City of Bonney Lake
ECONOMIC DEVELOPMENT STUDY
Final Report, January 2015
“Helping Communities and Organizations Create Their Best Futures”

Founded in 1988, we are an interdisciplinary strategy and analysis firm providing integrated, creative and analytically rigorous approaches to complex policy and planning decisions. Our team of strategic planners, policy and financial analysts, economists, cartographers, information designers and facilitators work together to bring new ideas, clarity, and robust frameworks to the development of analytically-based and action-oriented plans.

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1. INTRODUCTION AND PURPOSE

Planning Purpose and Context

The City of Bonney Lake is currently working on its 2015 Comprehensive Plan Periodic Update. Part of this process involves the rewriting of its city-wide Economic Development Element that was adopted as an element within its 2005 Comprehensive Plan. Together with supporting analytics, direction from City staff, and results from stakeholder interviews, this document is designed to inform and provide direction for the City in this update.

This effort to bolster Bonney Lake’s economic development strategy will ultimately help the updating of its 2015 Comprehensive Plan by identifying clear and direct goals and strategies that link a strong economy with business growth, the addition of new residents to the plateau, and the continued sustainability of Bonney Lake’s high quality of life.

This Economic Development Study is built upon the understanding that the City’s economy is intrinsically tied to its quality of life, as well as the identity it presents to others, whether they are visitors, shoppers, residents, developers, or employers.

Planning Process

The City began this planning process in 2014 by developing and publishing its Community Profile in support of the 2015 Comprehensive Plan Update. To augment the quantitative data contained within the Community Profile, the BERK project team conducted additional quantitative and qualitative research between September and November 2014, including:

- Phone interviews with more than a dozen key stakeholders, including members of the business, development, and retail communities and City staff to garner important context and community opinions.
• Spatial analysis and mapping across a spectrum of vectors, including land values, population distribution, retail sectors, and other targeted economic sectors.

• Development of draft goals and policies specifically targeted for the Economic Development element update.

• Meetings with City staff, the Planning Commission, and City Council to present, discuss, and receive input on research findings including:
  o Key findings from the stakeholder interviews.
  o Strengths, weaknesses, opportunities, and threats (SWOT analysis).
  o Preliminary economic development strategies and recommendations.

The City’s Community Profile, prepared as part of its 2015 Comprehensive Plan Periodic Update, and additional market analysis provide important additional inputs. Taken together, these inputs contribute toward a more holistic picture of the current status and future potential for economic development in Bonney Lake.

Exhibit 1. Bonney Lake Plateau - Aerial from Northwest to Southeast

2. KEY FINDINGS

The key findings from BERK’s work are as follows:

- Bonney Lake’s suburban development and residential growth have been the main drivers of its economic development.
- Retail and related retail services are the dominant economic sector in Bonney Lake, reflecting the community’s status as the center of retail for the plateau.
- Continued population growth in Bonney Lake will drive retail growth in the near future and serve as a catalyst for potential growth in new economic sectors over the longer term.
  - Likely growth areas include: general retail and services, medical and health services, and professional services.
  - Potential growth areas include: RV dealers, light manufacturing/industrial (e.g. flex tech), and higher education facilities.
  - Bonney Lake’s peripheral location within the region and its relative isolation from major transportation nodes act as disincentives for growth in some economic sectors including: overnight lodging, large office, manufacturing/industrial, and warehousing.
- The Tehaleh master planned community and its associated 18,000 new residents offer near term retail opportunities and may compound traffic challenges for Bonney Lake.
- Traffic congestion on the SR 410 corridor is a current challenge likely to grow over the long run.
- Bonney Lake’s high quality of life is a key factor that helps drive its population growth and by association its overall economic development.
- There is a widespread and shared desire for Bonney Lake to create a more enhanced “sense of place.”
- A perception exists that Bonney Lake’s development climate should be more conducive and collaborative in its approach to business growth.

Each finding noted above is explored in greater detail below.

Bonney Lake’s suburban development and residential growth have been the main drivers of its economic development.

Bonney Lake is a small, residential city located on a plateau above both the Puyallup and Orting River valleys and bordered by the White, Puyallup, and Carbon Rivers in northeast Pierce County. Incorporated in 1949 with a population of 327, Bonney Lake has since grown to a small city in a rural setting with an estimated 2014 population of 18,520 people. Bonney Lake witnessed a large growth in population between 1990 and 2010 growing from 7,494 to 17,374 residents, an increase of over 130%. This growth and the current population density are shown in Exhibit 2 and Exhibit 3.
Exhibit 2. Bonney Lake Population Growth


Exhibit 3. Population Density: Bonney Lake and Region

Bonney Lake’s housing stock and development reflects that of a small city whose transportation infrastructure has been predominantly centered around the car. Of the 6,759 housing units identified in 2014, a full 83% consisted of single-family detached homes. Of the remaining existing multi-family housing stock, a small number of low-rise apartment complexes are located in Downtown, Eastown, and the Lake Tapps Center. To date, there are no mid-rise residential buildings of four to seven stories in Bonney Lake. Reflecting the population growth trends since 1990, 62% of the total housing units in Bonney Lake have been constructed since 1990, with nearly 40% all housing units constructed between 2000 and 2010. As seen in Exhibit 4, the vast majority of recent single family residential growth has taken place south of SR 410 along Sky Island Drive East, Angeline Road East, and 104th Street East.

