



# Bellevue's Economic Development Plan 2020 Update

Bellevue is going through an unprecedented level of growth thanks to many years of planning and effort from a variety of stakeholders. Due to Bellevue's economic growth, the changing needs of Puget Sound businesses, and the evolving nature of major sectors like technology and retail, an update to Bellevue's Economic Development Plan is currently underway and we hope to hear from key stakeholders in our business community.

In July 2019, Council approved eight objectives for the project:

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 the Tourism Plan
7. Make the Plan easier to update
8. Support local workforce development options and programs

### Consultant

After a competitive search, the City awarded a contract to Avalanche Consulting, ([www.AvalancheConsulting.com](http://www.AvalancheConsulting.com)) a national consulting firm based in Austin that have done work in various regions, including Sonoma, Miami, Atlanta, and Charleston in performing economic analysis and creating economic development strategies.

### Stakeholder Engagement

The project will engage the business community through interviews and focus groups around four key topics: 1) small business support; 2) retail; 3) expanding the creative economy; and 4) capacity building.

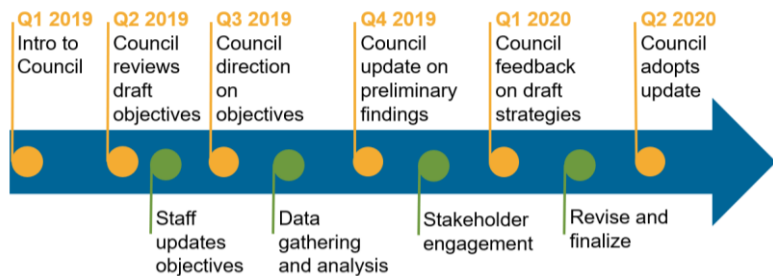
The consultant will conduct the interviews and focus groups through two trips to Bellevue. Those trips are scheduled for December 2-4, 2019 and January 13-14, 2020.

### Timeline

**December/January:** Stakeholder engagement and data analysis

**February:** Concept strategies presented to Council

**March:** Draft Plan presented to Council



### Staff Contacts

Please reach out with any questions or concerns regarding the Economic Plan Update to:

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# Bellevue's Economic Development Plan 2020 Update

## December Focus Group Summaries

### Creative Economy

During this focus groups, the Avalanche consultants and participants discussed the characteristics of Bellevue's Creative Economy, challenges and opportunities for Creative Economy organizations operating in Bellevue, and possibilities to build greater alignment and support for these organizations and businesses.

When discussing challenges, participants identified affordability of space as the greatest issue for creative operations in the city and region. Other issues raised were a lack of non-commercial galleries and limited performance space in the city.

### Capacity Building

The Capacity Building focus group featured participants from the non-profit and business community. During this conversation, participants identified priority issues in the community, discussed existing partnerships and initiatives, and explored opportunities to enrich these partnerships and bring together the public sector, private businesses, and non-profits to advance goals across the city.

Priority issues discussed included homelessness, the arts, youth, education, public safety, traffic, and mobility. Participants noted that Bellevue's image in the region often does not reflect the modern reality – noting that the city may be perceived as wealthy, white, and culturally sterile by regional residents, despite its high racial diversity, cultural and arts resources, and existing populations in need.

### Retail

Participants of the Retail focus group included retail establishment owners and retail property developers and managers. The conversation centered on the history of retail in Bellevue and challenges for developing, opening, owning, and operating retail stores and restaurants. The discussion also explored opportunities to better support retail and encourage more unique, locally-owned establishments.

Participants noted that although Bellevue is the primary retail center on the Eastside, it can be very challenging for all retailers, but especially locally-based ones, to be successful in the city.

The discussion additionally explored the changing nature of the retail industry globally – which is focused less on the sale of goods and more on services, experiences, and unique retail and restaurants. In addition, participants noted a range of code changes, marketing initiatives, and small business tools that could help support the sector. This included broader discussion of ways that the retail community could build greater alignment to provide tools and support to each other and advocate for their needs – potentially through a retail alliance.

