

2025-26

Economic Development Implementation Plan



Community Planning and Development
City of Mercer Island



City of Mercer Island
Department of Community Development and Planning
Adoption Date, 2024

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1 Economic Development Element Implementation

2 The policies in the Economic Development Element describe the projects and programs the City will
3 undertake to realize its goals for economic development. They implementation policies in the Economic
4 Development Element establish a the process by which the City Council will add projects from the element
5 to departmental work plans. This process requires an implementation progress report, project list, and
6 implementation timeline be presented to the City Council each biennium as the budget is adopted. Each
7 budget cycle, the City Council approves will approve a resolution setting the project list, adding projects
8 to departmental work plans, and appropriating funds to achieve the goals of the Economic Development
9 Element.

10
11 ~~The policies in the Economic Development Element describe the projects and programs the City will~~
12 ~~undertake to realize its goals for economic development.~~ The City Council has discretion as to when those
13 projects are added to departmental work plans. This document summarizes which projects and programs
14 will be undertaken in the upcoming biennium.

15 16 **Project and Program List**

17 The Economic Development Element policies establish direction to undertake certain projects and
18 programs the City will undertake to grow its economy. Implementation of those policies requires direction
19 from the City Council to budget for and add those projects and programs to departmental work plans.
20 The following list outlines the projects and programs with their associated policy numbers from the
21 Economic Development Element:

- 22
- 23 • Establish a local business liaison position on the City Council (Policy 1.2)
- 24 • Dedicate one staff position to coordinating the implementation of the Economic Development
- 25 Element (Policy 1.3)
- 26 • Analyze commercial development capacity (Policy 1.5)
- 27 • Develop a citywide retail strategic plan (Policy 1.6)
- 28 • Analyze the feasibility of establishing a Parking Benefit and Improvement Area (PBIA) or Local
- 29 Improvement District (LID) (Policy 1.7)
- 30 • Partner with nongovernmental organizations and other economic development agencies to
- 31 market Mercer Island as an ideal place to do business (Policy 2.1)
- 32 • Develop a guide to doing business on Mercer Island to help entrepreneurs (Policy 2.4)
- 33 • Conduct a food truck pilot program (Policy 2.5)
- 34 • Convene an annual business owners' forum (Policy 3.1)
- 35 • Facilitate periodic business roundtables (Policy 3.2)
- 36 • Distribute a periodical business newsletter (Policy 3.3)
- 37 • Partner with community organizations to undertake a "Shop Mercer Island" marketing campaign
- 38 (Policy 3.4)
- 39 • Establish partnerships to connect workers with jobs on Mercer Island (Policies 5.1 and 5.2)
- 40 • Audit the commercial development code (Policy 7.1)
- 41 • Evaluate City fees (Policy 7.2)
- 42 • Jointly developed annual docket recommendation from the dedicated economic development
- 43 staff and Council local business liaison (Policy 7.3)
- 44 • Update home business regulations (Policy 7.4)
- 45 • Establish a small business preapplication process (Policy 7.5)

- 1 • Convene an ad hoc committee to review building and development code provisions related to
- 2 adaptive reuse of commercial spaces (Policy 7.6)
- 3 • Develop a program to activate Town Center (Policy 9.2)
- 4 • Review street standards including the streetscape manual in Town Center (Policy 10.4)
- 5 • Establish regulations for outdoor dining and temporary uses (Policy 11.1)
- 6 • Prepare a biennial report tracking implementation of the Economic Development Element (Policy
- 7 13.5)
- 8 • Establish an implementation timeline for this element each budget cycle (Policy 13.6)

9 Implementation Progress Report

10 This is the first Economic Development Element implementation plan and progress report. As such, the
11 City has yet to initiate any projects or programs to implement the element. The project list and
12 implementation timeline that follows will be the first actions taken in pursuit of the goals of the Economic
13 Development Element. This section will include an update of implementation progress when prepared
14 for future budget cycles.