In contrast to the trends in population and housing, employment growth for Bonney Lake has remained relatively stable since 1990 and is expected to remain at or near current levels through 2035. The relative stable level of jobs within Bonney Lake reflects its role as a bedroom community whose residents commute outside of Bonney Lake for work. As shown in Exhibit 5, Bonney Lake is largely home to commuters who work throughout the larger central Puget Sound region. For those workers who do work in Bonney Lake, the vast majority live either within Bonney Lake or near the plateau.

**Exhibit 4. Recent Growth in Bonney Lake: 1998 and 2010**

![Exhibit 4](image)


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2 Ibid.
Exhibit 5. Bonney Lake Commuting Patterns

Where Residents in Bonney Lake Commute to for Work
Where Workers in Bonney Lake Commute from for Work


Reflecting the high growth trends in population and housing during the 1990s and 2000s and its established reliance on cars for mobility, Bonney Lake’s economic and commercial development has evolved to match its small city character – namely providing retail and retail services to residents who live mostly in low-density single family homes and who commute outside the City for work. As a result, the majority of Bonney Lake’s retail and commercial development has occurred along the SR 410 corridor and is accessed primarily by cars. Clusters of retail space including big box retailers have been built chiefly around the Midtown area.

*Retail and retail services are the dominant economic sector in Bonney Lake, reflecting the community’s status as the center of retail for the plateau.*

As a result of its recent growth as a small city, its underlying land use and transportation patterns, and its lack of established industrial based activities, economic development in Bonney Lake has mainly centered on its retail and retail services sector to serve its growing population. Overall, retail and retail services are the dominant and most successful economic sectors in Bonney Lake.

As evidence of Bonney Lake’s retail sector dominance, in 2013 50% of the jobs within Bonney Lake were in the retail and food service sectors which is higher than comparable cities as well as Pierce and King
Furthermore, an additional 30% of its employment base is comprised of professional services including doctors, lawyers, financial services, etc.³

Bonney Lake is not only a retail leader for its residents, but it also enjoys a prominent position as a retail destination for the residents of the greater plateau area across northeast Pierce County. Exhibit 6 shows the relative ratios between demand and supply for designated market sectors for Bonney Lake (blue) and the Bonney Lake Trade Area (orange) on the plateau. Ratios close to 1 indicate a balance between supply and demand for a given market segment. Ratios less than 0.8 indicate that consumers are leaving Bonney Lake to shop while ratios greater than 1.2 indicate consumers outside Bonney Lake are coming to Bonney Lake to shop.

Exhibit 6. Retail Capture: Bonney Lake and its Retail Trade Area

SOURCE: WA Dept of Revenue (NAICS)

As shown in this chart, the City has numerous areas of strengths related to the retail sector including: building and garden stores; department stores and warehouse clubs (big box retail); vehicle parts stores; gas stations; restaurants and bars; miscellaneous retailers; and grocery and beverage stores. The data also underscores the position that Bonney Lake enjoys as the center for retail commercial activity on the plateau with particular strengths at the regional level in building and garden stores and big box retail. Respondents to the stakeholder interviews also uniformly identified retail as a strong sector in Bonney Lake and one that most see as having a central role in Bonney Lake’s economic development moving forward.

Exhibit 7. Bonney Lake and Regional Retail

SOURCE: King County, 2014; Pierce County, 2014; US Census 2010.

Exhibit 7 shows the regional retail picture for Bonney Lake. Reflecting its strengths capturing retail for the plateau, a large concentration of both general retail and big box retail are located in Bonney Lake. There is very little retail to the east and south while concentrations of retail are located in nearby Puyallup and South Hill to the west. The pattern of retail clusters along major roads in the region is repeated in Bonney Lake with retail concentrated along the SR 410 corridor, mainly in the Midtown area.

Continued population growth in Bonney Lake will drive retail growth in the near future and serve as a catalyst for potential growth in new economic sectors over the longer term.

Looking toward the future, Bonney Lake’s population is forecast to experience continued strong growth with an anticipated population of 28,654 by 2035. This would represent an additional 10,134 residents from the 18,520 estimated in 2014 and a 55% overall increase. It is anticipated that the population growth moving forward will follow the residential pattern of past growth; namely, the addition of more single family homes whose residents commute outside the City for work. Furthermore, with the potential addition of 18,000 plus new residents in the Tehaleh master planned residential community to the south, there will be even more residents on the plateau who will need to shop for goods and services. It is anticipated that Bonney Lake will capture most of this demand in the near term. Bonney Lake’s current role and success as the retail center for the plateau will continue as both the City’s and nearby population increase over time.
A larger population base on the plateau will also create opportunities to support growth in other economic sectors apart from retail. The economic sectors described below were either indicated by the data or suggested by stakeholders and City staff as potential growth economic sectors for Bonney Lake.

