



# Economic Development Plan Update

## Key Findings of the Data Analysis

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January 27, 2020



# Information Only

Tonight's presentation is a report on the Key Findings of the Data Analysis conducted for the Economic Development Plan Update.

No direction is requested.

COUNCIL ADOPTED PLAN: JULY 7, 2014



City of Bellevue  
ECONOMIC  
DEVELOPMENT  
PLAN



**VISION:**  
Bellevue is a prosperous  
and vibrant international  
city with innovative  
and entrepreneurial  
businesses and  
a high quality of life  
for residents.





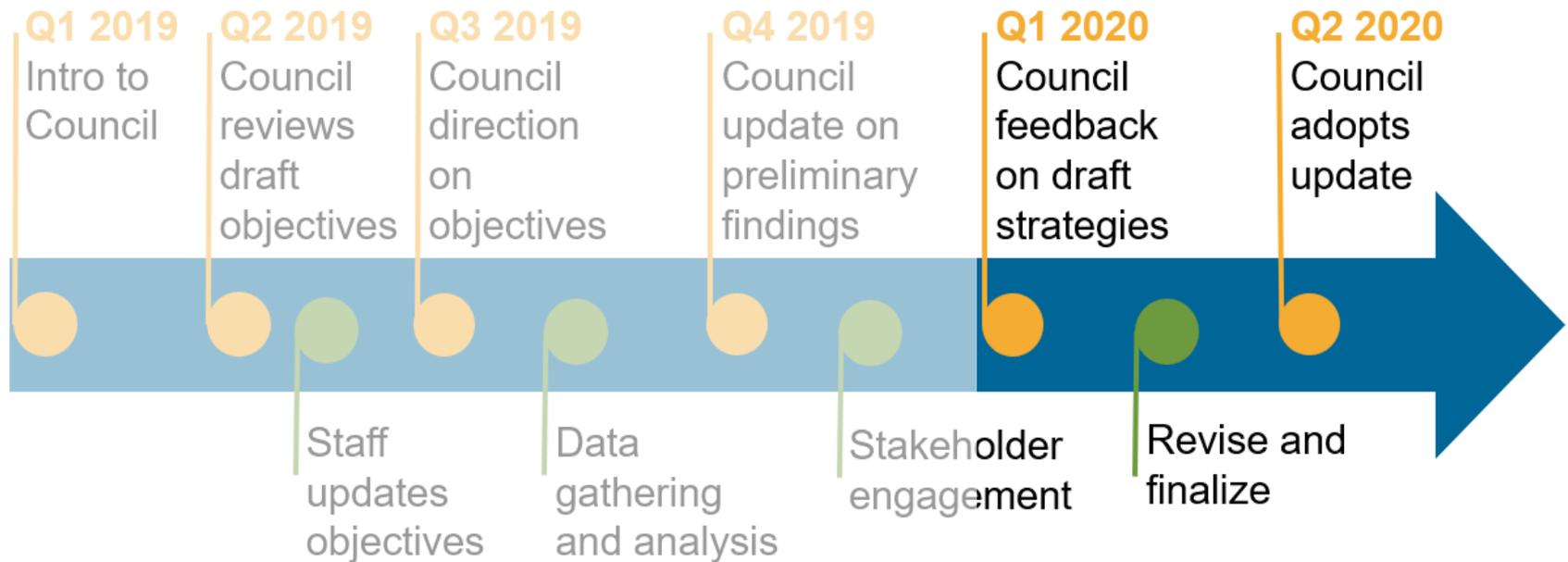
# Agenda

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- Project Status
- Key Findings
  - Retail
  - Tourism
  - Creative Economy
  - Small Business
  - Workforce
  - Capacity Building
- Strategic Themes
- What's Next?



# Project Timeline





# 2020 Plan Update Objectives

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Based on the lessons learned and current trends in economic development, the strategic updates is focused on:

1. Identify ways to support the creative economy
2. Explore new opportunities to support small business
3. Support more robust retail activity
4. Identify best practices for integrating new businesses into the community
5. Support capacity building for community groups
6. Integrate key recommendations from Tourism Plan
7. Make the Plan easier to update
8. Support local workforce development options and programs



