



Economic Development

Q2 & Q3 UPDATE TO CITY COUNCIL

OCTOBER 9, 2017

Presenters:

James S. Henderson, Economic Development Director

Jesse Canedo, Economic Development Manager

Tonight's Topics

- Action Plan results from April thru September 2017
- Bellevue TechHire
- Startup 425 Foundations and Global Passport programs
- 2017 Bellevue Business Survey
- Creative Edge Strategy



Direct and Foundational Strategies

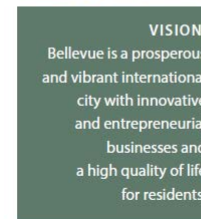
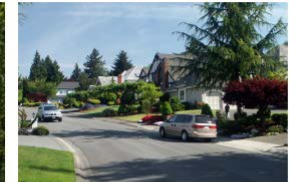
Direct Strategies

- Targeted to specific economic development opportunities
- Primarily the responsibility of City's economic development staff
- Provide a strong focus for efforts in the near to mid-term (within next 5 years)

Foundational Strategies

- City actions and investments to promote economic development – arts and culture, enhancing neighborhood character, building quality infrastructure, maintaining public safety, etc.
- 21st century economies attract great talent

COUNCIL ADOPTED PLAN: JULY 7, 2014





Office Mission and Objectives

Mission:

To develop and implement sustainable programs that advance job creation and investment, develop human capital, and spur innovation and entrepreneurship in order to build a foundation for prosperity in the community.

Program Objectives:

- ❑ **Business Attraction:** Recruit national and international companies to that align with our economic development strategy, growth industries and complement local businesses.
- ❑ **Business Retention & Expansion:** Develop and promote a healthy and vibrant business climate in Bellevue that facilitates the growth, retention and expansion of existing companies.
- ❑ **Next Generation Bellevue:** Foster the development of an entrepreneurial culture in Bellevue to help businesses start, grow and become successful.





Q2 & Q3 Summary

❑ **Business Attraction:**

- ❑ 35 leads, 5 prospects, including 2 international business prospects. Representation at SelectUSA with Innovation Triangle.
- ❑ Location: Nortal, Finnish IT Company

❑ **Business Retention & Expansion (BRE):**

- ❑ 11 company visits including 2 with major employers.
- ❑ 31 forms of technical assistance provided.

❑ **Next Generation Bellevue/TechHire Bellevue:**

- ❑ 10+ new businesses received Small Business Development Center (SBDC) counseling.
- ❑ 129 registrants in the Founder Series across the Startup425 partner cities
- ❑ 35 participants in Coding 101 seminar





TechHire Bellevue

Purpose:

Develop and implement accelerated workforce training programs to support Bellevue's information technology industry

Status/Next Steps:

- ❑ Coding Bootcamp 101: Partnership with Bellevue Public Library and CodeFellows in August/September
 - ❑ 2 Fall boot camps at Ebay.
- ❑ Tech Workforce Roundtable: Partnership with Bellevue College and King County Economic Development to understand Bellevue's tech workforce needs
- ❑ Program Design & Data Analysis: Consultant to develop quantitative data for benchmarking and strategy development





Startup 425 – Foundations

Expansion of series piloted in Spring 2017

- 14 sessions across 5 cities in partnership with SCORE and KCLS
- 129 registrants
- Strong participant diversity
 - 65.9% of attendees identify as nonwhite
 - 73.7% of attendees identify as women





Startup 425 – Global Passport

Planning for Feb. 26 – Mar. 1 2018 underway

- Participants receive exporting “boot camp” provided by TDA
- Groups work on customer discovery and sales
- Opportunity to network with European peers and investors

4YFN | Connecting Startups





Business Survey 2017

Presenter:

James S. Henderson, Economic Development Director

Nathan Wiggin, Northwest Research Group



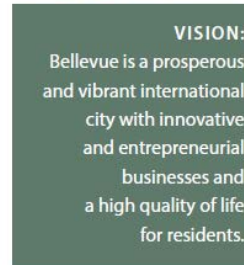
Overview

Joint initiative of the Finance Department and the Office of Economic Development