15 Implementation Timeline

16 The implementation timeline includes the estimated duration of each project ~~spelled out~~ specified in the
17 goals and policies. Projects resulting from policies with specific deadlines are projected to ~~end~~ be
18 completed by the end of the deadline year ~~in which the policy establishes a deadline~~. Please note that
19 under state law, the City will likely be required to complete a periodic review and update of the
20 Comprehensive Plan, including the Economic Development Element, by 2034. Implementation tasks and
21 timelines are expected to be updated during the next periodic review.
22

Table 1. Six-Year EDE Implementation Timeline 2025-2030.

| Implementation Action | | Source Policy | '25-'26 Biennium | | | | | | | | '27-'28 Biennium | | | | | | | | '29-'30 Biennium | | | | | | | | 2031-44 |
|---|--|---------------|------------------|----|----|----|------|----|----|----|------------------|----|----|----|------|----|----|----|------------------|----|----|----|------|----|----|----|---------|
| | | | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | | 2030 | | | | |
| Ongoing Implementation Actions | Economic Development staff position | 1.3 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Distribute business newsletter | 3.3 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Establish local business liaison position on City Council | 1.2 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Annual Business Owners' Forum | 3.1 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Economic development annual docket recommendation | 7.3 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Periodic Business Roundtables | 3.2 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Biennial implementation tracking report | 13.5 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Update implementation plan | 13.6 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| Term Limited Implementation Actions | Commercial development code audit | 7.1 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Small business pre-application process | 7.5 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Analyze feasibility of establishing a Parking and Business Improvement Area (PBIA) or Local Improvement District (LID) | 1.7 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Outdoor dining and temporary uses regulations | 11.1 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Home Business development code review | 7.4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | "Shop Mercer Island" marketing campaign | 3.4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Evaluate City Fees | 7.2 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Food truck pilot program | 2.5 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Citywide retail strategy | 1.6 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Work with partners to develop a guide to doing business on Mercer Island | 2.3 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Establish partnerships to connect workers with jobs on Mercer Island | 5.1 & 5.2 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Commercial development capacity analysis | 1.5 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Review Town Center street standards and Streetscape Manual | 10.4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Work with partners to facilitate a mentorship program | 2.4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| | Adaptive Reuse Ad Hoc committee | 7.6 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| Town Center activation program | 9.2 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | |
| Market Mercer Island as a prime location for doing business | 2.1 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | |

Implementation Actions by Biennia

2025-2026 Biennium

The Economic Development Element implementation project list in Table 1 summarizes the projects and programs that the City will carry out in the upcoming 2025-2026 biennium. Each project or program includes a budget estimate, a projected start, and a projected completion. The projected start and end are listed as a quarter of the year to account for the variability of exact start times. The City Council can add or remove projects listed in Table 2 if a project should be deferred to a later budget cycle.

Table 2. Economic Development Element Implementation Project List 2025-2026 Biennium.

| ID # | Project/Program | Source Policy Number | Start Date | End Date | Estimated Budget |
|---|--|----------------------|---------------|----------|------------------|
| ED-1 | Dedicated Economic Development staff position | 1.3 | Ongoing | Ongoing | \$140,000 |
| ED-2 | Distribute business newsletter | 3.3 | Ongoing | Ongoing | N/A ¹ |
| ED-3 | Annual Business Owners' Forum | 3.1 | Q2 Annually | Ongoing | N/A ¹ |
| ED-4 | Economic development annual docket recommendation | 7.3 | Q3 Annually | Ongoing | N/A ¹ |
| ED-5 | Periodic Business Roundtables | 3.2 | Q4 Biennially | Ongoing | N/A ¹ |
| ED-6 | Report tracking implementation of the Economic Development Element. | 13.5 | Q2 Biennially | Ongoing | N/A ¹ |
| ED-7 | Update Economic Development Element implementation plan | 13.6 | Q3 Biennially | Ongoing | N/A ¹ |
| ED-8 | Establish local business liaison position on City Council | 1.2 | Q1 Annually | Ongoing | N/A ¹ |
| ED-9 | Develop Small business pre-application process | 7.5 | Q1 2025 | Q2 2025 | N/A ¹ |
| ED-10 | Commercial Development Code Audit | 7.1 | Q1 2025 | Q4 2026 | \$100,000 |
| ED-11 | Analyze feasibility of establishing a Parking and Business Improvement Area (PBIA) or Local Improvement District (LID) | 1.7 | Q4 2025 | Q1 2026 | N/A ¹ |
| ED-12 | Establish outdoor dining and temporary uses regulations | 11.1 | Q2 2026 | Q3 2026 | N/A ¹ |
| ED-13 | Home Business Development Code Review | 7.4 | Q3 2026 | Q4 2026 | N/A ¹ |
| ED-14 | "Shop Mercer Island" Marketing Campaign | 3.4 | Q1 2026 | Q4 2026 | \$50,000 |
| ED-15 | Evaluate City Fees | 7.2 | Q1 2026 | Q4 2026 | \$40,000 |
| ED-16 | Food Truck Pilot Program | 2.5 | Q1 2026 | Q4 2026 | \$10,000 |
| Approximate Total Budget for 2025 ² | | | | | \$190,000 |
| Approximate Total Budget for 2026 ² | | | | | \$290,000 |
| Approximate Total Budget for 2025-2026 Biennium | | | | | \$480,000 |