# Information Review

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- 2014 Economic Development Plan
- Bellevue Economic Development 5 Year Performance Summary
- Bellevue Economic Development Plan Progress Report
- Bellevue Comprehensive Plan
- 2019 Bellevue Survey of Businesses
- Changing Face of Bellevue
- Employee Profile
- Bellevue General Lookbook
- Innovation Triangle Lookbook
- Downtown Bellevue Major Projects List
- Bellevue Affordable Housing Strategy
- Short History of Bellevue
- Downtown Bellevue Innovation Triangle Factsheet
- The Grand Connection Framework Plan
- Downtown Subarea Plan
- Bel-Red TOD Brochure
- Bel-Red Corridor Project Final Report
- Bel-Red Innovation Triangle Fact Sheet
- Bel-Red Subarea Plan
- Eastgate Factoria Innovation Triangle Fact Sheet
- Wilburton Economic Activity Report
- Wilburton Commercial Area Study
- Cultural Compass Strategic Vision for Arts & Culture
- 2019 Bellevue Arts & Culture Survey
- Creative Edge Economic Research & Analysis Report
- Creative Edge Creative Economy Strategy
- Bel-Red Arts District Report
- Social Impact of the Arts Study
- 2019 Seattle Creative Economy Report
- Destination Development Plan
- TechHire Strategy Design Report
- Washington SBDC Bellevue 2018 Economic Impact Factsheet
- Welcoming Economies Playbook
- Amazing Place Central Puget Sound Strategy
- Housing Strategy Update to Council
- Smart City Plan
- City of Bellevue Diversity Plan

# Stakeholder Engagement

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- 20 stakeholder interviews
- 8 focus groups with over 50 unique participants
  - Retail
  - Creative Economy
  - Small Business
  - Capacity Building
- Guidance Group of Department Directors
- Subject Matter Expert Reviewers





# Overall Key Findings

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Bellevue is becoming a true **global business hub** and earning a reputation as a **great place to do business** and a core of the Innovation Triangle.

Residents are **highly-educated**, and employers can draw from a large, skilled **regional labor pool** that will further expand with light rail expansion.

**Affordability** of commercial and residential property remains a significant issue for businesses across sectors. The **Creative Economy** faces **especially acute challenges** operating in Bellevue.

Continued investments in **placemaking, connectivity, and enhancing cultural assets** will be vital to future economic development efforts.

# Strategic Themes

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**CONNECTION**



**COMMUNICATION**

**COLLABORATION**

# Data and Methodology

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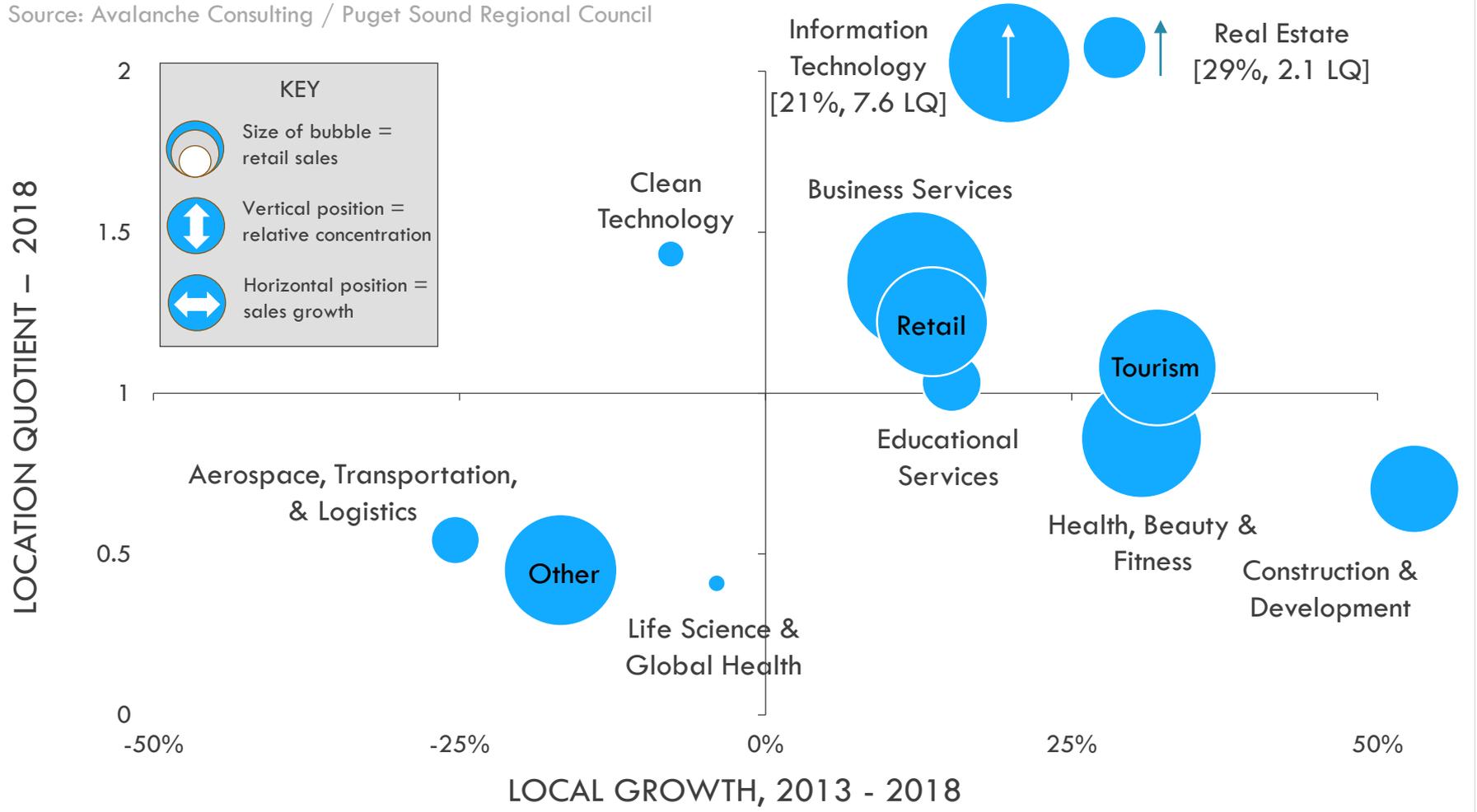
- Overview of Bellevue's major economic and demographic characteristics.
- Information compiled from a variety of sources including PSRC, EMSI, US Census Bureau, City of Bellevue and others.
- Data sets are not always consistent across US, so comparisons are reflective of the best data available.
- The benchmark geographies (Cambridge, Bellevue, Sunnyvale, Boulder, Santa Monica & Arlington) help provide context to Bellevue's position.