### Small Business

The Small Business focus group included small business owners and operators and individuals that provide support services to small business – ranging from technology startups to retailers and service providers. The focus group discussion focused on challenges for small business operating in Bellevue and opportunities to support and help them grow.

Participants noted that affordability is a common concern for many businesses – both in terms of finding space to operate but also in hiring and retaining employees, many of whom cannot afford to live in Bellevue. Increasing traffic and longer commute times were raised as concerns. Participants also noted that the business environment in Bellevue is extremely tech focused, and that some long-time manufacturers operating in the city are feeling pushed out – by limited available zoned land and overall policies.

Participants also celebrated the sense of community in Bellevue, the entrepreneurial nature of the city and its residents (including a willingness to invest in new technologies and be a regional leader), the racial diversity of residents, and an overall focus on equity and inclusion. Overall the city is perceived as business friendly, but there was a desire to provide more support for the “missing middle” of mid-size businesses.

**Next Steps** Avalanche Consulting will reconvene the focus groups on January 13 and 14 to brainstorm strategies and implementation tactics. If you are interested and not yet participating please contact Philly Marsh at [pmarsh@bellevuewa.gov](mailto:pmarsh@bellevuewa.gov).



# Bellevue's Economic Development Plan 2020 Update

## January Focus Group Summaries

### Creative Economy

During this focus group, the Avalanche consultants and participants continued a discussion focused on understanding the challenges and opportunities around Bellevue's Creative Economy. The Avalanche team summarized key findings from the December focus group and then introduced draft strategic ideas for discussion. City staff also participated in this session and provided feedback during the workshop. Participants shared their thoughts on strategic ideas, explored how these ideas might work operationally, identified existing related efforts on which to build, and brainstormed additional strategies.

The focus group discussion covered a range of topics, including:

- Conducting a detailed inventory of performing arts venues and facilities in Bellevue. Some participants identified challenges associated with the task, including ownership and maintenance of the information. Similar concerns were expressed about the creation and maintenance of a centralized website with up-to-date information on Bellevue's Creative Economy.
- Establishing a Creative Coalition to bring together the Creative community, enhance communication, facilitate advocacy, share ideas, provide support, and overall speak with one voice. There is a significant need for information about artists in the city. A database of local artist may help address this deficiency.
- Creating more accountability for action around Creative Economy needs. There is a distinct need for leadership and coordination among the arts community, particularly in setting a timeframe and agenda to "get things done." There remains some question as to whether there is an existing organization focused on community building that might take the lead on this effort or if a new organization is needed. Although the City does not currently possess sufficient staffing resources to directly manage this effort, it might be able to assist in the creation of organization. The BDA was also mentioned as having a potential role.
- Expanding public art offerings and allowing for more diverse options, including digital projections and other formats.
- Promoting opportunities to display more local artist work at local businesses and in public spaces and buildings. These could be highlighted on maps and walking paths.
- Connecting people to more space for juried shows.
- Highlighting the importance of art as a public health issue.
- Exploring options for the City to work with private partners to establish a multi-purpose facility for the creative arts. Although a feasibility study has been completed, it remains to be seen if this facility will become a reality.
- Continuing the Bel-Red Streetscape plan and the City's partnership with 4Culture to continue the Arts District Planning, with the intent to finish by the end of the year.
- Building on Bellwether to provide expanded events and include more local artists.
- Creating a High Tech Working Group or Digital Council to find ways for digital artists to engage more with the Creative community and build events and exhibits that showcase local digital creatives.
- Identifying roles for the Arts Commission in the plan. It was also noted that the City has not expanded its budget for the arts in some time.



# Bellevue's Economic Development Plan 2020 Update

## January Focus Group Summaries

### Capacity Building

During this focus group, the Avalanche consultants and participants continued a discussion focused on exploring ways to enhance partnerships between the City, private sector, and non-profits in order to advance goals and address important topics in the community.