Notes:

- 1) Actions with an "N/A" in the budget line can be rolled into existing operations and/or the created economic development staff position.
- 2) The estimated budget for projects that span two years is divided evenly between both years.

1 **2027-2028 and 2029-2030 Biennia**

2 The remaining projects and programs outlined in the Economic Development Element are proposed to
 3 take place in subsequent biennia. Table 3 shows the projects and programs planned for the 2027-2028
 4 budget cycle. Table 4 shows the projects and programs planned for the 2029-2030 budget cycle. The City
 5 Council can decide to move any project or program from Tables 3 or 4 to the current project list in Table
 6 2. Moving a project or program to Table 2 would add it to a departmental work plan for the upcoming
 7 biennium and require a corresponding update to the implementation timeline.

8
 9 **Table 3. Economic Development Element Implementation Project List 2027-2028 Biennium.**

| Project/Program | Source Policy Number | Start Date | End Date | Estimated Budget |
|---|----------------------|------------------|----------|-----------------------|
| Dedicated Economic Development staff position | 1.3 | Ongoing | Ongoing | \$140,000 |
| Distribute business newsletter | 3.3 | Ongoing | Ongoing | N/A ¹ |
| Annual Business Owners’ Forum | 3.1 | Q2 Annually | Ongoing | N/A ¹ |
| Jointly developed annual docket recommendation from the dedicated economic development staff and Council local business liaison | 7.3 | Q3 Annually | Ongoing | N/A ¹ |
| Periodic Business Roundtables | 3.2 | Q4 Semi-annually | Ongoing | N/A ¹ |
| Biennial report tracking implementation of the Economic Development Element. | 13.5 | Annual Q2 | Ongoing | N/A ¹ |
| Update Economic Development Element implementation plan | 13.6 | Quarterly | Ongoing | N/A ¹ |
| Citywide retail strategy | 1.6 | Q1 2027 | Q4 2028 | \$80,000 |
| Establish partnerships to connect workers with jobs on Mercer Island | 5.1 & 5.2 | Q1 2027 | Q2 2027 | N/A ¹ |
| Work with partners to develop a guide to doing business on Mercer Island | 2.3 | Q1 2026 | Q4 2026 | N/A ¹ |
| Commercial development capacity analysis | 1.5 | Q1 2028 | Q4 2029 | \$40,000 ² |
| Approximate Total Budget for 2027 ² | | | | \$180,000 |
| Approximate Total Budget for 2028 ² | | | | \$220,000 |
| Approximate Total Budget for 2027-2028 Biennium | | | | \$400,000 |

10 Notes:

- 11 1) Actions with an “N/A” in the budget line can be rolled into existing operations and/or the created economic
 12 development staff position.
 13 2) The estimated budget for projects that span two years is divided evenly between both years.