# Industry Cluster Analysis

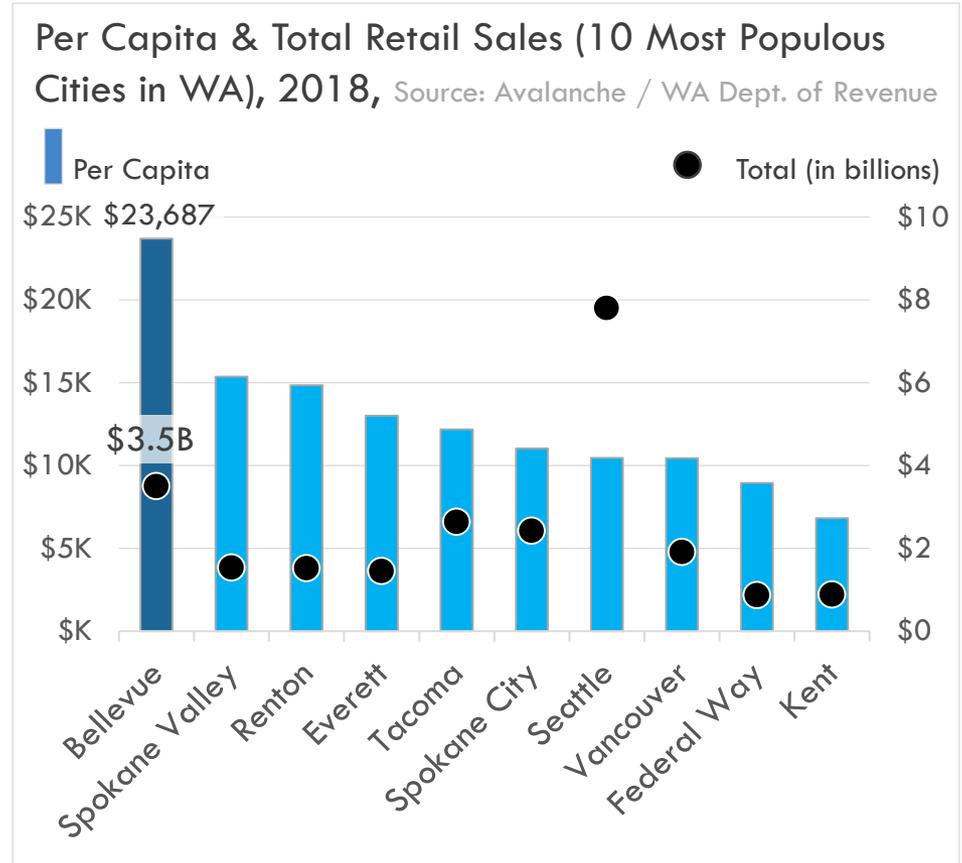
Bellevue Major Industry Cluster by Size, Employment Change & Concentration

