

February 26, 2018

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Destination Development Plan Strategy Briefing

STAFF CONTACTS

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POLICY ISSUES

City Council 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.

It also supports the City Council's 2018-2020 priority to "[a]ctively pursue business retention and growth at the local level, including diverse small, medium and large business with an emphasis on high-tech, tourism and international trade."

DIRECTION NEEDED FROM COUNCIL

ACTION



DIRECTION



INFORMATION ONLY



Tonight's Study Session will provide Council with a briefing about the completed Destination Development Strategy by the Office of Economic Development (OED), Meydenbauer Center and Visit Bellevue Washington (VBW). 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.

BACKGROUND/ANALYSIS

The purpose of the briefing is to provide City Council with an update on the strategies and recommendations from the completed Bellevue Destination Development Plan, a strategy action item from the Economic Development Plan adopted by City Council in July 2014. The briefing will include findings of the current state of Bellevue's tourism industry as well as recommended strategies and implementation plan to enhance and sharpen the community's focus to attract business and leisure travelers and conventions to support Bellevue's economic growth.

Direct Economic Development Strategies

Under the 2014 Economic Development Plan, "Direct Strategies" target specific economic development opportunities where the City's efforts can be most effective. These strategies are primarily the

responsibility of the City's economic development staff, and provide a strong focus for their efforts over the next five years.

Strategy number three is to, "Strengthen Bellevue's Tourism and Visitor Cluster." Specifically, the strategy recommends that, "...the City will work with partners to develop a coordinated tourism strategy encompassing business-related and leisure markets. This Strategy will increase the City's economic base, create job opportunities, and strengthen the City's economic resiliency."

Destination Development Plan

Overview

Based on the recommendation from the City of Bellevue's Economic Development Plan that was approved by City Council in July 2014, the City of Bellevue's OED and VBW engaged Resonance Consultancy in mid-2016 to produce a Destination Development Plan. The purpose of the Plan was to improve the City's ability to attract visitors, conventioners and new businesses to the market. The work, which concluded in September 2017, has encompassed two phases of detailed research and analysis and has provided several occasions for community and stakeholder engagement through surveys, workshops, and one-on-one interviews. Over the course of the two-year project, well over 100 community members representing businesses, hospitality, cultural and education organizations provided input to the process. This final report provides in-depth program recommendations, budget estimates and suggested future action plans.

Objectives

The objectives of the Destination Development Plan were to enhance the existing environment with four overarching goals: An Enhanced Visitor Experience; Economic Growth; Infrastructure Improvement; and Employment Growth.

The City and VBW also wanted a plan that provides value to the industry, visitors and residents alike. The project examined areas of common interest between economic development and visitor development. The final plan serves as a roadmap for branding, marketing, promotions, programming, facilities and infrastructure that will grow a sustainable volume of new and repeat visitors to the City as well as increase collaboration between the OED and VBW.

Phase I of the project, from June to December 2016, focused on activities designed to review and understand the history, current results, future plans and target market(s) of Bellevue tourism. This phase also analyzed Bellevue and the region's economy, economic development goals and objectives and quality of life factors as well as provided a detailed examination of Bellevue's characteristics, visitors, profile and market prospects. The first phase concluded with the presentation of a situational analysis and conceptual framework to the VBW Advisory Committee, a community stakeholder group and Bellevue City Council that included 39 individual initial recommendations for Bellevue to consider.

Phase II of the project, from March to September 2017, was designed to create a future looking vision for Bellevue tourism. The initial list of 39 recommendations was refined to 18 focused recommendations that Bellevue should strive to own and implement. Each of the 18 recommendations includes a situation summary, recommended action and implementation plan and budget.

In addition, the second phase included a vision statement that was created to reflect the desire of industry stakeholders to capitalize on Bellevue's strength as a high quality, safe and diverse destination that visitors can enjoy time and again for shopping, restaurants, its hotels and more. The vision statement reads:

Bellevue Washington seeks to be a premium, vibrant, gateway destination to the Greater Seattle Region for national and international visitors that delivers several unique shared experiences that inspire visitors to share with family and friends and come back again and again.

Recommendations

The Plan summarizes key areas of opportunity and provides recommendations and action plans for future implementation. The recommendations are prioritized below into three categories in order of implementation priority. The strategies listed below are included in more detail in the *City of Bellevue and Visit Bellevue Washington: Destination Development Plan Final Report, October 26, 2017*.

The Phase I strategies are focused on establishing the foundational groundwork upon which the latter strategies in Phase II and III can be implemented.

- Phase I: Visit Bellevue Implementation Priorities
 - #1: Brand Positioning & Awareness
 - #2: Organization, Operations and Budget
 - #10: Communications & Storytelling
 - #17: Bellevue as Regional Home Base

The strategies in Phases II and III are relatively independent of each other and may be implemented according to organizational capacity, available budgets or according to the individual priority scores.

- Phase II: Implementation by Visit Bellevue, City of Bellevue and/or other Partners
 - #4: Diversity
 - #6: Technology / Virtual Reality / Gaming / eSports
 - #7: Culinary, Restaurants and Wine
 - #9: Events and Festivals
 - #14: Grand Connection
 - #16: Meydenbauer Center and Headquarters Hotel
- Phase III: Implementation by Visit Bellevue, City of Bellevue and/or other Partners
 - #3: Cleanliness, Safety / Security and Walkability
 - #5: Shopping, Restaurants and Hotels
 - #8: Culture, Performing Arts and Entertainment
 - #11: Nightlife
 - #12: Outdoor Recreation
 - #13: BelRed / Spring District and Eastgate
 - #15: Mass Transit / Light Rail
 - #18: Regional Tourism Cooperation

The Phase I recommendations for Organization, Operations and Budget addresses the evolution of VBW into a full-service Destination Marketing and Management Organization (DMMO). A DMMO promotes the development and marketing of a destination, focusing on convention sales, tourism marketing, and services. Since VBW will manage and direct the implementation of many of the recommendations in the Plan that support the goals of a DMMO, it is important that this recommendation be implemented first.

To support Phase I implementation of the Plan, the Bellevue Convention Center Authority BCCA Finance Oversight Committee will address the need of \$250,000 starting in 2018 (annualized to \$500,000 in 2019) to support the further development of the DMMO. These funds will be used to undertake a search process and hire an experienced Executive Director to expand the role of the DMMO and implement its programs.

OPTIONS

N/A

RECOMMENDATION

N/A

ATTACHMENT

A. City of Bellevue and Visit Bellevue Washington: Destination Development Plan Final Report, October 26, 2017

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

City of Bellevue Council Adopted Bellevue Economic Development Plan—July 2014