Medical and Health Services
Similar to retail services in that they support the needs of a growing population, medical and health services were identified as a target economic sector for potential development in Bonney Lake. From a wage perspective, medical and health services pay higher wages than retail and would be a desirable complement to the current high concentration of retail jobs in Bonney Lake. Currently an existing cluster of medical and health service providers is located west of the plateau in Puyallup, including a hospital, while a smaller cluster of health services and hospital are located to the east in Enumclaw. As the population of Bonney Lake increases, along with the development of Tahlele there will be more regional demand for medical, dental, and other health services, creating an opportunity for Bonney Lake.

Exhibit 8. Regional Medical & Health Services

SOURCE: King County, 2014; Pierce County, 2014; US Census 2010.
Overnight Lodging

There are currently no hotels or motels located in Bonney Lake and interview respondents indicated that this sector may have limited opportunities for growth in the near future. As shown in Exhibit 9, Hotel and motel economic activity across the region is concentrated along major highways and close to larger population and employment centers. Bonney Lake’s lack of major employers or employment centers that would create workweek demand for overnight lodging is likely to prohibit overnight lodging development. Regional visitors and overnight guests, who tend to travel on weekends, are not sufficient to support a hotel or motel on their own.

Exhibit 9. Regional Hotel and Motel Locations

SOURCE: King County, 2014; Pierce County, 2014.
Auto and RV Dealers

Auto and Recreational Vehicle (RV) dealers are often geographically clustered in centers along major roads as illustrated in Exhibit 10. In the Bonney Lake region, major auto retail centers are located in nearby Puyallup, Fife, and South Tacoma. Increases in population on the plateau will generate more demand for cars and RVs. However, the tendency for car dealers to form clusters, the peripheral location of Bonney Lake in the region, and the proximity of Bonney Lake to the existing Puyallup dealership cluster west of plateau combine to act as an overall disincentive for new auto dealerships to open in Bonney Lake. As a result, it is anticipated that there is limited potential growth in the auto dealer economic sector. However, as there are two current RV dealers in Bonney Lake, opportunity may exist to add additional dealers in support of a growing population with potential for building a regional RV cluster in Eastown.

Exhibit 10. Regional Auto and RV Dealers

SOURCE: King County, 2014; Pierce County, 2014.
Higher Educational Facilities

Stakeholders and City staff identified higher educational facilities as a potential new economic sector for development that would support quality of life and community vitality. Currently there are no higher education facilities or operations either in Bonney Lake or on the plateau. Regionally, there are three higher education facilities near the plateau: Pierce College Puyallup, a stand-alone community college located west of Bonney Lake; a satellite campus of Green River Community College in Enumclaw; and a satellite campus of Clover Park Technical College in South Hill. These are mapped in Exhibit 11.

Regional population and demographic trends help drive the location decisions behind locating a new traditional two-year community college campus. Per communications with a community college administrator, a threshold of 2,000 to 2,200 full-time students was identified as a baseline that would need to be met in order for planning and funding of a new community college campus to work. Additionally, it was communicated that based on current population trends, a new community college would likely be better located in southeast rather than northeast Pierce County in the near future.

Using Pierce College Puyallup’s experience as an example, the timeline horizon for planning, funding, and creating a community college campus requires a long-term perspective and is best conceptualized as a staggered, incremental process. For example, Pierce College Puyallup initially began as a rented storefront and after slowly building class offerings and student enrollment, it purchased land for a stand-alone campus 12 years after it began its limited operations. Today, twenty years after its initial class offerings, Pierce College Puyallup has finally reached the targeted threshold of 2,000 – 2,200 full-time students.

In terms of locating a two-year technical college, building costs are higher than a traditional two-year community college as the curriculum offerings require expensive equipment and learning labs in support of technically based curriculum. For example, the Professional Pilot Program offered at the Clover Park Technical College campus in South Hill requires airplanes, simulators, maintenance, and access to airports for flying time. Clover Park’s culinary arts program includes a fine dining restaurant, pastry bistro, extensive cooking equipment, special exhaust systems, and grease interceptors. Similar to community colleges, the location decisions factors in locating and establishing a technical college involve regional population and demographic trends.

Although population growth on the plateau over the next 20 years will be significant and could support a branch or potentially a full campus of a technical or community college, realizing the potential in this economic sector would require a long-term and committed strategy on the part of the City involving relationship building and recruitment.

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4 Personal Communications, December 5, 2014; Choi Halladay, Pierce College Puyallup Community College
5 Ibid.
6 Personal Communications, January 7, 2015; Linda Schoonmaker, Clover Park Technical College.
Exhibit 11. Higher Education

SOURCE: King County, 2014; Pierce County, 2014.
Bonney Lake’s peripheral location within the region and its relative isolation from major transportation nodes act as disincentives for growth in some economic sectors.

Bonney Lake’s transportation network is almost exclusively auto-oriented, offers little to no public transit, and has no linkages to rail. SR 410 is not only the primary thoroughfare through the City, but it also acts as the main arterial connecting Bonney Lake to the greater region via SR 167 to the west and SR 165 to the east. Combined with its peripheral location, the relative isolation of Bonney Lake’s transportation network from major transportation nodes acts as a disincentive for select economic sectors. The following examples highlight the challenges faced by the office and industrial/warehousing economic sectors in Bonney Lake.

