

CITY COUNCIL AGENDA TOPIC

Resolution adopting the 2026-2031 Economic Development Plan

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EXECUTIVE SUMMARY**ACTION**

This Resolution adopts the 2026-2031 Economic Development Plan, which sets policy to guide the city's economic development efforts over the next six years (2026-2031).

RECOMMENDATION

Move to adopt Resolution No. 10623

BACKGROUND/ANALYSIS

The Resolution reflects February 10 City Council direction on the recommended 2026-2031 Economic Development Plan (EDP) to return at a subsequent meeting for adoption. The EDP incorporates findings from ongoing engagement with businesses and community engagement completed over the past 14 months, along with data analysis and feedback from city staff and councilmembers, all of which together inform a recommended plan for council action.

Background and Approach

Bellevue's Economic Development Plan was last updated in 2020. Since then, the city has experienced rapid growth, global economic disruptions, and evolving trends such as remote work and artificial intelligence. In December 2024, the council directed staff to update the plan to ensure Bellevue remains competitive and aligned with the 2044 Comprehensive Plan and Strategic Target Areas (STAs).

The update process began in early 2025 with consultant onboarding (Ernst & Young), followed by economic research, benchmarking, community engagement, and strategies development. Community engagement for the plan involved connecting with more than 400 interested parties through interviews and focus groups. Positive indicators noted by the community included Bellevue's high quality of life, economic growth potential, strategic location, and accessibility. Identified challenges that could slow growth in Bellevue included cost of living, cost of doing business, permitting barriers, and traffic congestion.

Significant economic opportunities include re-envisioning Eastgate's future through zoning and regulatory changes, growing emerging industry sectors to further diversify our economy, and working more intentionally with our partners on future-focused workforce development initiatives.

Staff provided progress updates in May and September 2025. Council provided feedback on issues such as small business displacement, permitting process, tax competitiveness, and AI preparedness.

The recommended 2026–2031 EDP presented to the council in February 2026 reflects this input and provides a strategic framework and actionable strategies to address these priorities.

Recommended 2026-2031 Economic Development Plan Overview and Highlights

The final 2026-2031 EDP (Attachment A) and the more detailed Action Plan (available in the council library) serve to enact the vision and objectives of the city established in both the council’s STAs and Comprehensive Plan (Figure 1).

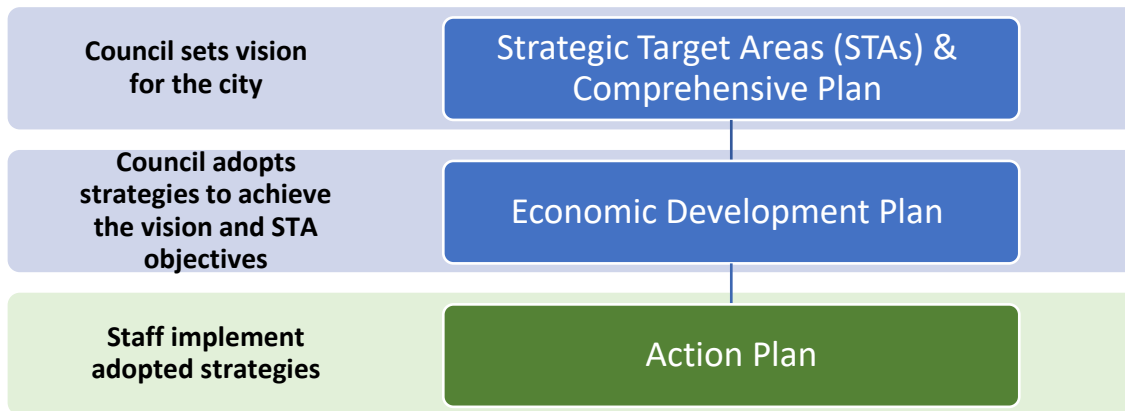


Figure 1: A simplified diagram illustrating the relationship between the 2026-2031 Economic Development Plan, the Action Plan, and the council-adopted STAs and Comprehensive Plan.

Council will be adopting the 2026-2031 EDP with this resolution. The EDP Action Plan, which is included in the council library, includes the actions associated with each strategy, along with implementation timeline, metrics, estimated cost range, and impacts.

The 2026-2031 EDP includes strategies nested under each of the six objectives that the council has previously identified within the Vibrant Economy STA:

- **Diversify Bellevue’s Economy (Objective 2.1):** Attract emerging industries such as life sciences and climate tech through targeted recruitment and partnerships with regional organizations. Expand business retention programs to support existing employers and mitigate risks from sector-specific downturns.
- **Support Small Businesses (Objective 2.2):** Create and expand programs to address small business displacement and affordability challenges. Expand Startup 425 programming to strengthen the entrepreneurial ecosystem.
- **Enhance Investment Tools (Objective 2.3):** Implement changes to catalyze mixed-use redevelopment in Eastgate commercial area. Pursue public-private partnerships and advocate for new financing mechanisms.
- **Advance Workforce Development (Objective 2.4):** Collaborate with partners to address disruptions and skills gaps in technology and healthcare. Support programs to reduce employment barriers.
- **Promote Equity and Inclusion (Objective 2.5):** Expand programs connecting historically marginalized communities to training and entrepreneurship resources. Track progress through metrics on median household income, educational attainment, and minority business ownership.

- **Strengthen Arts and Cultural Tourism (Objective 2.6):** Develop affordable creative spaces for arts organizations and events. Collaborate with partners to increase overnight visitors from 2.2 million to 3 million by 2031 and grow admissions tax revenue.

Staff will continue to update the council on plan implementation progress twice a year and will inform the council about any action plan changes every two years.

POLICY & FISCAL IMPACTS

Policy Impact

The EDP aligns with Bellevue's 2044 Comprehensive Plan and develops City policies for economic resilience and inclusive growth. It supports the council's STAs for Vibrant Economy, High Quality Built & Natural Environment, and Thriving People & Communities. The Plan also complements housing, transportation, and other citywide plans and initiatives.

Fiscal Impact

The Economic Development Plan aims to catalyze further activity in Bellevue that creates jobs, fosters economic activity, and attracts new businesses in ways that support individuals and City revenues. The adopted 2025-2026 City Budget includes funding to support the implementation of projects and programs through the biennium. Future fiscal impacts will be considered as part of the 2027-2028 biennium budget.

OPTIONS

1. Adopt the Resolution adopting the 2026-2031 Economic Development Plan.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

A. 2026-2031 Economic Development Plan
Proposed Resolution No. 10623

AVAILABLE IN COUNCIL LIBRARY

Economic Development Action Plan