

TO: City Council
FROM: Kelly Adams, Assistant City Administrator
DATE: September 1, 2026
SUBJECT: Economic Development Quarterly Update

1) Recommended Action:

This is a quarterly update to Council on the progress of Economic Development work.

2) Background:

Over the last quarter, staff advanced work in these related areas: Recruitment, Brewery Redevelopment Readiness and the Economic Development Element of the Comprehensive Plan.

Recruitment

Staff identified a tenant and collaborated with property owner to fill the space vacated by Bar C'est L'eau within the Craft District Market building. The space will be taken over by Fog & Fern Coffee expanding out of Lacey, WA. Fog & Fern will be providing a morning activation for the Craft District.

Brewery Redevelopment Readiness

Staff engaged with BERK consulting to develop a Scope of Work to continue the Planned Action EIS for the Brewery properties. This will continue the previously existing Planned Action EIS process.

Staff completed an application to the Community Economic Revitalization Board (CERB) requesting \$100,000 to fund an agreement with the Artisan's Group Architecture and Planning towards the creation of a redevelopment "roadmap" for the Brewery properties. Staff will present to the CERB board in September 2026 for consideration of award.

Pioneer Technologies has completed the Phase 2 environmental site assessment work at the Brewery Warehouse property by conducting soil and water samples at the property. Initial reports are positive to redevelopment and no major environmental barriers to redevelopment were identified in these tests.

Economic Development Element Comprehensive Plan Update

Community Development Department staff completed internal draft reviews for the Economic Development Update to the Comprehensive Plan inclusive of Part 1 (Goals and Policies) and Part 2 (Technical Analysis) and the element update is now moving forward into legal review. Economic Development staff are currently scheduled to present an update to the Planning Commission on September 22, 2026.

3) Policy Support:

Strategic Plan 2026-2032

Focus Area: Growth and Development
Pursue and support targeted community and economic development.

4) Alternatives:

☐ N/A

5) Fiscal Notes:

N/A

6) Attachments:

None.