Office
There is currently a limited amount of office building space in Bonney Lake, which appears to consist of professional service firms (financial and tax services, attorneys, etc.) that serve the local and regional population. As shown in Exhibit 12, there are small pockets of office space located along SR 410, but the majority of larger office spaces in the region remain concentrated in either established urban centers, employment centers, or along major highway and transit routes. Large employers who occupy large amounts of office space tend to locate along major transit corridors and within urban hubs. From this perspective, Bonney Lake is currently positioned at a comparative disadvantage regionally in terms of attracting large office-based employers. Results from the stakeholder interviews confirmed this finding as many expressed the idea that major employers would not consider Bonney Lake due to its relatively isolated location and its perceived lack of business prestige within the region.

Opportunities do exist to increase Bonney Lake’s professional service offices as the City and regional population grows. Medical and health services, a subset of the office sector, offer additional opportunities for growth (see discussion of Medical and Health Services earlier.)
Manufacturing /Industrial and Warehousing

As shown in Exhibit 13, manufacturing/industrial and warehouse economic activity in the region is located along established major transportation routes, especially railways and port facilities, and are generally found in geographic clusters reflecting underlying zoning. Manufacturing/industrial and warehouse facilities are often located near one another as can be seen in Sumner Industrial Park, Kent Valley, Auburn Valley, and the Port of Tacoma.

Bonney Lake currently has a very small amount of warehousing and manufacturing/industrial economic activity. Given the historic absence of railways, relative isolation from major transportation routes, and limited number of large, industrially zoned developable parcels, future growth in the manufacturing/industrial and warehousing sector is expected to be negligible within Bonney Lake. Feedback garnered from the stakeholder interviews echoed this sentiment commenting that Bonney Lake is not well positioned for either heavy industrial or warehousing. In addition to being unlikely from a market perspective, these uses are not in keeping with Bonney Lake’s residential quality of life and Vision.

Bonney Lake has greater opportunities for growth in the light industrial sector, which can be supported by the development of “flex tech” spaces – large, open space buildings that can be configured in flexible formats to accommodate a variety of uses. Eastown may be particularly well suited to such uses, which can add diversity to Bonney Lake’s economy and job base.

SOURCE: King County, 2014; Pierce County, 2014.
The Tehaleh master planned community and its associated 18,000 new residents offer near term retail opportunities and may compound traffic challenges for Bonney Lake.

The Tehaleh master planned community south of Bonney Lake is anticipated to bring in an estimated 18,000 plus new residents to the plateau. Development in Tehaleh is planned to occur across two phases. Phase I is currently underway and is expected to result in an additional 2,200 new homes with roughly 200-300 homes built per year. In the near term, these new residents will have a positive impact on Bonney Lake’s economic development, especially for the established retail sector, as they look to Bonney Lake to satisfy their retail and service needs. The additional trips generated by Tehaleh residents will add to traffic challenges along SR 410 in Bonney Lake.

Phase II of the Tehaleh development is currently in the planning stages, including a draft Environmental Impact Statement (EIS) report. A key requirement for approval of Phase II will be the building of a new arterial – the Rhodes Lake Road corridor – that will provide additional access to and from the plateau via Tehaleh to SR 162 near Orting.

Over the long term, as Phase II development for Tehaleh occurs it is anticipated that new retail, commercial, and professional service offerings will be built within Tehaleh itself. Retail development will likely consist of neighborhood-serving retail, restaurants, and services, with little opportunity to compete with Bonney Lake’s regional retailers based on the relatively small size of the Tehaleh
population and the established nature of Bonney Lake’s regional retail base. As Phase II is further built out, some share of the incremental increase in demand for daily goods (grocery and some retail, restaurant, and services sectors) enjoyed by Bonney Lake providers in the near term may be absorbed by Tehaleh-based providers over the longer term.

Overall, as Tehaleh develops and the associated population gains on the plateau are realized, the increased population base will act as a potential catalyst for some new economic sectors to develop including medical and health services, professional services, and potentially higher education. It can be expected that growth in these economic sectors on the plateau will be captured by Bonney Lake as it has an established retail and commercial core upon which to build.

Given the current road and transportation network that exists on the plateau, especially the position of SR 410 as the main route in and out of the plateau, growth in the Tehaleh community will place increased and growing stress on the road system in the near term yielding increased traffic loads and decreased mobility within Bonney Lake. This would negatively impact the quality of life currently enjoyed by Bonney lake residents and may ultimately act as a disincentive for economic development. The building of a second artery off the plateau (Rhodes Lake Road) will be required before Phase II of Tehaleh can be developed. When completed, this new corridor will help mitigate future increased traffic demands on SR 410.

Currently, the City is exploring the possibility of establishing an Urban Growth Area (UGA) for Tehaleh, which may ultimately lead to its annexation.

**Traffic congestion on the SR 410 corridor is a current challenge likely to grow over the long run.**

SR 410 is not only the primary thoroughfare and artery into and out of Bonney Lake, but it also serves as the main commercial and retail corridor for the City and plateau. There are few alternative routes to travel in and out of Bonney Lake with limited public transit service. With the majority of residents commuting to and from Bonney Lake for work, it is anticipated that current traffic loads on SR 410 will only increase as population on the plateau continues to grow in the future.