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1 **Table 4. Economic Development Element Implementation Project List 2029-2030 Biennium.**

| Project/Program | Source Policy Number | Start Date | End Date | Estimated Budget |
|--|----------------------|------------------|----------|------------------|
| Dedicated Economic Development staff position | 1.3 | Ongoing | Ongoing | \$140,000 |
| Distribute business newsletter | 3.3 | Ongoing | Ongoing | N/A ¹ |
| Annual Business Owners’ Forum | 3.1 | Q2 Annually | Ongoing | N/A ¹ |
| Jointly developed annual docket recommendation from the dedicated economic development staff and Council local business liaison | 7.3 | Q3 Annually | Ongoing | N/A ¹ |
| Periodic Business Roundtables | 3.2 | Q4 Semi-annually | Ongoing | N/A ¹ |
| Biennial report tracking implementation of the Economic Development Element. | 13.5 | Annual Q2 | Ongoing | N/A ¹ |
| Update Economic Development Element implementation plan | 13.6 | Quarterly | Ongoing | N/A ¹ |
| Commercial development capacity analysis | 1.5 | Q1 2028 | Q4 2029 | \$40,000 |
| Review Town Center street standards and Streetscape Manual | 10.4 | Q1 2029 | Q4 2030 | \$120,000 |
| Work with partners to facilitate a mentorship program that connects Mercer Island business owners, entrepreneurs, and retirees with young adults interested in starting new businesses | 2.4 | Q1 2028 | Q2 2028 | N/A ¹ |
| Approximate Total Budget for 2029 ² | | | | \$240,000 |
| Approximate Total Budget for 2030 ² | | | | \$200,000 |
| Approximate Total Budget for 2029-2030 Biennium | | | | \$440,000 |

2 Notes:

- 3 1) Actions with an “N/A” in the budget line can be rolled into existing operations and/or the created economic
 4 development staff position.
 5 2) The estimated budget for projects that span two years is divided evenly between both years.
 6

7 **2031-2044 Implementation Actions**

8 Some implementation actions are planned for the years 2031-2044. These implementation actions are
 9 listed in Table 5. Cost estimates for these implementation actions are not included in the table because
 10 they ~~will need to be~~ are better determined closer to the time that they will be added to the
 11 implementation plan in order to be more accurate. These implementation projects and programs would
 12 be in addition to the ongoing implementation actions initiated in previous biennia.
 13

14 **Table 5. 2031-2044 Economic Development Element Implementation Project List.**

| Project/Program | Source Policy Number | Estimated Start | Estimated Duration |
|---|----------------------|-----------------|--------------------|
| Adaptive Reuse Ad Hoc committee | 7.6 | 2030 | 1 Year |
| Town Center activation program | 9.2 | 2030 | 2 Years |
| Market Mercer Island as a prime location for doing business | 2.1 | 2031 | 1 Year |

2025-2026 Economic Development Element Implementation Action Descriptions

The following tables list detailed descriptions of each Economic Development Element implementation action, project, or program planned for the 2025-2026 Biennium. The tables include the budget estimates for each year and the project overall.

Project ED-1 Dedicated Economic Development Staff Position

Create a staff position that is dedicated to the implementation of the Economic Development Element and oversee the City's economic development program. The position is not expected to only focus on the Economic Development Element, but also engage in other economic development projects. This position is also expected to pursue grant funding for economic development, facilitate partnerships in the Mercer Island business community, and coordinate City efforts with regional, statewide, and federal economic development programs.

Project Justification

The Economic Development Element creates a directive to dedicate one full-time position to its implementation. Initiating and carrying out an economic development program will require staff resources beyond what the City has available without establishing a new position. This position will help to ensure that the City realizes its economic development goals by overseeing the economic development projects and programs the City has included in its Comprehensive Plan. This position can help offset some of the budget impacts of the economic development program by exploring and applying for grants and other funding sources. This position can also provide professional technical information for City decision makers as the City considers actions that intersect with affect the local economy.

| Project ED-1 Dedicated Economic Development Staff Position | | | | |
|--|--------------------|--------------------|-----------------------------|--|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing | \$140,000 | \$140,000 | \$280,000 | Community Planning and Development (CPD) |

Project ED-2 Distribute Business Newsletter

The City started providing a regular business newsletter during the COVID-19 pandemic to keep local businesses informed of resources available and the shifting safety protocols. Economic Development Element Policy 3.3 calls for continuing to periodically distribute a business newsletter. Initially, this distribution will occur quarterly in the form of an emailed newsletter. The frequency of distribution can be adjusted as needed to account for the information needs of the business community. The dedicated economic development staff position will oversee the production and distribution of the newsletter and manage the distribution list. The expected cost of this implementation action is projected to be included in the existing cost of the economic development staff position, without added material or labor costs.

