

CITY COUNCIL REGULAR SESSION

Ordinance authorizing execution of an Economic Development Partnership Agreement with the Port of Seattle to accept \$120,000 in grant funding to support the City's cultural and economic development efforts; and (2) amending the 2021-2022 Operating Grants and Donations Fund to increase the appropriation by \$60,000.

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Community Development Department

EXECUTIVE SUMMARY

This Ordinance authorizes the execution of an Economic Development Partnership Agreement between the Port of Seattle and City of Bellevue, accepts up to \$120,000 in grant funding to support the City's cultural and economic development efforts and increases the 2022 appropriation for Operating Grants and Donations Fund by \$60,000.

RECOMMENDATION

Move to adopt Ordinance No. 6664

BACKGROUND/ANALYSIS

Since 2017, the Port of Seattle has offered a grant program for municipalities in King County in order to support economic development programs which align with the Port's Century Agenda. This program is intended to promote the creation of middle-class jobs and address a lack of economic development funding for local projects. Thirty-eight cities in King County are eligible, and funding is provided on a per-capita basis with a 50 percent match required from the City being awarded funds.

In 2022, the Port of Seattle is providing two years of financial support, which makes Bellevue eligible for a grant of up to \$120,000. This year's program can fund projects related to business development, job creation and community revitalization, including through small business support, tourism, "buy local" campaigns, and placemaking activities, among others. The City of Bellevue submitted its grant application in March 2022 seeking funding for projects including:

- **Startup 425** and small business support
- Downtown Bellevue "**Hello Again**" and "**buy local**" marketing campaign in partnership with the Bellevue Downtown Association
- **Arts Marketplace** to increase awareness and support for local artists and cultural programs
- **BelRed Arts District** implementation work focused on convening small businesses, nonprofits, artists, and residents in Bellevue's arts and cultural corridor

Each of these projects will receive funding in the 2022-2023 funding round and Port funds will be matched one-for-one with City of Bellevue general funds.

POLICY & FISCAL IMPACTS

Policy Impact

The acceptance of this grant and execution of the partnership agreement with the Port of Seattle aligns with the City's adopted Economic Development Plan strategies, including:

- **CB-2.** Apply a partnership approach to strategies throughout economic development efforts to expand and improve service delivery.
- **SB-1.** Work with partner organizations to expand access to technical training for entrepreneurs and small business owners with a focus on those of diverse backgrounds.
- **CE-2.** Develop the built and institutional infrastructure needed to position the BelRed Arts District as a major destination.
- **T-1.** Develop more activities and product offerings that take advantage of the city's assets and proximity to regional activities.

Bellevue City Code 4.28 requires the City Manager to notify the City Council and seek approval to execute grant contracts exceeding \$90,000.

Fiscal Impact

Executing the grant agreement will provide up to \$120,000 in Port of Seattle funding to support three Cultural and Economic Development projects through 2023, \$60,000 of which will be expended in 2022, and \$60,000 of which will be expended in 2023. The Ordinance will increase the 2022 appropriation to the Operating Grants and Donations Fund by \$60,000; the 2023 expenditures will be accounted for within the 2023-2024 budget.

These projects require a 50 percent cash or in-kind match from the City of Bellevue, which are available through existing budget allocations to CED.

Project	Category	Port of Seattle Funds	City Matching Funds	Total Funds
Startup 425 and Small Business Support	Small Business Assistance	\$40,000	\$20,000+	\$60,000+
Downtown Bellevue "Hello Again" and "Buy Local"	Buy Local/Placemaking	\$40,000	\$20,000+	\$60,000+
Arts Marketplace	Tourism	\$20,000	\$10,000+	\$30,000+
BelRed Arts District	Buy Local/Placemaking	\$20,000	\$10,000+	\$30,000+
Total Funds		\$120,000	\$60,000+	\$180,000+

In the long-term, these projects are designed to increase economic activity in Bellevue, which will boost B&O, sales, and hotel occupancy tax revenues. "Buy local" work, in particular, will drive additional retail sales, and the Arts Marketplace is designed to increase retail sales (particularly during nightlife hours) and increase the number of people who stay in Bellevue overnight from outside of the region.

OPTIONS

1. Adopt the Ordinance authorizing execution of an Economic Development Partnership Agreement with the Port of Seattle to accept \$120,000 in grant funding to support the City's cultural and economic development efforts; and (2) amending the 2021-2022 Operating Grants and Donations Fund to increase the appropriation by \$60,000.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

Proposed Ordinance No. 6664

AVAILABLE IN COUNCIL LIBRARY

Contract Agreement with the Port of Seattle