Many stakeholders expressed a concern over traffic congestion in Bonney Lake, with some respondents indicating a fear that left unchecked Bonney Lake will become like Meridian in Puyallup, both in terms of traffic and how the City will look in the future. Traffic congestion and mobility on SR 410 is a key challenge to Bonney Lake’s residential quality of life, attractiveness to new businesses, and overall economic development.
Bonney Lake’s high quality of life is a key factor that helps drive its population growth and by association its overall economic development.

Stakeholder interview respondents nearly unanimously touted Bonney Lake’s high quality of life as one of its core strengths. The trend of consistent population growth both in its recent past and near future also underscores the attractiveness of Bonney Lake as a desirable location to live. Bonney Lake’s semi-rural setting, proximity to recreational offerings, local access to a variety of goods and services, and relative housing affordability were raised as key factors related to Bonney Lake’s high quality of life.

As population gains are the main driver behind Bonney Lake’s large retail sector and ultimately its overall economic development, maintaining its high quality of life is an important consideration for future economic development planning. To help maintain and enhance Bonney Lake’s quality of life, the following areas were identified as priorities for the City to make continued investments: traffic mobility; recreational amenities including parks and trails; creating some type of city or civic center; and improving the look and feel of the SR 410 retail corridor.

There is a widespread and shared desire for Bonney Lake to create a more enhanced “sense of place.”

As Bonney Lake continues to grow as a small city within its rural setting, a desire to create a more defined sense of place has emerged. Stakeholder interview participants and City staff expressed the sentiment that creating a city center for Bonney Lake would help foster an enhanced sense of community for residents and help better define Bonney Lake’s overall identity. There were various approaches and opinions expressed as to how a more enhanced sense of place could be created.

Create a more defined downtown core in the form of a town center. Some respondents expressed optimism for the City’s current vision of creating a more densely built, cohesive downtown. As described
in the 2007 Downtown Plan, elements of good urban design can be used to shape the built environment Downtown to help create a stronger sense of place.\(^7\) Main components of the plan include a civic center, central plaza, and retail core ringed with commercial, residential, office, and mixed-use buildings with the potential for creating multiple story structures. It is envisioned that the central plaza would be Bonney Lake’s most public space with a capacity to serve several thousand visitors from across the plateau for formal events and casual socializing. For example, the central plaza could be used as the host location for a farmer’s market and community events similar to Bonney Lake Days. To help advance the creation of a more defined downtown core, the City should actively facilitate communication and coordination with landowners and businesses.

While many stakeholders expressed support for a town center, many questioned the viability of what they understand to be the current vision and implementation plan. Although a number of stakeholders support the vision of a walkable, more densely built downtown center in the abstract, many expressed doubt about the feasibility of pursuing a town center focused on destination retail development. This demonstrated some confusion about the scale and ambition of the City’s vision for “Downtown” or a “town center.”

Example constraints raised by stakeholders include: existing development patterns (e.g. sprawl-like retail along 410 and high propensity for single-family housing); challenges related to developing a collection of smaller parcels versus one or two large ones; and proximity of other nearby vibrant downtown areas (e.g. Sumner).

**Create a common space/central area that acts as a gathering space for community events or activities.**

As an alternative to a densely built town center, some respondents suggested the creation of a central area where Bonney Lake residents could gather for community events. No clear consensus emerged as to what this central area would look like, though potential ideas included a large park or open space, a sports facility, or other type of public venue. Different locations were mentioned, including the area currently designated for Downtown, the WSU Forest, Allan Yorke Park, Eastown, or elsewhere near Lake Tapps.

**Encourage a quality built environment outside of downtown.**

Apart from the concept of a City Center, stakeholders stated the importance of ensuring that development along and around the 410 corridor is of higher quality than low-grade “strip retail.” Walkability and interconnections among retail and residential nodes were stressed as important considerations as well.

**A perception exists that Bonney Lake’s development climate should be more conducive and collaborative in its approach to business growth.**

Stakeholders were fairly vocal and consistent in communicating that a perception exists that the City needs to be more of a partner in business development as it relates to economic development. Two distinct but related factors were identified.

First, the City should be a more facilitative partner for business. Stakeholders cited communication challenges, a lack of engagement with the business community, and – most importantly – an impulse to say “no” rather than work with applicants to facilitate more desirable development.

Second, a broad spectrum of respondents expressed their perception that Bonney Lake’s impact fees are unreasonably high and unwarranted by the relative advantages Bonney Lake offers compared to other potential business locations in the region. These high fees are perceived as a deterrent for developers to pursue opportunities and for businesses to locate in Bonney Lake.

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\(^7\) Downtown Plan, City of Bonney Lake, 2007.
3. GENERAL RECOMMENDATIONS

The following outlines general recommended economic development strategies for Bonney Lake, reflecting a focus on quality of community and the built environment.

Development Climate

Take a more facilitative approach to encouraging business investment, study options for impact fees, and communicate the City’s interest in business growth. As noted above, there are real perceptions among some in the business community that Bonney Lake is not an easy place to do business. This should be addressed frontally, and in communication and collaboration with the business community.

