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CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Creative Edge Plan: A Strategy for Bellevue's Creative Economy Briefing

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POLICY ISSUES

City Council adopted the current Cultural Compass Plan on September 20, 2004. The Plan outlines a set of strategies to focus the City's cultural development efforts, under an overarching vision that includes cultural economic and business development:

The business community works hand in hand with arts and cultural interests to enhance the quality of life experience for both Bellevue residents and employees. The City of Bellevue is known nationally as a model of urban cultural cultivation for cities its scale.

City Council also adopted the current Economic Development Plan on July 7, 2014. The Plan outlines a set of strategies to focus the City's economic development efforts, under the overarching vision:

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

This plan represents an integrated approach to cultural and economic development, reflecting the related economic development policies of the Comprehensive Plan:

ED-14. Recognize the economic development benefits of city and private sector investments in urban amenities like arts and culture, open space and recreational facilities, and high quality urban design. Strengthen the city's assets in these areas as an explicit component of the city's economic development strategy.

ED-22. Support efforts that promote tourism, hotel, retail and arts businesses.

Tonight's Study Session will provide Council with a briefing about the completed Creative Edge Strategy by the Cultural and Economic Vitality Office. The briefing will include background about the strategy's development, input on the feedback that has gone into the development of the strategy, findings, and next steps.

DIRECTION NEEDED FROM COUNCIL

ACTION



DIRECTION



INFORMATION ONLY



This presentation is for information only and will provide an update to Council on the work of the Creative Edge Strategy since the last update to Council on February 26, 2018.

BACKGROUND/ANALYSIS

The purpose of the briefing is to provide City Council with an update on the strategies and recommendations from the completed Creative Edge Plan, a strategy action item that advances cultural and economic development goals. The Plan identifies how the arts, culture and creative sectors contribute to Bellevue's community and economy – known as the creative economy – and recommends a strategy to strengthen and grow these sectors. The briefing will include findings of the current state of Bellevue's creative economy, as well as recommended strategies and implementation plan to strengthen Bellevue's reputation as a center for arts and creative learning and innovation.

PROJECT OVERVIEW

The Importance of the Creative Economy

The creative economy is defined as the segment of the larger economy whose principle orientation is to apply creative ideas and processes to generate goods, services, and innovations that provide both economic and aesthetic value. The creative economy is about a major shift in the structure of the global economy - from one based on the production of goods to a knowledge-based economy driven by ideas and technology. At the center of the creative economy is talent, and Bellevue's rise and continued growth as an established creative hub is largely based on talent that resides in Bellevue or commutes to Bellevue's employers daily. Therefore, the need to cultivate, attract and retain talent is at the heart of the City's ability to grow and innovate.

Objectives

The objectives of the Creative Edge Plan were to: (1) define the nature and unique qualities of Bellevue's creative economy, i.e. Bellevue's creative edge; (2) establish a vision that sharpens the community's cultural and creative focus and identity; and (3) develop a strategy to strengthen and grow these sectors so that Bellevue remains competitive in the region and nationally. Because the creative economy is of interest to both the arts and economic development communities, a broader goal of the project was to integrate existing cultural and economic development policies and priorities as found in the Cultural Compass Plan (2004), Economic Development Plan (2014), and Comprehensive Plan (2015).

The Process

The project unfolded in five phases: (1) building a team; (2) conducting cultural and economic research and analysis; (3) consulting the community on a values framework and vision for how arts, culture, and creativity should contribute to civic and economic vitality; (4) developing a strategy based on strengths and assets; and (5) developing partners and performance measures for implementation.

The project team included staff members from the Cultural and Economic Vitality Office, the consultant MDB Insight, and a volunteer Creative Edge Taskforce comprised of community stakeholders from across the region representing the arts, business, and civic spaces. Community members were consulted through a series of feedback mechanisms including a statistically-valid business survey, stakeholder

interviews, community workshops, and presentations at the Bellevue Arts Commission and Bellevue Diversity Advisory Network (BDAN). Overall, nearly 250 individuals were consulted throughout the project.