The Avalanche team summarized key findings from the December focus group and then introduced some draft strategic ideas for discussion. City staff also attended this session to provide direct perspective in the workshop. Participants shared their thoughts on strategic ideas, explored how they might work operationally, identified existing related efforts on which to build, and brainstormed additional strategies.

The focus group discussion covered a range of topics, including:

- The importance of valuing and exploring public private partnerships.
- The need to employ appropriate language to effectively communicate about this topic, galvanize, and ensure that everybody is on the same page. For example, the use of “policy” versus “projects” may help facilitate collaborations. The discussion also included talk about possible pathways to engage businesses in advocacy around specific topics. Some businesses noted that top concerns include transportation and housing.
- The idea of creating a “connections” website that would include information on projects, non-profits, and employers - helping bridge gaps between them. Again, such an effort raises questions about website ownership and maintenance.
- The possibility of connecting people through more storytelling events that simultaneously promote events happening in Bellevue. As such an initiative would be more focused locally and regionally, it would likely be outside the purview of Visit Bellevue. Instead, there would likely be a role for the City, Chamber, or BDA.
- A discussion about the need for a larger, coordinated communications plan to engage the entire community - residents, businesses, and employees - about important topics and potential projects. Such an effort would include more advocacy from businesses, especially tenants of office buildings, and engagement with residents to help them understand business and employee needs, with the overall goal of building greater understanding and sense of community between groups.
- A few attendees noted that this process is not entirely new. Bellevue has done a tremendous job of convening every 10 years to assess how the city is changing, identify new players and opportunities, and chart a path for the future. It was noted that this is a good time to be having these conversations and reevaluating how people and businesses organize in the city to be most effective.
- Much of the conversation focused on policy mechanisms to fund and implement ideas, particularly a business improvement district (BID). The pros and cons of BIDs were discussed in addition to how the community might go about establishing them if desired. It was noted that any BID must have a very specific goals, with clear potential benefits outlined. Unlike some communities, Bellevue would not be establishing a BID due to a crisis, but instead to address long-term, less visible potential challenges. As a result, it would require starting and facilitating a shared vision among property owners, tenants, and stakeholders.
- In general, businesses expressed a desire to see more amenities that make Bellevue a more compelling and exciting destination for employees, including more activated open spaces, farmers markets, community gatherings, food trucks, and other events to connect employees to the community.
- The discussion also explored what organization/entity might be able to convene disparate groups and help moves these conversation forward. The discussion centered on coalition building and creating space for dialogue between groups. As demonstrated by this focus group, the City may have to be the initial convener. The BDA was also discussed as a potentially strong convener, although somewhat limited by the Downtown name and geography. It was noted that more people need to be brought to the table for these discussions, including neighborhood associations and non-profits. Political leaders were identified as an important convener for residents.
- The group believes that clear action steps and ongoing communication are critical in activating this plan. A first step discussed was making a list of priorities, sharing the list, and articulating this capacity building need in a succinct way.



# Bellevue's Economic Development Plan 2020 Update

## January Focus Group Summaries

### Retail

During this focus group, the Avalanche consultants and participants continued a discussion focused on understanding challenges and opportunities for retailers, restaurants, related services, and those that support them in Bellevue.

The Avalanche team summarized key findings from the December focus group and then introduced some draft strategic ideas for discussion. City staff also attended this session to provide direct perspective in the workshop. Participants shared their thoughts on strategic ideas, explored how they might work operationally, identified existing related efforts on which to build, and brainstormed additional strategies.