Project Justification

This project is expected to facilitate communication between the City and the Mercer Island business community. This communication should boost participation of business leaders in the City's other economic development projects and programs and raise awareness of City actions that might affect businesses.

| Project ED-2 Distribute Business Newsletter | | | | |
|---|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing | N/A | N/A | N/A | CPD |

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Project ED-3 Annual Business Owners’ Forum

Economic Development Element Policy 3.1 calls for the City to hold an annual Business Owners’ Forum involving the business leaders, the City Council Local Business Liaison, and City economic development staff. The purpose of this annual forum is to gather input from the business community that can help guide the City’s future economic development activities. This can include feedback on what regulatory improvements the City might make or the effectiveness of economic development programs. Comments from the business community gathered during the annual forum can help the Local Business Liaison and City staff prepare new project proposals for upcoming City work plans and inform other City decision making. This forum will also begin to establish a continuous feedback system between the City and business community. The expected cost of this implementation action is projected to be included in the existing cost of the economic development staff position, without added material or labor costs.

Project Justification

This project will be one of the cornerstones of the City’s economic development program by creating an annual opportunity for business leaders to engage with City staff and elected officials. Regularly scheduled input will establish a predictable avenue for business leaders to interface with the City and help improve the City’s economic development projects and programs.

| Project ED-3 Annual Business Owners’ Forum | | | | |
|--|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing Q2 Annually | N/A | N/A | N/A | CPD |

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Project ED-4 Economic Development Annual Docket Recommendation

Each year the City Council’s Local Business Liaison and economic development staff will consider proposing amendments to the City’s Comprehensive Plan and Title 19 Mercer Island City Code – Unified Land Development Code during the annual docket process. This annual-docket-proposal process can account for will utilize the feedback received during other economic development activities the City has conducted throughout the year. During this project, the City’s main economic development points of contact will consider whether amendments to City policies and regulations are needed to better support the business community. The Any resultant proposal will be considered by the Planning Commission and City Council for inclusion in the next CPD work plan. The expected cost of this implementation action is projected to be included in the existing cost of the economic development staff position, without added material or labor costs.

Project Justification

This implementation action provides an annual avenue for the Local Business Liaison and economic development staff to propose changes to the City’s Comprehensive Plan and development regulations to account for the input they have received from the business community throughout the year. Establishing a recurring project to develop an annual docket proposal will help ensure that actionable feedback is responded to in a timely way via the proper process.

| Project ED-4 Economic Development Annual Docket Recommendation | | | | |
|--|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing Q3 annually | N/A | N/A | N/A | CPD |

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Project ED-5 Periodic Business Roundtable

Economic Development Element Policy 3.2 calls for the City to periodically hold a Business Roundtable involving the with business leaders, the City Council Local Business Liaison, and City economic development staff. ~~To start with~~ Initially, this roundtable is planned to take place every other year after the City has updated its economic development implementation plan. The roundtable will serve as a kickoff for the economic development programs planned for the upcoming biennium. ~~The Council's Local Business Liaison and economic development staff will collaborate to communicate to the business community what the City has accomplished in the previous biennium and what it plans to do in the upcoming years. This will also be an opportunity for dialog with business leaders prior to initiating programs and projects. That dialog should help the City refine its approaches to existing programs and projects as well as inform the scoping of other tasks.~~ The expected cost of this implementation action is projected to be included in the existing cost of the economic development staff position, without added material or labor costs.