Source: Avalanche Consulting / Puget Sound Regional Council



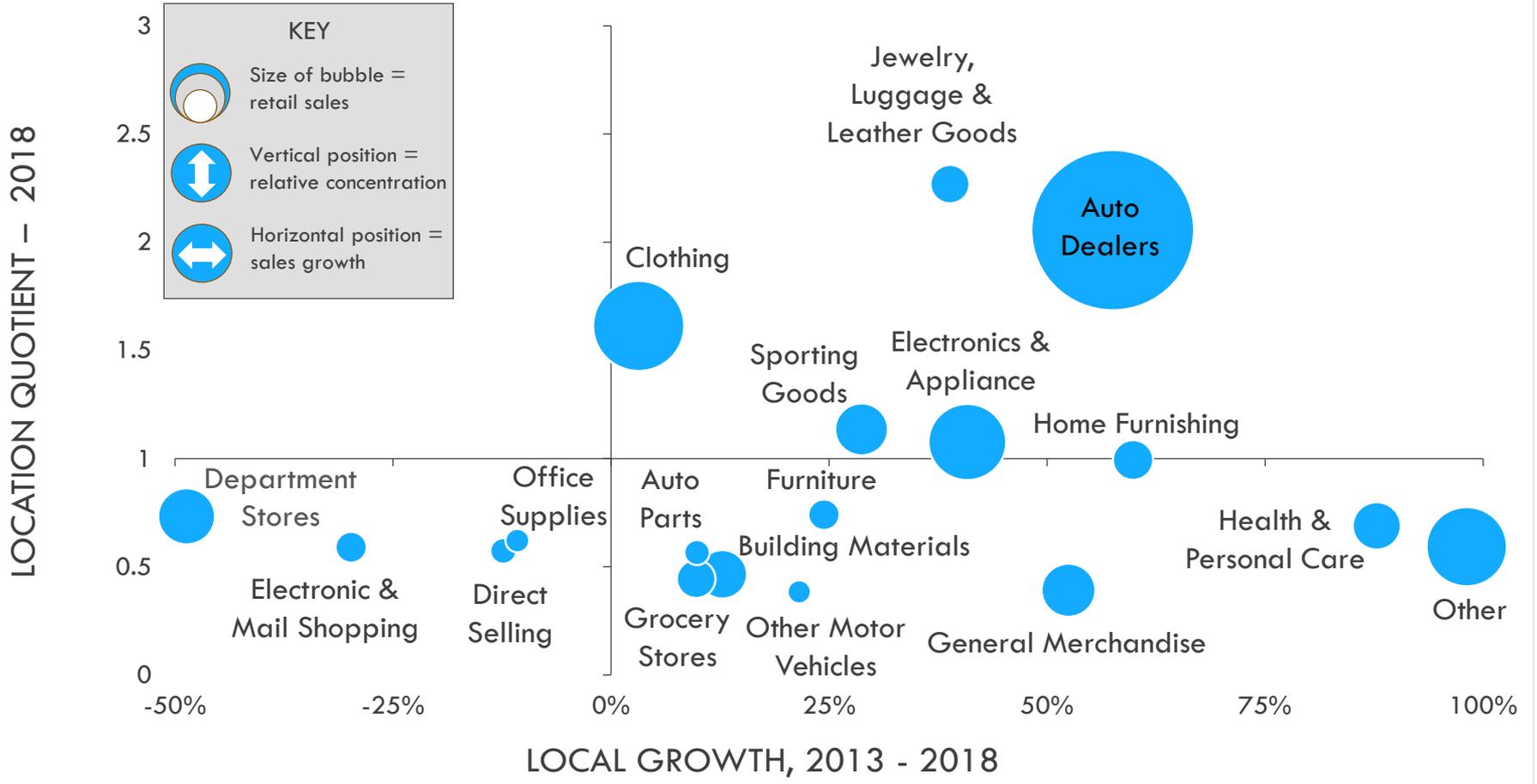
# Retail

- Retail sales have grown 30% since 2013 reaching \$3.5B in 2018.
- Of the 10 largest WA cities, Bellevue comes 2nd to Seattle in total retail sales.
- At \$23,700 Bellevue has the highest per capita retail sales of this set.
- Data indicates Bellevue is a primary destination for shopping.



