

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of an Interlocal Agreement regarding a cooperative effort to support Regional Economic Development (Innovation Triangle).

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Community Development Department

EXECUTIVE SUMMARY

As directed by Council on February 19, this Resolution solidifies and enhances the Innovation Triangle program to support and grow the Eastside's strong technology industry.

RECOMMENDATION

Move to adopt Resolution No. 9603

If approved, effective date: 06/03/2019

BACKGROUND/ANALYSIS

On February 19, staff presented two draft Interlocal Agreements (ILAs) to Council, one for Startup 425 and one for the Innovation Triangle. At that time, Council requested that staff provide additional clarity regarding ownership of the program's Intellectual Property (IP) and then return on a future agenda for approval. This agenda item addresses the Innovation Triangle ILA. The Startup 425 ILA is also on the agenda tonight as a separate item.

Bellevue staff worked with the program partners to develop the attached "Administrative Memorandum of Understanding regarding the Innovation Triangle Interlocal Agreement" which explicitly states the ownership of the program's IP, and other property, as well as the rights associated with ownership.

In line with previous Council discussion, this partnership between the economic development programs in Bellevue, Kirkland and Redmond came together in 2016 and is designed to market and recruit top-tier technology companies to open offices and create new jobs in the partner communities. It has a focus on international business recruitment, with an emphasis on enterprise software, cloud computing, e-commerce, interactive media, and commercial space.

On July 31, 2018, the five cities agreed to explore ways to formalize the partnership and improve joint marketing and recruitment efforts. After research and analysis, the partners agreed to conclude an interlocal agreement as the most meaningful way to meet the communities' small business policy objectives. The critical deal points include:

- a) Staff from the partner cities will continue to manage the program and no new or separate legal or administrative entity is created.
- b) Innovation Triangle will coordinate attendance and marketing through multiple communications channels and attendance at various industry trade shows.

- c) Staff will coordinate recruiting and technical assistance for companies already in or interested in locating in the partner communities
- d) Report annually to Cities; leadership on the activities and outcomes related to the Cities' investment in the program.

POLICY & FISCAL IMPACTS

Policy Impact

The City of Bellevue's Economic Development Plan, adopted in 2014, identifies Information Technology as the City's largest industry cluster and made collaboration, regionalism, and internationalism core themes for growing it. Specifically, Economic Development strategies include:

- 1.4 Recruit technology firms to Bellevue, targeting mid-sized companies that are well-funded and poised for growth.
- 2.1 Strengthen the City's international relationships and knowledge base.
- 2.2 Proactively link foreign investors and potential investment opportunities.
- 2.3 Provide increased assistance for foreign businesses or foreign nationals seeking to open a business in Bellevue.
- 2.5 Recruit overseas companies to locate operations in Bellevue.

Fiscal Impact

The Innovation Triangle ILA does not include a dedicated financial contribution and has no fiscal impact. Existing program work is supported by the Economic Development budget.

OPTIONS

- 1. Adopt the Resolution authorizing execution of an Interlocal Agreement regarding a cooperative effort to support Regional Economic Development (Innovation Triangle).
- 2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Innovation Triangle Interlocal Agreement
 - B. Administrative Memorandum of Understanding regarding the Innovation Triangle Interlocal Agreement
- Proposed Resolution No. 9603

AVAILABLE IN COUNCIL LIBRARY

Economic Development Plan (adopted 2014)