The focus group discussion covered a range of topics, including:

- A need to better understand parking requirements of different types of businesses in different locations and potentially explore changes to code.
- Finding ways to connect businesses to clients - thinking about the expanding downtown population of residents and daytime workers.
- Considerations of the need for geographically targeted efforts around micro-neighborhood, including fostering connections among businesses, retailers, restaurants, and others located in immediate proximity to one another. Also brought up was how to create different, unique experiences across districts and neighborhoods.
- Improving connectivity between different districts of the city and marketing the highlights of each area.
- Expanding existing events and creating more community events in Bellevue. The conversation focused on expanding the Bellevue Jazz & Blues Festival, outdoor movies and concerts, the Farmers Market, other curated festivals and events. The group suggested creating an Events Coalition to bring together different venues and organizations to plan.
- Exploring different ways to connect people to physical spaces, including signage, wayfinding, and the possibility of digital connections.
- The feasibility of incentivizing development of smaller retail and restaurant spaces. For restaurants there was some discussion of spaces under 2,000 square feet and the importance of concepts.
- The need to build out more concentrated pockets of retail and restaurants in a contiguous manner. This type of less piecemeal retail development would help individual establishments thrive.
- The new Visit Bellevue shuttle service that will soon launch and whether it might be expanded in some manner if successful.
- Opportunities to proactively market Bellevue within the region to battle outdated misperceptions. The best way to change perceptions is to provide visitors with a positive experience.
- The importance of international tourists and what opportunities exist to build Bellevue's cultural currency and related skills.
- The idea of a BID to pay for programming and placemaking - especially downtown. It was noted that accomplishing this would require getting more local owners and businesses involved and excited about the idea.



# Bellevue's Economic Development Plan 2020 Update

## January Focus Group Summaries

### Small Business & Entrepreneurship

During this focus group, the Avalanche consultants and participants continued a discussion focused on understanding the challenges and opportunities for small businesses in Bellevue and how the City can help support existing business growth and new business formation.

The Avalanche team summarized key findings from the December focus group and then introduced some draft strategic ideas for discussion. City staff also attended this session to provide direct perspective in the workshop. Participants shared their thoughts on strategic ideas, explored how they might work operationally, identified existing related efforts on which to build, and brainstormed additional strategies.

The focus group discussion covered a range of topics, including:

- Startup 425 operations, offerings, and things they are exploring. The discussion included identifying efforts that are working well as well as exploring where there are gaps in available small business services and what new options might become.
- Some discussion centered on whether it is possible or desirable to create a “One-Stop-Shop” for information about small business resources. It was noted that no one organization can be the ultimate library of information and that whenever possible, it is preferred to connect with individuals in person to guide them to appropriate resources. Nonetheless, Startup 425 has produced an ecosystem map that might serve this purpose, but they determine the best manner in which to make it publicly available.
- There was exploration of whether the BDA or Chamber could have more of a small business focus, and it was noted that it has not traditionally been a role of the Chamber and the BDA's focus is downtown, which limits their reach. One Redmond also does some of this work already and could potentially play an expanded role.
- The group learned about the Enterprise Welcome Center pilot that is about to be launched through the King County Library System.
- When discussing accessibility of programs, the group noted that there is a need to offer programs and materials in more languages, but that the increased cost is challenging. Having more economic development information on public websites in different languages would be more welcoming and help connect people to the right person. Often the City's website is the first stop for information gatherers, and if materials are not immediately available in their native language, they may be dissuaded from exploring further.
- This conversation highlighted the overall importance of the approach to support services and how access is provided. A group participant noticed that the environment, the context, and the complexion of communication makes a huge difference in effectiveness.
- Startup 425 and other organization programs are generally designed to be accessible - offered near transit options, after normal work hours, and in public buildings, but there was some discussion of whether there could be more diverse startup focused events, such as social events for small businesses, multi-generational family events, and other pop-ups. The need for more virtual offerings of courses and programs also came up.
- The potential for more technical training for people starting businesses - thinking about e-commerce training, setting up a food truck, and other training that can help entrepreneurs think about the next step or utilizing new technology in the modern economy.
- The Innovation Triangle was discussed as an important marketing effort but not a specific resource for local businesses.
- The potential for a Buy Local Campaign came up, and the group reviewed past programs in Kirkland and Auburn. The noted challenge was maintaining a program after launch and who has ownership.
- There was also some discussion of how to help make it easier for businesses to receive certifications - especially minority certification status.