# Retail

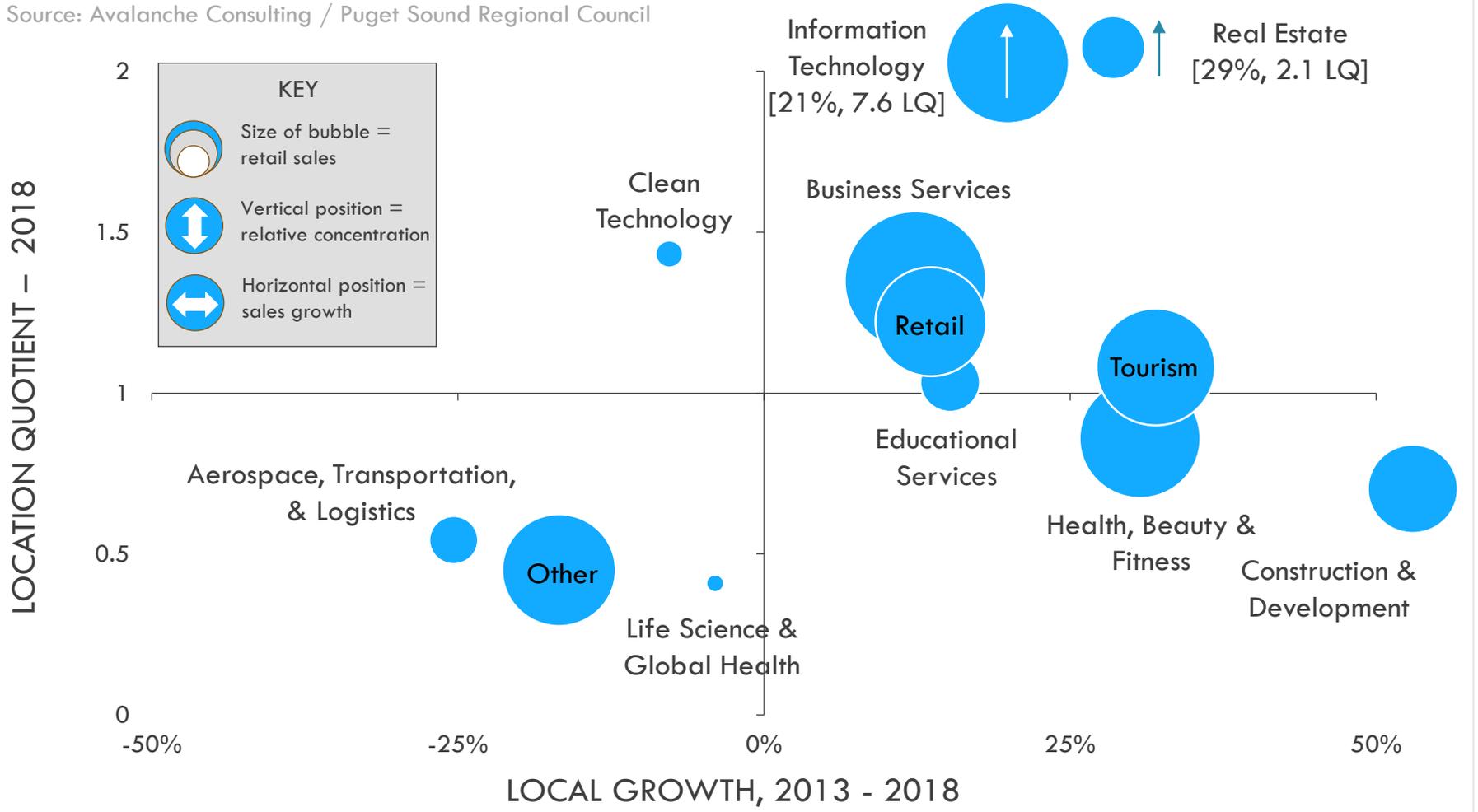
Bellevue Retail Sales by Sector, Growth and Relative Concentration to King County  
 Source: Avalanche Consulting / Washington State Department of Revenue