Specific actions could include creating “plain talk” handouts for the public that clearly explain the City’s development regulations and how the permitting process works, establishing policies promoting consistent application of development regulations, and maintaining strong communication with local businesses. Finally, the City can also clearly define and communicate development uses per sub-geography (e.g. Downtown, Midtown, Eastown, and Lake Tapps) as described next.

Subarea Visions

Define and communicate a cohesive vision for Downtown, Midtown, Eastown, and Lake Tapps. The City should redefine and/or recommunicate its plan for Downtown and other subareas, taking into consideration what types of uses are desired and where they should be located.

Downtown: Facilitate the redevelopment of Downtown as a focal point for the community with pedestrian-scale development and retail diversity. This should include creating opportunities for boutique retail and restaurants that add diversity and foster a sense of place. Pursuing this strategy will help achieve the goals of creating a community gathering space and reinforce the creation of a sense of identity for Bonney Lake. A revisiting of the 2007 draft Downtown Plan should be part of any new strategies for Downtown.

Midtown: Focus on quality corridor development and encourage pedestrian connections between commercial areas and adjacent neighborhoods. Examples of creating a quality corridor include sidewalks, pedestrian amenities near commercial nodes, improvements in the design of street medians and the use of art to improve the experience of the space. Development along State Route 410 should be encouraged to be accessible both from the highway and from adjacent local streets (i.e. don’t “turn your back” to the neighborhood).

In support of this strategy, future development nodes should be planned to help break up the 410 corridor considering locations based upon future Tehaleh traffic flow. Models of similarly sized cities successfully addressing access and street design include Kenmore, Bothell, and Shoreline. Enhancements to the Midtown retail corridor along SR 410 are strategic investments that would help maintain Bonney Lake’s role as the retail center of the plateau.

Eastown: Maintain a long-term view of development in Eastown allowing for flexibility in uses (e.g. flex-tech office space as discussed above). The long-term view of Eastown includes continued infrastructure investment and incentives to encourage additional development.

Lake Tapps: Maintain existing concentration of multi-family housing with consideration of possible changes in zoning to support higher residential development with the potential for mixed-use development. In addition, the City should help foster retail development that facilitates recreational use of Lake Tapps and nearby parks (e.g. restaurants, small scale retail, equipment rentals, etc.). City ownership of property in the Lake Tapps sub-area provides flexibility for additional action toward place making.
Exhibit 15. Bonney Lake Commercial Districts

Economic Development Efforts

**Economic Development Organization:** The City should establish a public/private economic development organization, combining and coordinating public and private sector interest and energies, and identify clear responsibility for economic development within the City.

**Business Retention and Attraction:** The City should raise awareness of development opportunities and positive business climate in Bonney Lake. Example actions in support of this goal include conducting targeted business retention and attraction efforts for particular economic sectors. Potential target sectors for economic development include medical and health facilities, overnight lodging, higher education, and professional service providers.

**Quality of Life**

To support and enhance the current high quality of life enjoyed by Bonney Lake residents, the City should continue to focus energy and funding in the creation of a central community space, facilitate community events, maintain traffic mobility, and continue to improve parks and potentially add new parks and trails.

### 4. COMPREHENSIVE PLAN GOAL AND POLICY REVIEW

In addition to the strategies listed in the previous sections, BERK was tasked with providing guidance on Economic Development goals and policies to be incorporated into the City’s Comprehensive Plan, which is currently being updated. The section below provides a review of the City’s current draft Economic Development Goals, and the section that follows presents BERK’s recommended goals and policies to implement the strategies described in this report.

**Review of Draft Economic Development Goals**

**ED-1:** *Establish a climate that stimulates economic activity and creates opportunities for businesses to launch and thrive.*

This Goal and Draft Goal ED-3 both emphasize the creation of positive development and regulatory environment in which businesses can thrive. It may be best to combine these two goals to consolidate policies related to development climate and the regulatory environment.

**ED-2:** *Encourage desirable investment that will grow and diversify the City’s economy and employment base.*

This Goal should be informed by a market-based understanding of the City’s economic opportunities.

**ED-3:** *Retain existing businesses and support the development of new business by creating a predictable and consistent regulatory environment.*

This Goal and Draft Goal ED-1 both emphasize the creation of positive development and regulatory environment in which businesses can thrive. It may be best to combine these two goals to consolidate policies related to development climate and the regulatory environment.

**ED-4:** *Implement the Downtown, Midtown, and Eastown Subarea Plans to ensure a balanced mix of jobs and businesses.*

It will be important to revise these Subarea Plans as next steps in updating Bonney Lake’s market-based land use planning policies. The updated subarea plans should establish detailed
visions for each subarea to clearly communicate the City’s development expectations to the business community.

**ED-5: Brand Bonney Lake’s natural setting as a gateway to recreational destinations.**
While Bonney Lake does have access to nearby regional recreation amenities, it may be challenging for the City to capitalize on these amenities through a branding strategy. Other communities in the region who have successfully branded themselves as gateways are often the “last stop” on the road for travelers visiting a particular recreation destination. These communities can provide food, lodging, and services for visitors because of their proximity to the recreation destination. While Bonney Lake possesses convenient access to Crystal Mountain and the rest of Mount Rainier National Park, other communities are closer and may be better situated to provide visitor services, as evidenced by the current lack of overnight lodging in the community.

