals with the need to cost-effectively provide building sites for businesses.

**EDP-40**

The City of Sequim should ensure that development standards accommodate the specific needs of business where appropriate. Examples include allowing security measures, day care facilities, alternative transportation modes and intra-campus access.

**EDP-41**

In developing and implementing City policies and programs, decision makers should seek to enhance small business opportunities and reduce potential negative impacts on small businesses.

## **ECONOMIC DEVELOPMENT PROJECTS**

### **EDPROJ-1**

The City shall work cooperatively with the Clallam County Economic Development Council (EDC) to prepare a *Business Relocation and Start-up Assessment* for Sequim. This assessment shall :

- Identify current regulatory and/or infrastructure-based disincentives to the relocation of out-of-area businesses to Sequim;
- Identify and evaluate regulatory opportunities to assist in the establishment of local start-up businesses; and
- Include an action plan which recommends specific changes that address identified deficiencies and enhances existing or potential economic opportunities.

### **EDPROJ-2**

The City shall work cooperatively with the Clallam County Economic Development Council (EDC) to inventory existing commercial businesses within Sequim. The purpose of this inventory is to identify market segments which are currently not served by existing commercial businesses, and to anticipate and identify new market opportunities associated with the projected growth of the community during the planning period. The results of this inventory and analysis shall be included in the EDC's Clallam County Business Relocation Guide and other similar publications and information packets.

### **EDPROJ-3**

Should the lack of suitable infrastructure be identified (see EDPROJ-1 above) as a significant disincentive to the establishment of manufacturing and industrial uses within Sequim, the City and the Clallam County Economic Development Council (EDC) shall evaluate the feasibility of the public sector and/or a public-private partnership providing infrastructure and/or land (such as a business or industrial park) to support and enhance the economic base of the Sequim region.

### **EDPROJ-4**

The City shall actively support development of the Sequim 2000 Walking and Biking Trail project. The support shall include:

- Identification and evaluation of regulatory opportunities to assist in the establishment and development of the Trail; and
- Advocacy with landowners.

### **EDPROJ-5**

The City shall actively support development of the Sequim 2000 - Sequim Dungeness Farms project. The support shall include:

- Identification and evaluation of regulatory opportunities to assist in the establishment and development of the Farms' commercial and industrial potential;

- Identification and evaluation and, where appropriate, dedication of resources to assist in project development; and
- Advocacy with potential project funding agents, both private and public.

**EDPROJ-6**

The City shall (as required) develop sub-area plans to facilitate proposed project or area specific industrial/commercial development and address related open space, recreation, and critical land issues.

**EDPROJ-7**

The City should encourage the participation of Clallam County, the Clallam County Economic Development Council, and citizen groups in developing a common benchmark that will be used to measure the City's overall economic viability.

**EDPROJ-8**

The City shall evaluate the feasibility of establishing public-use golf courses within the Urban Growth Area. This evaluation shall assess the following:

- Market demand and feasibility
- Direct and indirect economic benefits to the community
- Potential operation and maintenance concerns
- The potential for reuse of treated wastewater
- The potential for public ownership and/or the creation of public/private partnerships

**EDPROJ-9**

The City shall evaluate appropriate incentives to encourage the redevelopment of existing vacant commercial buildings located within the commercial core areas.