# Industry Cluster

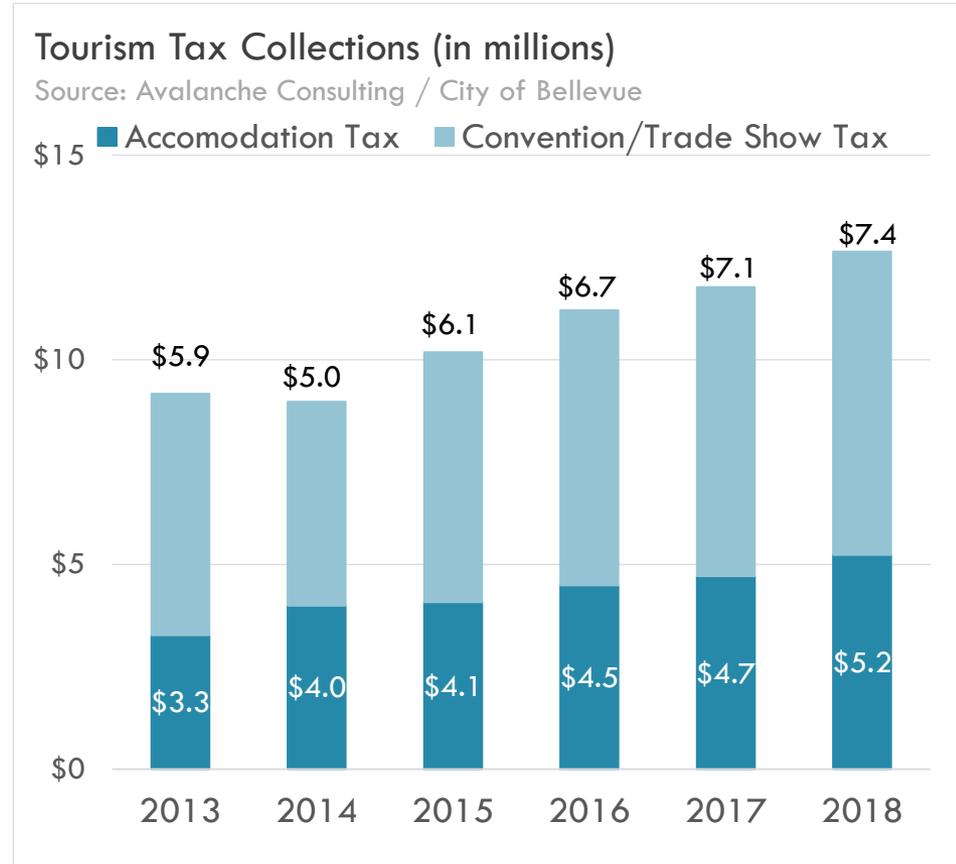
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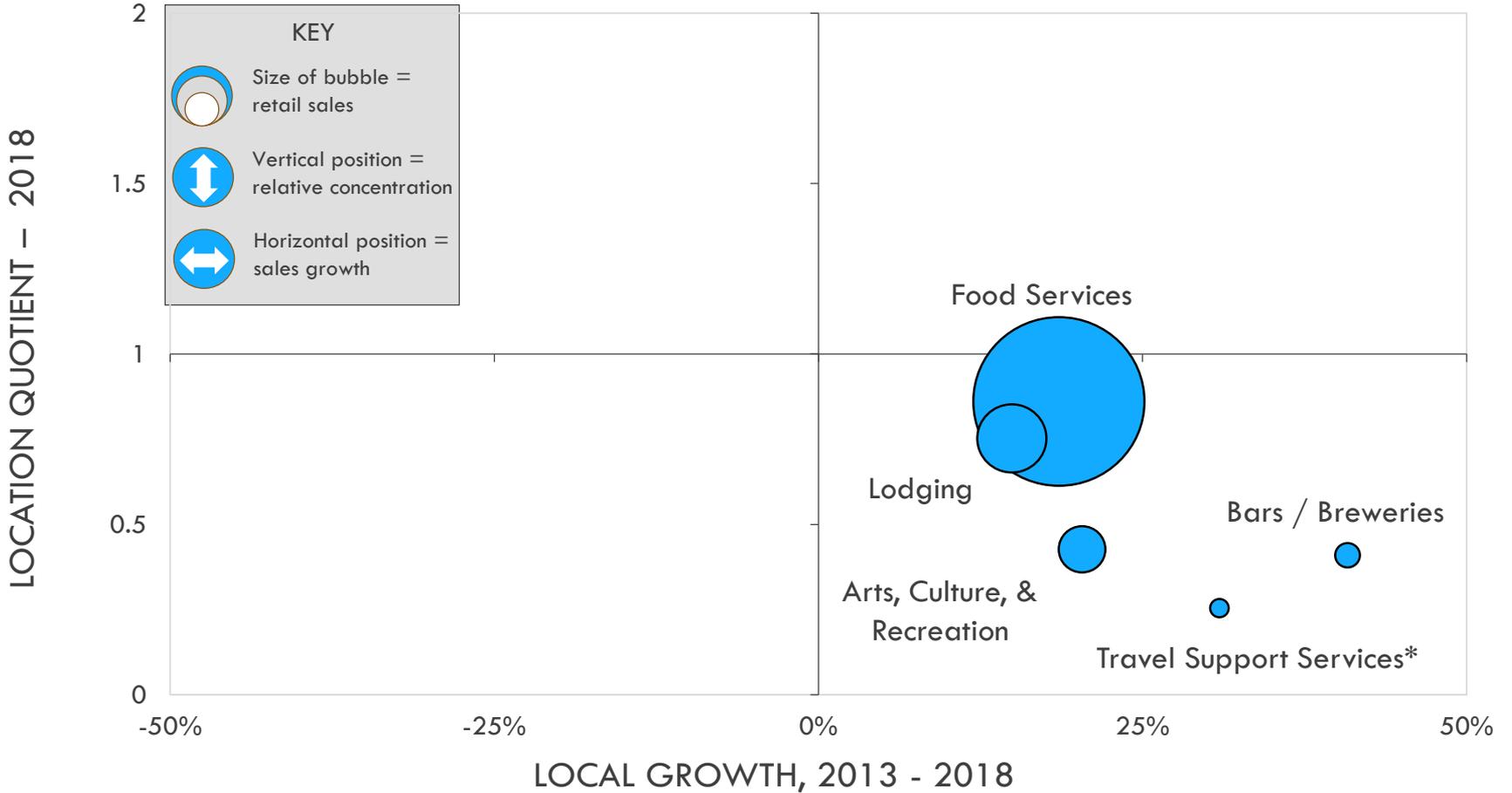