Based on these factors, the City may wish to re-examine or revise this goal (see Goal ED-6, below) to focus more on how local recreational amenities and access to regional recreation destinations enrich the community and make Bonney Lake a great place to live, rather than focusing specifically on being a gateway to any particular recreation destination.

**ED-6: Capitalize on Bonney Lake’s scenic resources while respecting the environment.**
Recreation and other quality of life attributes may be included in an expanded version of this draft Goal.

**ED-7: Strengthen Bonney Lake’s image as a regional retail and commercial destination.**
Due to the important role that retail activity plays in Bonney Lake’s economy and the community’s position as a regional retail hub, it may be advisable to present this Goal earlier in the Economic Development Element. More prominent placement of this Goal would emphasize the City’s commitment to its role as the primary retail center of the plateau.

**ED-8: Provide well planned, maintained, and high quality public infrastructure that supports business and community growth.**
The City has partially addressed this issue through recent sewer service expansion, but ongoing infrastructure planning will be necessary as additional growth occurs in Bonney Lake. This Goal could potentially be expanded to include infrastructure that supports high quality of life, which is a factor in attracting new businesses and employees.

**Recommended Goals, Policies, and Implementation Measures**
Based on our review of the City’s Draft Goals above and recommended Economic Development strategies presented in the previous sections, the following are our recommendations for updated Goals, Policies, and Implementation Measures to be included in the City’s updated Comprehensive Plan.

**Goal ED-1: Establish a supportive climate that encourages the retention of existing businesses and encourages business investment in the community.**
Establishing a business climate that facilitates economic growth is vital and should be of timely interest to Bonney Lake. As noted in the previous sections, the City’s development climate is not necessarily seen as supportive by the regional business community. Feedback from stakeholder interviews indicated that some members of the business community have concerns regarding consistency in application of development regulations, as well as approval criteria for proposed development projects. This Goal is
important for maintaining a positive image within the business community and promoting confidence in the City.

This recommended Goal represents a consolidation of the City’s current Draft Goals ED-1 and ED-3.

**Potential Policies**

Policy ED-1.1: Promote economic development as a City priority, tied directly to the City’s ability to serve residents and businesses well. Ensure City staff members have appropriate understanding of the City’s economic development interests and their individual roles in contributing.

Policy ED-1.2: Promote a customer-service orientation in development services that facilitates development that is aligned with the community’s vision and land use regulations.

Policy ED-1.3: Clearly establish and communicate the community’s vision for Bonney Lake as a whole, as well as for major sub-geographies, to provide the local business community with clear direction on the appropriateness of various types of development in different parts of the City.

Policy ED-1.4: Ensure that taxes, fees, and dedications assessed as part of the development review process do not become an undue obstacle to economic growth.

Policy ED-1.5: Enforce development regulations in a consistent, objective manner, encouraging and facilitating investment that adheres to these policies.

Policy ED-1.6: Promote public understanding of the City’s positive development climate and desire for business investment, both within the local business community and for the general public.

**Implementation Measures**

- Hold staff workshops that describe the link between economic development and the sustainability of quality City services for residents and businesses.

- Engage Community Development Department personnel and other relevant staff in discussions about how to facilitate investment that is aligned with the community’s vision and land use regulations.

- Solicit public feedback on the permit application process and other City processes. Continue the current survey effort if participation and response rates are favorable. If rates are low, consider alternative methods for soliciting input.

- Regularly review public feedback and identify opportunities for improvement.

- Create concise, standalone communications pieces that summarize desired land uses by subarea, using maps and visual representations to make the information easily accessible and quickly understood. Post these materials online, at the permit counter and elsewhere in City buildings, and bring them to conversations with potential investors.

- Study the City’s impact fees relative to those in other communities in the region. Seek an appropriate balance between revenue generation for infrastructure investment and keeping costs low for new business investment.

- Regularly review and update the City’s fee structure to ensure that fees remain no higher than necessary to provide appropriate infrastructure and quality of life investments without becoming an impediment to private development.
• Establish partnerships with the local business community, including the Chamber of Commerce, to promote dialogue on development challenges and opportunities in Bonney Lake.

• Establish an Economic Development Committee with representation by the City and private business interests.

• Create informational materials to communicate the City’s economic development messages and efforts to the public.

**Goal ED-2: Strengthen Bonney Lake’s role as a hub for regional retail, services, and employment.**

As described in the analysis of the City’s strengths and opportunities, Bonney Lake already has a strong retail and services business sector and serves as the retail hub of the plateau. The following policies aim to cement Bonney Lake’s position in the market and prepare for future growth, including the Tehaleh community south of the City.

**Potential Policies**

Policy ED-2.1: Promote Bonney Lake’s role as a regional retail center and raise awareness of retail development opportunities to build upon or round out the City’s economic strengths.

Policy ED-2.2: Ensure that the City maintains sufficient land capacity to support continued expansion of Bonney Lake’s retail base, as well as meet demand for professional and medical offices and other target sectors.

Policy ED-2.3: Actively promote investment by companies in sectors that will reinforce Bonney Lake’s existing economic strengths, such as retail.