FINDINGS

A Robust Regional Creative Economy in the Seattle-Bellevue-Tacoma MSA

Creative economies are regional economies. To understand Bellevue's position in the creative economy and in a time of global transformation, this study sought to understand the role that creativity and culture has played across the region over time. The creative industries are driving regional economic growth, accounting for most new jobs and wage growth. While creative occupations accounted for only 6.5 percent (103,780 people) of the total employment in 2016, these occupations experienced the most growth since 2007. Highlights include:

- Employment in the creative industries has nearly doubled since 2002. Individuals aged 35-54 represented the largest proportion of creative industry employment.
- Individuals aged 25-34 account for about 85 percent of all new creative industry jobs each quarter.
- Creative occupations grew by 37 percent between 2007 and 2016 - triple the rate of growth experienced by the remaining sectors which grew at 11 percent.
- Creative occupations accounted for 6.5 percent (103,780 people) of the total employment in 2016.
- Individuals who create applications for computers or another device represents approximately 45 percent of all creative occupations.
- If software developers and computer programmers are removed from the total creative occupation count, the remaining creative occupations are still outpacing other sectors in growth (13 percent increase from 2007) with a significant increase in creative occupations related to design, marketing, and audio and video occupations.
- Traditional arts occupations such as artisans, actors, and musicians have decreased since 2007.
- Creative occupations are commanding 34 percent more than the average wage earning in Seattle-Bellevue-Everett and 70 percent more than the national median wage.
- In 2010 and 2015, King County accounted for 40 percent of all not-for-profit creative organizations.
- King County not-for-profit creative organizations also retain a highly significant amount of charitable revenue in Washington State, accounting for 76 percent of all not-for-profit creative organization revenues in the state.

Bellevue's Position: A Regional Creative Hub and Competitive at the National Level

Bellevue is comparably one of the top jurisdictions of its size and in the region in presenting an environment that will attract and retain knowledge workers. When examining the necessary environment for sufficient economic growth in the creative sector, economic developers often look to three levels of measurement: Talent (knowledge workers), Tolerance (diversity) and Technology. These '3T's' are part of an economic development theory that gives importance to the attraction and retention of creative capital, which is about the capacity to generate innovative ideas, concepts, products and processes that lead to unique characteristics and evolving technologies. Bellevue ranked 6th on a Creative Index that looked at 13 comparable cities across the nation and 5 cities in the region. Highlights include:

- Knowledge workers make up 38 percent of Bellevue's total workforce.
- Over 60 percent of Bellevue's population 25 years or older have a Bachelor's degree or higher
- 78 percent of Bellevue's educated population is focused on science and engineering fields (59 percent) and arts and humanities (18 percent).
- Over 40 percent of Bellevue's population is considered a visible minority, and 27 percent of those 25 years or older have a bachelors' degree.
- The proportion of high-tech firms in Bellevue (9.3 percent of all Bellevue businesses) is greater than Seattle (6.9 percent), Everett (5.4 percent) and Tacoma (4.3 percent).

Strengths in Arts Education, Digital & Interactive Technologies, and Diversity

Over 1,100 cultural resources were inventoried and mapped to understand Bellevue's creative and cultural strengths and unique identity. Cultural resources are defined as: creative enterprises; cultural facilities and spaces; non-profit cultural organizations; historic and natural heritage features; public art; annual festivals and events; arts and cultural education programs; and individual artists. A clear strength for Bellevue is the number of creative businesses, over 900, operating in the City. Highlights include:

- Creative services (i.e. design) such as architecture, graphic design, and photography, comprise one-third of all creative business.
- Nearly 200 businesses are in the gaming and software industries and related support services.
- Bellevue has strong arts educational resources, including Washington State's most robust public curriculum-based arts education in public schools, nearly 70 private fine arts and music schools, and 20 non-profit organizations in the City are dedicated to arts education as their primary mission.
- Half of all non-profit organizations in Bellevue are related to music.
- Between the years of 2010 and 2016, there has been an increase in the proportion of the visible minority population within the City of Bellevue of 9 percent. Seattle, in comparison, has seen a minimal total increase of 1 percent during the same period.