# Tourism

- Accommodation & Convention / Trade Show tax collections are growing rapidly – reaching a combined \$12.6M in 2018.
- Since 2015, the number of available hotel rooms in Bellevue increased by 20%.
- In 2019, the hotel occupancy rates for Bellevue hotels Sunday through Thursday approached 76%. Average occupancy rates fall to approximately 65% on the weekends.

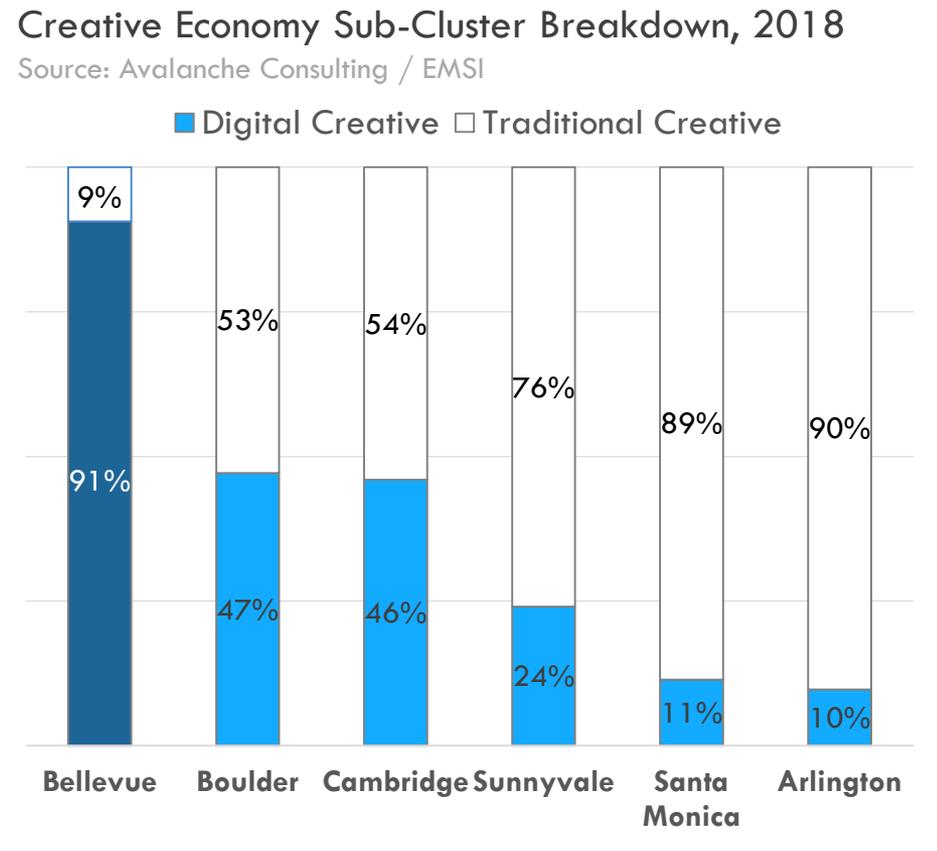


# Tourism Sub-Clusters



# Creative Economy

- The Creative Economy can be split into two sub-clusters – Digital & Traditional (artists, musicians, galleries).
- The Traditional Creative sub-cluster is small – only 9%.
- Traditional Creative challenges include affordability, limited space, and marketing.