Project Justification

The periodic business roundtable is another key component of the City's outreach to local businesses. This roundtable should provide useful feedback for the City to understand how its programs are affecting the business community. The business roundtable will also give the City the opportunity to introduce its planned economic development actions to the business community in advance of undertaking those actions. These systems of feedback and communication between the City and business community are vital to the City's overall economic development program.

| Project ED-5 Periodic Business Roundtable | | | | |
|---|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing Q4 Biennially | N/A | N/A | N/A | CPD |

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Project ED-6 Biennial Economic Development Element Implementation Tracking

Every other year, staff will catalog the economic development projects and programs the City has undertaken in the previous budget cycle. This will be compared against the actions outlined in the Economic Development Element to determine which projects and programs should be budgeted and planned for in the upcoming biennium. This implementation tracking will be compiled in a report provided to the City Council in advance of budgeting and assigning tasks for the upcoming biennium. The expected cost of this implementation action is projected to be included in the existing cost of the economic development staff position, without added material or labor costs.

Project Justification

The Economic Development Element outlines an implementation tracking process in policies 13.5 and 13.6. The purpose of these policies and the implementation tracking process overall is to ensure that the City is following through on the economic development actions it has ~~planned~~ outlined in its

1 Comprehensive Plan. Ultimately, the Economic Development Element implementation tracking will be a
 2 tool for the City Council to evaluate which actions to budget for and assign to City departmental work
 3 plans.
 4

| Project ED-6 Biennial Economic Development Element Implementation Tracking | | | | |
|--|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing Biennially Q2 | N/A | N/A | N/A | CPD |

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 6 **Project ED-7 Update Economic Development Element Implementation Plan**
 7 The City Council will update the Economic Development Element implementation plan each budget cycle.
 8 This update is required by Policy 13.6. The implementation tracking report prepared during task ED-6 will
 9 help give the City Council the information needed to determine which implementation actions from the
 10 Economic Development Element still need to be done. The biennial update to the implementation plan
 11 will coincide with the City’s budget process. The expected cost of this implementation action is projected
 12 to be included in the existing cost of the economic development staff position, without added material or
 13 labor costs.
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15 Project Justification

16 Assigning and budgeting for implementation of the Economic Development Element is an important step
 17 in making sure the City realizes its economic development goals in the Comprehensive Plan. Through this
 18 process, the City Council will determine which implementation actions to add to upcoming departmental
 19 work plans and budget for in the ensuing biennium.
 20

| Project ED-7 Update Economic Development Element Implementation Plan | | | | |
|--|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing Biennially Q4 | N/A | N/A | N/A | CPD |

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 22 **Project ED-8 Establish local business liaison position on City Council**
 23 Economic Development Element Policy 1.2 calls for the creation of a Local Business Liaison position on
 24 the City Council. Every year, a sitting City Council member will be selected to fill this position. The Local
 25 Business Liaison will serve as a point of contact for the Mercer Island business community and coordinate
 26 with economic development staff to conduct outreach to economic development stakeholders through
 27 events such as the annual business forum and periodic business roundtables. The Local Business Liaison
 28 will also work with economic development staff to propose Comprehensive Plan and/or development
 29 code amendments as needed during the annual docket process. To initiate the creation of this City Council
 30 position, staff will prepare the necessary documents to establish the procedure for selecting the Local
 31 Business Liaison. The expected cost of this implementation action is projected to be included in the
 32 existing cost of the economic development staff position, without added material or labor costs.
 33

34 **Comment Log #47:** amendments to this project description are proposed in comment #47. This
 35 amendment should be made if the Planning Commission decides to make the amendments proposed in
 36 Comment #3.
 37

1 Project Justification

2 The City Council Local Business Liaison is an important piece of the Economic Development Element. The
 3 Element spells out a handful of specific duties for the Local Business Liaison and relies on this position to
 4 act as a go-between for the City Council and the business community. Establishing this position should
 5 increase the efficiency of implementing the economic development program at the City and create a
 6 regular feedback mechanism between the City Council, economic development staff, and the Mercer
 7 Island business community.

