



RESOLUTION NO. U-11170

1 A RESOLUTION adopting Public Utility Board Strategic Directives (SD) Nine on
2 Economic Development.

3 WHEREAS in response to changes in the utility industry, and to ensure
4 that Tacoma Public Utilities (TPU) continues to meet the Tacoma Public Utility
5 Board's goals of delivering affordable, reliable, and environmentally sensitive
6 services, the Board is developing policies concerning Government Processes,
7 Board-Director Linkage, and Strategic Directives, and
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9 WHEREAS this resolution adopts Strategic Directive Nine, that guides
10 TPU's efforts to effectively and efficiently address current and future challenges,
11 mitigate risks, pursue strategic opportunities, optimize services for TPU
12 customers, and capture the performance expectations of the Board, and
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14 WHEREAS the Utilities are an asset that can aid in improved quality of
15 life for all TPU customers and stakeholders – a supplier in critical resources to
16 the communities it serves, and provides the foundation for building a strong and
17 resilient economy, which will ultimately result in more revenue for TPU, and
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19 WHEREAS policy goals include:

- 20 1. Support of economic growth and family wage jobs through efforts
21 aimed at increasing TPU's retail sales;
- 22 2. Increasing the quality of life indicators for TPU's customers and
23 stakeholders, including addressing issues of equity, diversity,
24 inclusivity, environmental justice an economic mobility;
- 25 3. Ensuring TPU is an outward-facing, customer-focused utility;
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4. TPU will highlight the strengths of its business units and those of the region as a whole when engaging with prospective and existing businesses in order to increase regional economic activity;

5. TPU's positive customer experience will reasonably extend to potential and existing business customers;

6. TPU values increasing retail sales and prioritizes removing or mitigating disincentives for new and expanding customers;

7. TPU values the differentiation that Tacoma Rail brings by being port-adjacent and one of only a handful of municipally-owned railways;

8. TPU values the development, retention and attraction of entrepreneurs and skilled talent, as key strategies to spur new and existing business with short and long-term growth opportunities; and

9. TPU values the creation and retention of employment opportunities in the region especially those that pay a living wage and provide opportunities for personal and professional growth, and

WHEREAS TPU will coordinate with local regional entities to leverage the region's unique strengths to attract innovation and economic activity, resulting in higher quality of life indicators for the region by:

1. Working with its partners to bundle potential inducements and assistance for the purposes of attracting new businesses;

2. Growing customer and revenue base through new businesses or new demand potential;



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- 3. Actively coordinating with our local and regional economic development partners;
- 4. TPU's economic development strategies and programs align and complement existing regional plans;
- 5. Economic benefits are generated through an expanded economic base, increased utility demand, and capital investments to TPU's regional infrastructure such as electrical undergrounding where appropriate;
- 6. Greater economic resiliency resulting from an increased diversification of TPU's customer size and industrial sector;
- 7. TPU regularly reviews its permitting fees, applications, and processes to streamline and add predictability to the pre-development of commercial and industrial projects; and
- 8. Tacoma Power's policies and procedures provide clear evaluation criteria on the undergrounding of power infrastructure, taking in account cost, alternative options, timing, geography, zoning, and development criteria, and

WHEREAS these policies were developed at regularly-scheduled Board study sessions and/or properly-noticed public meetings and all future Board reviews and amendments will be handled similarly, and

WHEREAS the Board has committed to monitor and ensure compliance with Board policies. This oversight provides an opportunity for the Board and



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staff to clarify, revise and develop new policies when necessary as TPU navigates changes in the utility industry, and

WHEREAS the Board and Director have determined that adopting the Public Utility Board Strategic Directive Nine on Economic Development is in the best interests of Tacoma Public Utilities and the ratepayers; Now, Therefore, BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That Public Utility Board Strategic Directive Nine on Economic Development, in the form as on file with the Clerk, is adopted and approved.

Approved as to form:

_____ Chair

/s/
Chief Deputy City Attorney

_____ Secretary

_____ Clerk

Adopted _____



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
FROM: Tom Morrill, Chief Deputy City Attorney
Charleen Jacobs, Executive Assistant and Clerk of the Board
MEETING DATE: June 15, 2020
DATE: June 24, 2020

SUMMARY: A resolution adopting Public Utility Board Strategic Directives (SD) Nine on Economic Development.

BACKGROUND: It is a time of monumental change in the utility industry. Utilities must embrace innovation and move quickly to find new and better ways to deliver affordable, reliable, and environmentally sensitive services to their customers. With this in mind, the Tacoma Public Utility Board launched a process to develop policies concerning Government Processes, Board-Director Linkage, and Strategic Directives.

This resolution adopts Strategic Directive Nine (SD9) listed above. Strategic Directives guide TPU's efforts to effectively and efficiently address current and future challenges, mitigate risks, pursue strategic opportunities, and optimize services for the TPU customers. Strategic Directives also capture the performance expectations of the Board.

The Utilities are an asset that can aid in improved quality of life for all TPU customers and stakeholders. TPU supplies critical resources to the communities it serves, and provides the foundation for building a strong and resilient economy, which will ultimately result in more revenue for TPU.