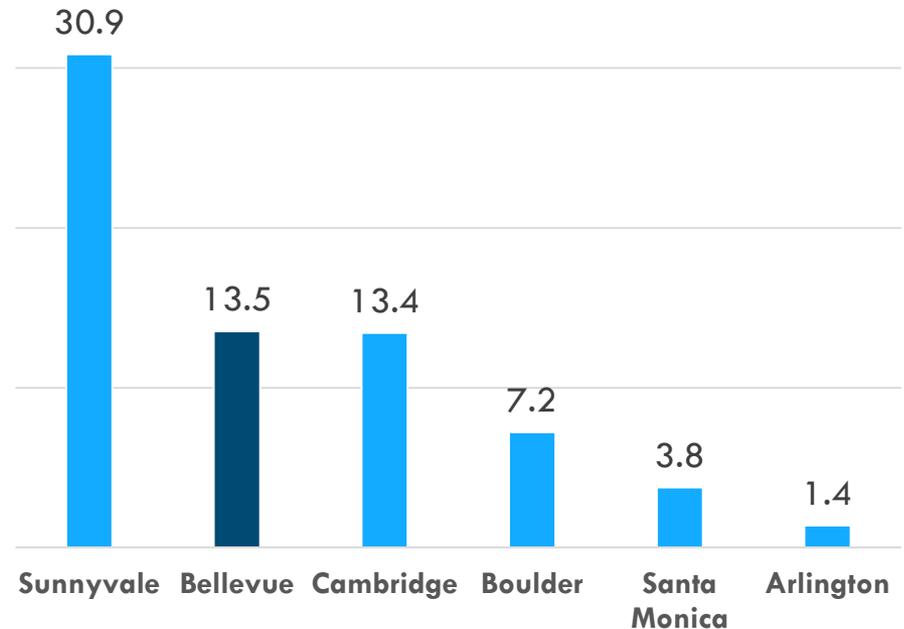


# Small Business & Entrepreneurship

- 13.5 patents issued per 1,000 residents in 2018.
- 97% of business have fewer than 100 employees.
- More than 12% of households in Bellevue reported receiving self-employment income.

Patents Per 1,000 Residents, 2018

Source: Avalanche Consulting / US Patent & Trade Office



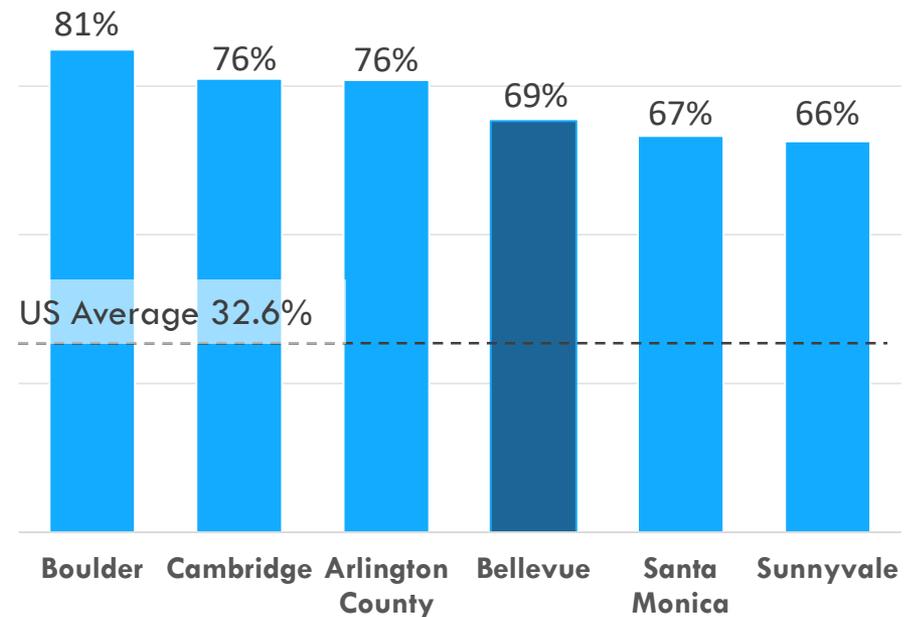


# Workforce and Talent

- 3<sup>rd</sup> best educated among the 200 largest US cities.
- Nearly 70% of residents hold a bachelor's degree or higher.
- Education levels are comparable to cities with major universities.

% of Residents with Bachelor's Degree or Higher, 2018

Source: Avalanche Consulting / US Census Bureau





# Capacity Building

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Businesses, residents, and non-profits in Bellevue are passionate about the community and looking for ways to connect with each other and impact a range of topics, including:

- Housing
- Transportation
- The Arts
- Youth Needs
- Homelessness
- Poverty
- Education
- The Environment

If the City and its partners can create a structured system that nourishes and sustains Tech business involvement and investment in the community, **this could be a model for the rest of the country.**

# Strategic Themes

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**CONNECTION**



**COMMUNICATION**

**COLLABORATION**

# What's Next?

- Staff will present the draft strategies for Council feedback on February 24, 2020.
- Avalanche will present the Draft Plan on March 23, 2020.