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| Project ED-8 Establish local business liaison position on City Council | | | | |
|--|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Ongoing Q1 Annually | N/A | N/A | N/A | CPD |

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 10 **Project ED-9 Develop Small Business Pre-Application Process**

11 Economic Development Element Policy 7.5 calls for the creation of a small business pre-application
 12 process. This is expected to help entrepreneurs and existing small businesses navigate City regulations
 13 and the permitting processes when starting a new business or expanding an existing one. The purpose of
 14 creating this process is to reduce permitting delays for development permit applications and cut down on
 15 the permitting costs for small businesses. Developing this preapplication process is expected to take place
 16 during the first half of 2025. The expected cost of this implementation action is projected to be included
 17 in the existing cost of the economic development staff position, without added material or labor costs.

18
 19 Project Justification

20 The small business pre-application process should help the local economy grow by assisting smaller
 21 businesses navigate the City’s permitting processes which will help cut down on permit delays and costs
 22 to applicants.

23

| Project ED-9 Develop Small Business Pre-Application Process | | | | |
|---|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q2 2025 | N/A | N/A | N/A | CPD |

24
 25 **Project ED-10 Commercial Development Code Audit**

26 Economic Development Element Policy 7.1 calls for an audit of the commercial development code to
 27 improve its effectiveness and make efficient use of City resources. The policy includes a list of specific
 28 factors the audit should address:

- 29
- 30 • ~~Lowering~~ Minimizing unnecessary compliance costs for business owners;
 - 31 • Minimizing the duration delay and reduce uncertainty of in the entitlement process;
 - 32 • Improving conflict resolution in the entitlement process; and
 - 33 • Reducing the likelihood of business displacement as new development occurs; and
 - 34 • Balancing parking requirements between reducing barriers to entry for new businesses and the
 35 need for adequate parking supply.

36
 37 The project is expected to take roughly two years to complete. During the first year, staff will conduct the
 38 audit. After auditing the code, staff will prepare commercial development code alternatives for the City

Council to consider through a legislative process. The legislative process is planned for the second year of the project. Public participation will be integrated into the project in both the development of code alternatives and the legislative review.

Project Justification

The development code audit and update should encourage economic growth by lowering barriers of entry for businesses. The cost associated with this project is for the retention of consultants to assist City staff in the development code audit and preparing updates for the code.

| Project ED-10 Commercial Development Code Audit | | | | |
|---|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q4 2026 | \$50,000 | \$50,000 | \$100,000 | CPD |

Project ED-11 Analyze feasibility of establishing a Parking and Business Improvement Area (PBIA) or Local Improvement District (LID)

This implementation project is a study of the feasibility of establishing a Parking Benefit Improvement Area (PBIA), Local Improvement District (LID), or other similar district in the City that would focus on improving on-street parking and the streetscape. Establishing this kind of district or area has the potential to generate funding and other resources to update infrastructure in the City’s commercial areas. The intended outcome of this feasibility study is to develop alternatives for the City Council to consider. The expected cost of this implementation action is projected to be included in the existing cost of the economic development staff position, without added material or labor costs.

Project Justification

Establishing a PBIA, LID, or other similar district could generate funding and resources for parking and streetscape improvements that would further the City’s economic development goals. This is intended to give the City Council information about alternatives available to manage and fund improvements to increase circulation and access within the district or area thereby bolstering economic activities in that area.

| Project ED-11 Analyze feasibility of establishing a Parking and Business Improvement Area (PBIA) or Local Improvement District (LID) | | | | |
|--|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q1 2026 | N/A | N/A | N/A | CPD |

Project ED-12 Outdoor Dining and Temporary Uses Regulations

~~This project would be carried out by a combination of economic development and long range planning staff. The purpose of the~~ This project is to establish new or clarify existing outdoor dining and temporary use regulations. Outdoor dining and temporary uses can potentially activate commercial areas by drawing more pedestrians and increasing outdoor activity in commercial zones. The project is expected to take roughly six months in the first half of 2026. This project would be carried out by a combination of economic development and long-range planning staff. In addition to City staff, the Planning Commission would be involved in the legislative review of the proposed regulations. The expected cost of this

1 implementation action is projected to be included in the existing cost of the economic development staff
2 position, without added material or labor costs.