Staff has created a new online map using information gathered during the research process that conveys over 1,300 cultural resources in Bellevue. Please follow the link below to access the map:

<http://www.arcgis.com/apps/webappviewer/index.html?id=f06d4fa34e9041408cac1fd8fad9deec&extent=-13614209.0189%2C6028590.5003%2C-13580309.1969%2C6054082.2492%2C102100>

Community Needs

Approximately 25 interviews and a total of 100 creative sector businesses were consulted to provide their opinions on Bellevue's creative economy. The single most important initiative that creative businesses think could be undertaken to strengthen their business and the creative economy in Bellevue is to expand the cultural offerings and amenities in the City. This includes making participation in cultural events more affordable, organizing more events, connecting the creative community with more networking opportunities, creating more platforms to showcase local talent and business, creating more cultural spaces (i.e. venues), and creating hubs of creative business (i.e. design district). Other findings include:

- Bellevue is perceived as a somewhat favorable location to start or grow a creative business/organization.

- Bellevue is not seen as doing a great job promoting itself as a place to start or grow a creative business.
- The top qualities that creative businesses see as giving them an advantage for being in Bellevue are: access to affordable broadband/hi-speed internet; access to a diverse population; access to cultural amenities, programs, festivals and events; and access to a skilled workforce.
- The top disadvantages identified for being in Bellevue are: access to affordable commercial workspaces; public transit; access to affordable office or industrial space; access to semi-skilled workforce; access to indoor/outdoor recreation programs and amenities; access to capital funding; and access to co-working space.

STRATEGIC FRAMEWORK

Bellevue's Creative Edge: Arts and Creative Learning and Innovation

Based on the positional analysis of the regional creative economy, the local environment for attracting and retaining creative capital, available cultural resources, and expressed needs of the community, the vision for culture and creativity in Bellevue is as an international center for arts and creative learning and innovation. Bellevue's creative edge is rooted in diversity, fueled by arts and creative learning, and propelled by technology to drive innovation in the creative economy.

Goals and Outcomes

The Plan identifies three overarching goals to realize this vision and relate specifically to the built environment, businesses, and arts and culture. Each of these goals have related outcomes, under which strategies and actions have been identified. Performance indicators that define success and measure progress have been identified at the outcomes, strategy, and action levels.

- 1. Goal: Creative Placemaking and a Transformed Public Realm.** Enabling the arts, culture, and creativity throughout the City has transformed the physical form, streetscapes and public spaces throughout Bellevue.
 - a. Outcome: Strong Cultural Districts.** Clear, consistent policies and tools have been implemented to assist the creation of strong cultural districts that have become a defining feature of Bellevue's identity.
 - b. Outcome: Arts and Creativity Embedded Across the City.** Bellevue is a City where spontaneous encounters with art and creativity are experienced in all neighborhoods, commercial districts and public spaces across the City.
- 2. Goal: Creativity and Culture as a Key Driver in Innovation and Economic Growth.** An integrated arts, culture and creative sector, is recognized as an important and legitimate sector of the economy that also makes significant social contributions to the City.
 - a. Outcome: An Enhanced Civic Image and Profile.** Bellevue is widely recognized as a vibrant community characterized by a high quality of life, an exceptional parks system, thriving arts and culture districts and corridors, and a vital arts and cultural scene.
 - b. Outcome: An Entrepreneurial and Start-Up Culture in the Creative Cultural Industries.** Despite the proximity of global leaders in software and digital media, the vast majority of creative cultural enterprises in all jurisdictions are small and medium-size businesses. Success in launching and sustaining these enterprises requires specific competencies, including entrepreneurial skills.
- 3. Goal: A Resilient and Sustainable Creative Cultural Sector.** A culture of collaboration is embedded in Bellevue's vibrant creative cultural sector. Strong connections and partnerships

have been forged across cultural disciplines, and between public, non-profit and for-profit enterprises and activities in the City.