Policy goals include: Support of economic growth and family wage jobs through efforts aimed at increasing TPU's retail sales; Increasing the quality of life indicators for TPU's customers and stakeholders, including addressing issues of equity, diversity, inclusivity, environmental justice and economic mobility; Ensuring TPU is an outward facing, customer focused utility; TPU will highlight the strengths of its business units and those of the region as a whole when engaging with prospective and existing businesses in order to increase regional economic activity; TPU's positive customer experience will reasonably extend to potential and existing business customers; TPU values increasing retail sales and prioritizes removing or mitigating disincentives for new and expanding customers; TPU values the differentiation that Tacoma Rail brings by being port adjacent and one of only a handful of municipally owned railways; TPU values the development, retention and attraction of entrepreneurs and skilled talent, as key strategies to spur new and existing business with short and long-term growth opportunities; TPU values the creation and retention of employment opportunities in the region especially those that pay a living wage and provide opportunities for personal and professional growth.

TPU will coordinate with local and regional entities to leverage the region's unique strengths to attract innovation and economic activity resulting in higher quality of life indicators for the region by: working with its partners to bundle potential inducements and assistance for the purposes of attracting new businesses; Growing customer and revenue base through new businesses or new demand potential; actively coordinating with our local and regional economic development partners; TPU's economic development strategies and programs align and complement existing regional plans; Economic benefits are generated through an expanded economic base, increased utility demand, and capital investments to TPU's regional infrastructure such as electrical undergrounding where appropriate; Greater economic resiliency resulting from an increased diversification of TPU's customer size and industrial sector;



Board Action Memorandum

TPU Regularly reviews its permitting fees, applications, and processes to streamline and add predictability to the pre-development of commercial and industrial projects; Tacoma Power's policies and procedures provide clear evaluation criteria on the undergrounding of power infrastructure, taking into account cost, alternative options, timing, geography, zoning, and development criteria.

These policies were developed at regularly scheduled or properly-noticed Board study sessions and meetings and all future reviews and amendments to the Public Utility Board policies will be in handled similarly.

The Public Utility Board has committed to monitor and ensure compliance with Board policies. This oversight provides an opportunity for the Board and staff to clarify, revise and develop new policy when necessary as TPU navigates changes in the utility industry.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? N/A

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? N/A

ATTACHMENTS: Strategic Directive 9 – Economic Development

CONTACT: Jackie Flowers, Director of Utilities



PUBLIC UTILITY BOARD POLICY

<p>Category: Strategic Directive</p> <p>Date of Adoption: June 24, 2020</p> <p>Resolution No.: U-11170</p> <p>Revision Date:</p>	<p>Title: Economic Development</p> <p>Policy Number: SD-9</p>
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Purpose

The Utilities are an asset that can aid in improved quality of life for all TPU customers and stakeholders. TPU supplies critical resources to the communities it serves, and provides the foundation for building a strong and resilient economy, which will ultimately result in more revenue for TPU.

Values

1. Support of economic growth and family wage jobs through efforts aimed at increasing TPU’s retail sales.
2. Increasing the quality of life indicators for TPU’s customers and stakeholders, including addressing issues of equity, diversity, inclusivity, environmental justice and economic mobility.
3. Ensuring TPU is an outward facing, customer focused utility.
4. TPU will highlight the strengths of its business units and those of the region as a whole when engaging with prospective and existing businesses in order to increase regional economic activity.
5. TPU’s positive customer experience will reasonably extend to potential and existing business customers.
6. TPU values increasing retail sales and prioritizes removing or mitigating disincentives for new and expanding customers.
7. TPU values the differentiation that Tacoma Rail brings by being port adjacent and one of only a handful of municipally owned railways.

8. TPU values the development, retention and attraction of entrepreneurs and skilled talent, as key strategies to spur new and existing business with short and long-term growth opportunities.
9. TPU values the creation and retention of employment opportunities in the region especially those that pay a living wage and provide opportunities for personal and professional growth.

Outcomes

TPU will coordinate with local and regional entities to leverage the region's unique strengths to attract innovation and economic activity resulting in higher quality of life indicators for the region.

1. TPU works with its partners to bundle potential inducements and assistance for the purposes of attracting new businesses.
2. Growth in TPU's customer and revenue base through new businesses or new demand potential.
3. TPU actively coordinates with our local and regional economic development partners.
4. TPU's economic development strategies and programs align and complement existing regional plans.
5. Economic benefits are generated through an expanded economic base, increased utility demand, and capital investments to TPU's regional infrastructure such as electrical undergrounding where appropriate.
6. Greater economic resiliency resulting from an increased diversification of TPU's customer size and industrial sector.
7. TPU Regularly reviews its permitting fees, applications, and processes to streamline and add predictability to the pre-development of commercial and industrial projects.
8. Tacoma Power's policies and procedures provide clear evaluation criteria on the undergrounding of power infrastructure, taking into account cost, alternative options, timing, geography, zoning, and development criteria.

Measurements

1. Number of customers and prospects assisted.
2. Annually review New Service Engineering (Water and Power) and other relevant customer surveys.

3. Track participation with Partners related to Economic Development. TPU Partners include economic development organizations, Franchise Cities, Chambers of Commerce, Port of Tacoma, Tribal Entities, Associations and others.
4. Linkages between TPU's strategic plan and other economic plans in the community.
5. Evaluate the effectiveness of the Brewery District pilot program for undergrounding power infrastructure.

Reporting

Annual presentations to the Public Utility Board.