Policy ED-2.4: Actively promote investment and business recruitment to strengthen Bonney Lake’s position in sectors in which it has significant growth potential, such as professional services, medical office, and health services.

Policy ED-2.5: Provide flexibility in land use plans and development regulations to allow the local business community to take advantage of new business trends and opportunities that are consistent with the City’s economic development vision.

**Implementation Measures**

• Monitor the capacity, diversity, and competitive attractiveness of the City’s buildable lands for retail and other commercial uses.

• Establish a matrix of target business sectors for future promotion and recruitment, categorized by their prospective role in the local economy.
  
  o Reinforcement of current strengths: Retail.
  
  o Expansion and growth opportunities: Professional services, medical office, and health services.
  
  o Opportunistic growth: Light industrial/manufacturing, higher education, overnight lodging, auto/RV/boat dealers.

• Identify and actively recruit major businesses and institutions in target sectors that would provide additional diversity in the City’s employment base and which would be desirable additions to the Bonney Lake business community.
Goal ED-3: Implement the Downtown, Midtown, and Eastown Subarea Plans to ensure a balanced mix of jobs and businesses, and to enhance Bonney Lake’s built environment.

As described in our recommendations above, the City should review the current Downtown, Midtown, and Eastown subarea plans to ensure proper alignment with economic development goals and incorporate new economic development strategies. As part of this review and update process, the City should ensure that each plan establishes a clear identity and purpose for its respective subarea.

Potential Policies

Policy ED-3.1: Establish a regular review and update cycle for the Downtown, Midtown, and Eastown Subarea Plans to keep these plans current with emerging economic trends and changing development conditions in Bonney Lake.

Policy ED-3.2: Ensure the vision statements of the Downtown, Midtown, and Eastown Subarea Plans each promote a particular mix of businesses and define land uses that are most appropriate and desirable for each subarea.

Policy ED-3.3: Ensure the policies and standards of the Downtown, Midtown, and Eastown Subarea Plans establish distinct identities for each subarea and for Bonney Lake as a whole.

Implementation Measures

• Update the Downtown Plan.
  o Conduct a focused market study that determines the appropriate scale and mix of private investment likely given Bonney Lake’s position in the regional retail market.
  o Explore options for dynamic public uses that will activate nearby streets, including potential partnerships with Pierce County Library and others.
  o Explore the feasibility of developing the Downtown to function as Bonney Lake’s gathering place for community events.
  o Communicate a realistic vision and implementation plan to area residents and businesses, describing the desired scale, character, and mix of uses in Downtown.
  o Develop policies and standards to establish a distinct identity for Downtown and contribute to Bonney Lake as a whole.

• Update the Midtown Subarea Plan.
  o Evaluate comprehensive plan land use designations and zoning at locations where major north-south routes intersect SR 410; ensure that development regulations in these areas facilitate the development of mixed-commercial nodes, anchored by retail, to increase the City’s ability to capture retail spending from areas outside Bonney Lake and to diversify the built environment along 410.
  o Establish policies and standards to encourage high quality corridor development along 410, seeking opportunities to improve streetscapes and encourage quality private development.
  o Establish policies and development guidelines to improve pedestrian and non-motorized access to retail areas, connecting nearby neighborhoods to retail developments.
  o Develop policies and standards to establish a distinct identity for Midtown and contribute to Bonney Lake as a whole.
• Update the Eastown Subarea Plan
  o Explore opportunities to promote employment-based uses and a different development form than Midtown’s auto-oriented retail, including flex-tech and other spaces appropriate for a mix of small-scale employers.
  o Develop policies and standards to establish a distinct identity for Eastown and contribute to Bonney Lake as a whole.

**Goal ED-4: Provide well planned, maintained, and high quality public infrastructure that supports business and community growth.**

The City has partially addressed this issue through recent sewer service expansion, but ongoing infrastructure planning will be necessary as additional growth occurs in Bonney Lake.

**Potential Policies**

Policy ED-4.1: Coordinate with the Washington Department of Transportation (WSDOT) to plan for access improvements and infrastructure maintenance in the SR 410 corridor.

Policy ED-4.2: Partner with local businesses to identify infrastructure conditions that pose obstacles to economic growth.

Policy ED-4.3: Maintain updated plans for water, sewer, stormwater, and transportation infrastructure to ensure that the facilities necessary to serve desired commercial growth are in place.

**Implementation Measures**

• Regularly review and updated utilities and capital facilities plans.
• Solicit input from businesses via the Economic Development Committee and dedicated outreach.

**Goal ED-5: Enhance residential quality of life as an economic development strategy, capitalizing on Bonney Lake’s recreational and scenic resources.**

Promoting Bonney Lake’s scenic resources can help maintain and increase quality of life in the city, which may make the community more attractive to business investment.

**Potential Policies**

Policy ED-5.1: Promote the proximity of Lake Tapps, Crystal Mountain, and Mount Rainier as part of business recruitment and marketing efforts.

Policy ED-5.2: Maintain and increase City investment in public amenities that contribute to high quality of life for Bonney Lake residents, including parks and public spaces.

**Implementation Measures**

• Monitor ongoing development in the community to ensure development regulations are adequately protecting scenic and sensitive environmental resources.