



Community Development Department

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MEMORANDUM

To: Economic Development Commission
From: Emily Arteche, Director CD
Date: March 20, 2024
Subject: Economic Development Support Opportunities

INTRODUCTION:

The purpose of this memo is to introduce forthcoming economic development opportunities for Commission consideration relating to Mainstreets by using a Main Streets Approach and Creative Districts, a geographically defined area of cultural and economic activity.

[Washington Main Street](#) helps communities revitalize the economy, appearance, and image of their downtown districts using the successful Main Street Approach™, and a comprehensive revitalization strategy built around a community’s unique heritage and attributes. Washington Main Street is a program of the Department of Archaeology & Historic Preservation, managed under contract by the Washington Trust for Historic Preservation.

Creative Districts is a certification program administered by [ArtsWA](#), the Washington State Arts Commission, a state agency, formed by the Washington State Legislature in 1961. The mission of the Commission is to nurture and support the role of the arts in the lives of all Washingtonians. The Commission values diversity, equity, and inclusion and believes in diverse forms of artistic expression as well as providing access to arts and arts education to everyone.

BACKGROUND:

On September 27, 2023, the Economic Development Commission signed a recommended draft Economic Development Element of the Comprehensive Plan. The Element calls for fostering a business climate that facilitates economic development with specific policies focused on the creation of public art and the preservation of economic viability within the City’s historic downtown including the support for a full-service restaurant to replace the now closed Woodman as a key tourism draw to the City’s downtown.

In the Winter of 2009, the City applied to the Department of Commerce for an Affiliate Level Membership of the Downtown Revitalization Tier System Network with a requirement to include but not limited to: “Take time to learn about the Main Street Approach”. Currently the City of Snoqualmie is considered an Affiliate of the Mainstreet program.

Creative Districts is an award-winning program that is now working in the cities of Edmonds, Chewelah, Olympia, Langley and many other cities to grow the community creative sectors. Thus far, 15 cities have received certification to turn cultural activities into economic growth. The program is so successful that in March 2019, the ArtsWA received the Innovation in Economic Development Award from the Washington Economic Development Association, WEDA. The award is for programs that significantly improve a community’s ability to attract and keep investment.

ANALYSIS:

Both programs offer funding opportunities such as grant monies and tax donations as well as other benefits that would advance the City’s desire of fostering a business climate that facilitates economic development.

Mainstreets offers the Main Street Tax Credit Incentive Program which provides a Business & Occupation (B&O) or Public Utility Tax (PUT) credit for private contributions given to eligible downtown organizations. Once a donation request is approved by the Department of Revenue, that business is then eligible for a tax credit worth 75% of the contribution to a downtown revitalization organization, such as the downtown Snoqualmie Mainstreet Program.

A designated Washington Main Street Communities, like the Snoqualmie Mainstreet Program, could be eligible to receive contributions through this state tax credit program when certain qualifications are met.

Mainstreets Tax Credit Incentive Overview
Businesses statewide can donate.
Business can donate up to \$250,000.
Program lets you self-direct your business taxes
Requires a downtown organization to have a 501(c)3

A Creative District designation, acknowledged by State of Washington with certification, accelerates the potential for economic growth. The Washington State’s Creative Economy is reported to have 376,121 jobs for the year 2020 in the following areas: software developers, postsecondary teachers, photographers, web developers, writers/authors, musicians, marketing managers, graphic designers, fine artist, interpreters and more. From the years 2019 to 2020 there was a 3% increase in creative job earning with a total of \$43.2 billion in total industry earnings. The benefits of such have a Creative Districts designation are summarized in the Overview below.

Creative District Designation Overview
Promote your community’s creative identity
Grow jobs in the creative sector
Increase tourism and bring new visitors
Attract artists, start-ups, and creative businesses
Create opportunities for affordable housing.
Boost livability
Redevelop historic assets in your community

NEXT STEPS:

Learn more about Mainstreets and Creative Districts through two consecutive presentations and then discuss. Make a motion to support the two programs through a letter of support from the Commission to the City Council.