3
4 Project Justification

5 The current development code for outdoor dining and temporary uses is unclear and at times restricts
6 commercial activity that ~~would~~ could otherwise be beneficial to the local economy. This project would
7 clarify the existing regulations and establish new regulations that would reduce regulatory barriers while
8 safeguarding the public interest in orderly development. When drafting the Economic Development
9 Element, staff identified this project as a low-cost project that has the potential for high beneficial impact
10 on commercial activity in the City.
11

| Project ED-12 Outdoor Dining and Temporary Uses Regulations | | | | |
|---|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q3 2026 | N/A | N/A | N/A | CPD |

12
13 **Project ED-13 Home Business Development Code Review**

14 As the City evaluates its other development code provisions related to commercial development during
15 Project ED-10, it can also evaluate its home business regulations for commercial activities in residential
16 zones. Given that this code section has not been updated in some years, an update ~~and potential~~
17 ~~streamlining~~ could spur additional economic growth by simplifying the regulatory requirements and
18 streamlining the permitting process, while ensure that home businesses remain compatible with
19 neighboring residential uses.

20
21 Project Justification

22 Reviewing and streamlining the development code and permitting process for home businesses can make
23 it easier for smaller firms to start businesses in the City.
24

| Project ED-13 Home Business Development Code Review | | | | |
|---|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q4 2026 | N/A | N/A | N/A | CPD |

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26 **Project ED-14 Shop Mercer Island Marketing Campaign**

27 Policy 3.4 calls for the City to work with partners to initiate a “Shop Mercer Island” marketing campaign
28 to support local businesses and attract more customers to retail businesses in the City. This will include
29 working with the Chamber of Commerce and other economic development organizations and agencies.
30 The City’s primary role in this project is expected to be coordinating this campaign, facilitating
31 partnerships between the community organizations involved, and marshalling resources.
32

33 Project Justification

34 The Shop Mercer Island Marketing Campaign will support the retail industry in the City, a key sector of
35 the local economy. Through this project, the City can have a direct impact on providing additional visibility
36 for local businesses.
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| Project ED-14 Shop Mercer Island Marketing Campaign | | | | |
|---|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q4 2026 | N/A | \$50,000 | \$50,000 | CPD |

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Project ED-15 Evaluate City Fees

Policy 7.2 calls for the City to evaluate permitting fees to determine their effect on business startup costs and City finances. The evaluations should ~~also balance the permitting costs,~~ the impact on business startup costs, ~~and with~~ the financial needs of the City. This project ~~should~~ is intended to find ways the City may be able to ~~can~~ reduce costs for starting new businesses and expanding existing businesses. This project is scheduled to take place during the latter half of the commercial development code audit to take into consideration ~~the~~ any easing of regulatory barriers and streamlining of permit processes.

Project Justification

~~It is anticipated that t~~This project ~~is expected to~~ will reduce business formulation and expansion costs. This should make it easier for firms to locate and grow in the City, both of which would spur additional economic growth. Planning to do this project at the same time the City audits its development code during project ED-10 should maximize the potential economic growth this project can stimulate by reducing permitting costs at the same time regulatory barriers are reevaluated.

| Project ED-15 Evaluate City Fees | | | | |
|----------------------------------|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q4 2026 | N/A | \$40,000 | \$40,000 | CPD |

Project ED-16 Food Truck Pilot Program

Economic Development Element Policy 2.5 calls for the creation of a food truck pilot program ~~as a means to attract more entrepreneurs to Town Center.~~ The program would look at ways to attract more food trucks and result in a report detailing what regulatory and programmatic changes can be made to make the City more attractive to food truck operators.

Project Justification

Finding ways to encourage and attract food truck operators is expected to spur economic activity in the City. Food trucks ~~specifically~~ are targeted by this program because they ~~tend to eventually~~ have the potential to become permanent businesses in brick-and-mortar restaurants. This entrepreneurship can help grow the Mercer Island economy.

| Project ED-16 Food Truck Pilot Program | | | | |
|--|--------------------|--------------------|-----------------------------|------------|
| Target Completion Date | 2025 Cost Estimate | 2026 Cost Estimate | 2025-26 Total Cost Estimate | Department |
| Q4 2026 | N/A | \$10,000 | \$10,000 | CPD |