- a. **Outcome: Increased Investment from All Sources.** Increased investment in the sector by the City has leveraged investment from philanthropic, community and business sources in the community and beyond.
- b. **Outcome: Increased sectoral Capacity and Impact.** The creative cultural sector has embraced new ways of thinking and acting that led to increased capacity in individual organizations and enterprises as well as the sector as a whole.
- c. **Outcome: Affordable Creative Spaces.** Affordable space is the single most significant barrier to arts and cultural organizations and creative industries locating and remaining in Bellevue. Supporting flexible City zoning that enables multi-use structures in existing or new developments enables the creation of creative spaces addressing a range of needs.

RECOMMENDATIONS

The Plan identifies a total of 20 strategies to be implemented in the short or mid-term. The recommendations are prioritized below into three categories in order of implementation priority. The strategies listed below are included in more detail in the *Creative Edge: City of Bellevue Creative Economy Strategy Report*.

Foundational Strategies to Make Connections and Partnerships

- Support Knowledge Sharing and Strengthen Sectoral Collaboration
- Implement Local and Regional Partnership Mechanisms
- Shape a New Cultural Development Model that Integrates Home-Grown and Satellite Elements
- Embed Creative Placemaking in City Planning
- Explore Connections Between the Arts and Digital and Interactive Media Including Video Games

Short-term Strategies to Build Infrastructure and Capacity

- Zoning Changes to Expand Creative Places and Spaces
- Expand the Public Art Program
- Raise Awareness of Bellevue's Diverse Communities and Cultures
- Promote and Expand Festivals and Events
- Build Skills and Knowledge that Supports Start-Ups and Strengthens Entrepreneurship
- Embrace and Implement an Integrated Vision of Creative Spaces
- Inventory and Make Use of Underutilized Spaces in the Community
- Develop A City-Wide Arts and Culture Programming Strategy Linking Institutions and Organizations

Midterm Strategies for Economic Impact

- Realize Opportunities in Bellevue's Existing and Planned Cultural Districts
- Enable Neighbor-Hood Based Creative Placemaking
- Expand Awareness of Bellevue as a Cultural Destination
- Leverage Strengths in Digital and Interactive Media
- Develop a Cross-Sectoral Cultural Investment Strategy
- Build a System of Diverse and Accessible Creative Spaces
- Embrace New Operating Models for Cultural Organizations

The Role of the City: Enabler, Convener, and Broker

This strategy recommends that the City take on a new role as an enabler, convener, and broker in the cultural and creative communities. These roles build relationships and support knowledge flows both of which are fundamental to highly functioning creative ecosystems. Some examples of how the City can fulfill this role include:

- Make anchor City investments in cultural district-based programming to encourage district programming by arts and cultural groups and organizations in Bellevue.
- Examine the requirements for the Bellevue Arts Commission to facilitate new cross-sectoral partnerships across community, philanthropic and business stakeholders.
- Convene an annual Creative Bellevue Summit undertake opportunity citing, build cross-sectoral relationships, and assess success.

NEXT STEPS AND IMPLEMENTATION

The next steps are to implement the foundational strategies listed above. The immediate focus is to distribute the strategy to the cultural and creative community and develop relationships. The goal is to build partnerships for implementation and new investment.

A key action is to examine the requirements for the Bellevue Arts Commission to facilitate new cross-sectoral partnerships connecting stakeholders within the creative cultural sector to the City and to supportive community, philanthropic and business partners.

Since the availability and affordability of commercial and cultural space is the biggest issue facing the creative cultural sector, the City of Bellevue supports a recommendation to link a midterm Creative Edge strategy to Establish a Cultural Infrastructure Fund to Council's new cultural arts fund established in the CIP budget to leverage and attract private and public donations and stabilize creative businesses and cultural organizations.

OPTIONS

N/A

RECOMMENDATION

N/A

ATTACHMENT(S)

- A. Creative Edge: City of Bellevue Creative Economy Strategy Report
- B. Creative Edge: City of Bellevue Creative Economy Study Report

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

- A. City of Bellevue Council Adopted Cultural Compass Plan—September 2004
- B. City of Bellevue Council Adopted Bellevue Economic Development Plan—July 2014