❖ Purpose:

- ❑ To inform the budget and determine how businesses rank Bellevue in comparison to residents on key metrics.
- ❑ Better understand Bellevue's business climate.
- ❑ Determine the pro's and con's of doing business in Bellevue.
- ❑ Identify issues to address to improve Bellevue's business climate to support key industry sectors and employment centers.
- ❑ Develop recommendations and implement initiatives to support Bellevue's businesses.

COUNCIL ADOPTED PLAN: JULY 7, 2014





Methodology

Background:

- ❑ Northwest Research Group was contracted to conduct the survey.
- ❑ A list of 11,443 businesses located within the City limits was developed for outreach.
- ❑ Survey Method: E-mail, mail and phone. 13 minutes (phone); 20 minutes (web).
- ❑ Survey Dates May 4 thru June 16, 2017

Analysis:

- ❑ *Sectors:* Business Services, Information Technology, Retail, Tourism, and Other.
- ❑ *Major Employment Center:* SR 520/Bel-Red, Crossroads, Downtown, Eastgate/Factoria, 116th/Bellefield, and Outside the MEC.
- ❑ *Age of Business:* Founded prior to 1980, Founded in the 1980's, Founded in the 1990's, Founded in the 2000's, Founded in 2010 or later.
- ❑ *Size of Business:* 1 to 5 employees, 6 to 49 employees, 50+ employees.



Samples Size and Margin of Error

A total of 994 interviews were completed:

- 796 online and 198 via telephone
- Aggregate margin of error no greater than plus or minus 3.0% at a 95 percent confidence level.

	Completed Surveys				In Sample Universe		% of Businesses Interviewed	Margin of Error at 95% confidence
	Phone	Web	Total		Total			
Business Services	61	233	294	30%	3,559	26%	8%	5.5%
Information Technology	7	78	85	9%	1,071	8%	8%	10.2%
Retail	30	85	115	12%	1,553	12%	7%	8.8%
Tourism	7	41	48	5%	872	6%	6%	13.8%
Other	93	359	452	45%	6,436	48%	7%	4.4%
Total	198	796	994	100%	11,443	100%	7%	3.0%



Top-Line Results

Bellevue receives high ratings for all of its key metrics:

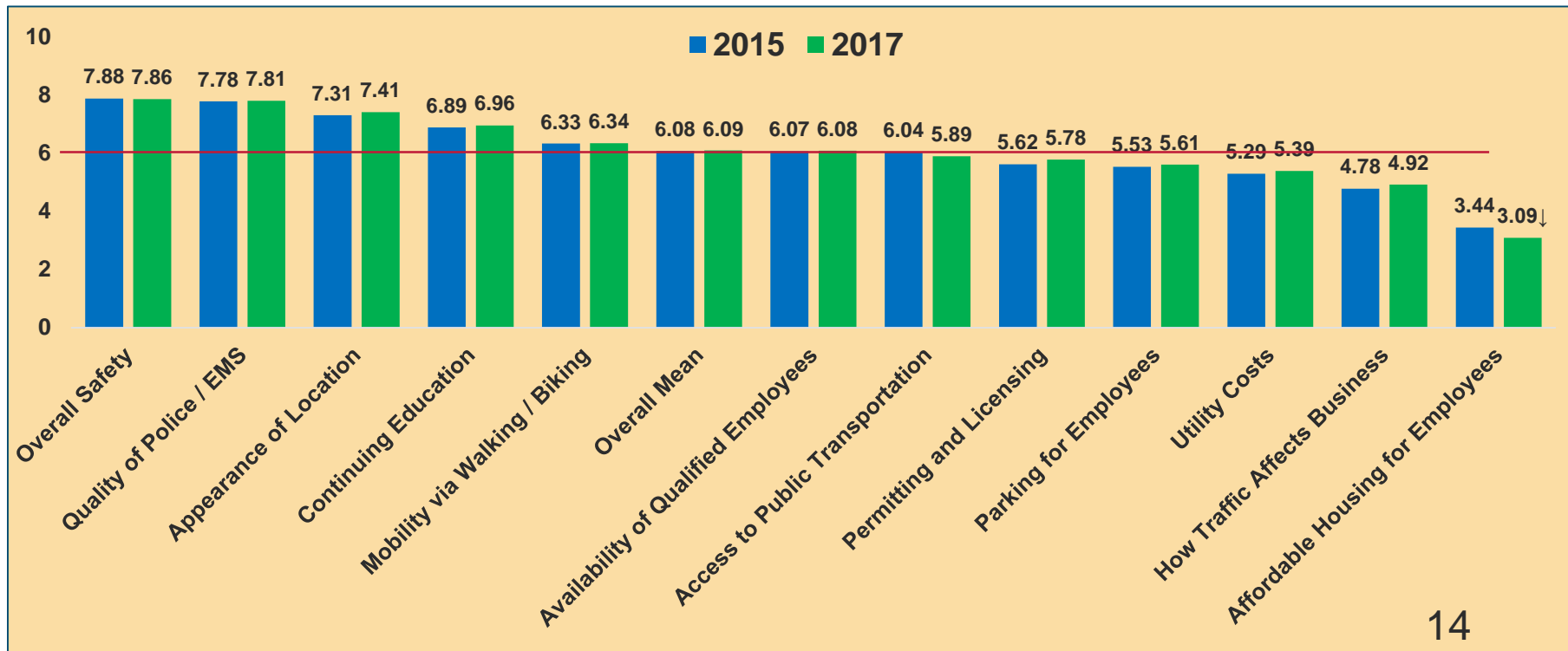
- ❑ Second year of survey, not much has changed compared to 2015 survey.
- ❑ Three-quarters of businesses feel that Bellevue is a “somewhat” or “significantly” better place to operate a business when compared to other cities.
- ❑ 7 out of 10 feel that the quality of services provided “exceeds” or “greatly exceeds” their expectations
- ❑ 69% feel that the city is moving in the right direction.
- ❑ 59% feel that they are getting their money’s worth for the tax dollar paid.
- ❑ Issues: traffic, parking, taxes, and lack of affordable housing.
- ❑ 6 out of 10 are likely to recommend starting a business in Bellevue.
- ❑ 90% feel Bellevue’s economy is better than other cities in the Puget Sound Region



City-wide Results

Summary:

- ❑ Businesses used an 11 point scale. “0” (significantly worse) and “10” (significantly better) than other cities and towns.
- ❑ All areas except affordable housing are the same as in 2015.





City-wide Results

Business Health:

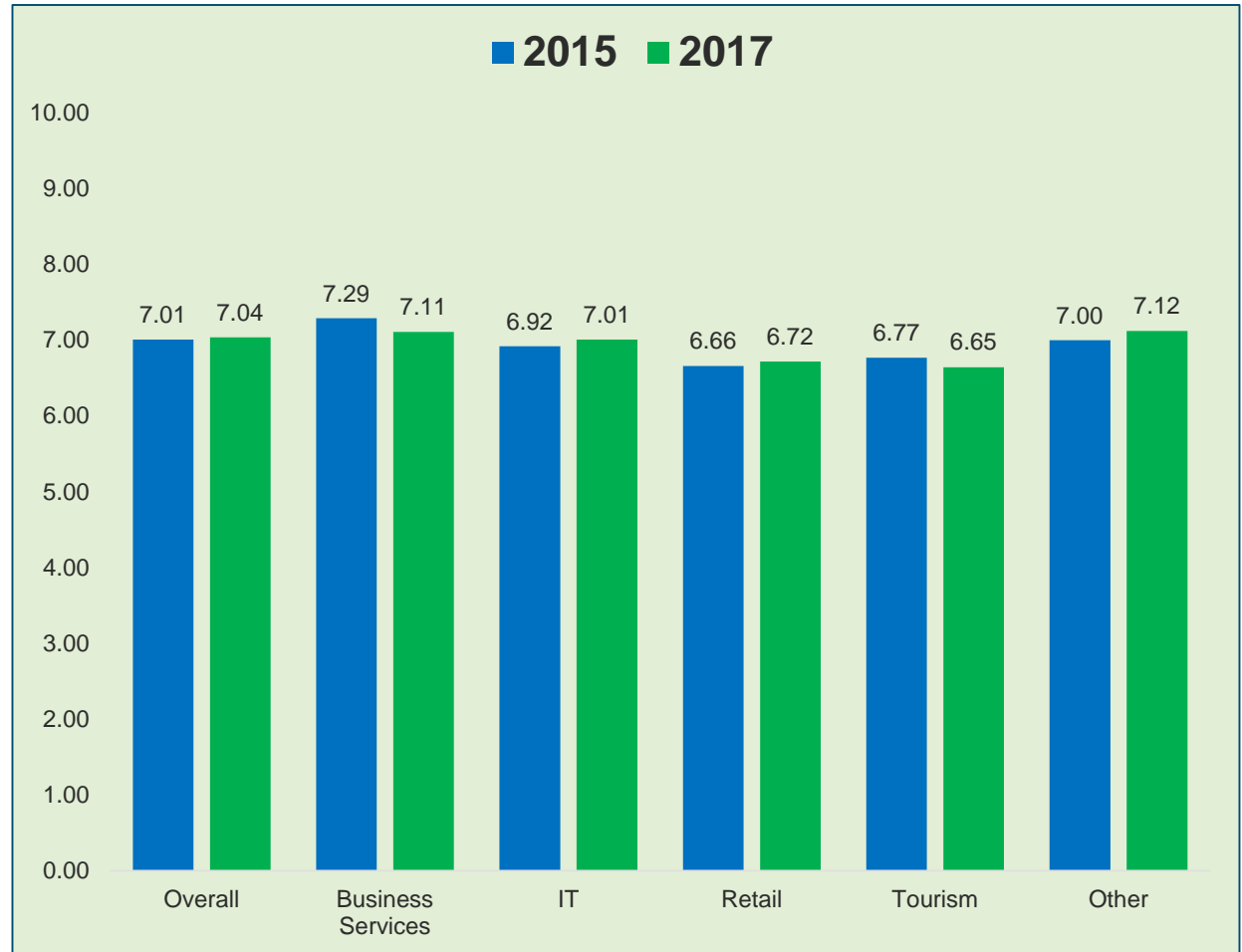
- ❑ 79% of businesses are “somewhat” or “very” strong.
- ❑ 61% expect business to improve over the next three to five years.
- ❑ Half do not anticipate increasing capital expenditures in 1-3 years.
- ❑ Majority of customers are located regionally—Bellevue or Puget Sound.
- ❑ 31% suppliers located in Bellevue; 24% in Puget Sound; 35% nationally.
- ❑ 1/3 of companies anticipate hiring new employees in the next 12 months.
- ❑ 41% had difficulty finding trained and/or qualified staff.
- ❑ 70 satisfied with the services they receive from their Bellevue business taxes.
- ❑ 21% offer an incentive to employees for alternative transportation (***increase from 2015***).
- ❑ 90% have broadband internet access; 80% believe it is adequate (***increase from 2015***).



Responses by Sector

Bellevue as a place to operate a business:

- Three-quarters of businesses feel Bellevue is a “somewhat” or “significantly” better place to operate a business compared to other cities—same as 2015.
- Consistent across sectors
- Small businesses (5 or fewer employees) less likely than larger businesses to feel this way (72% vs. 79% respectively).





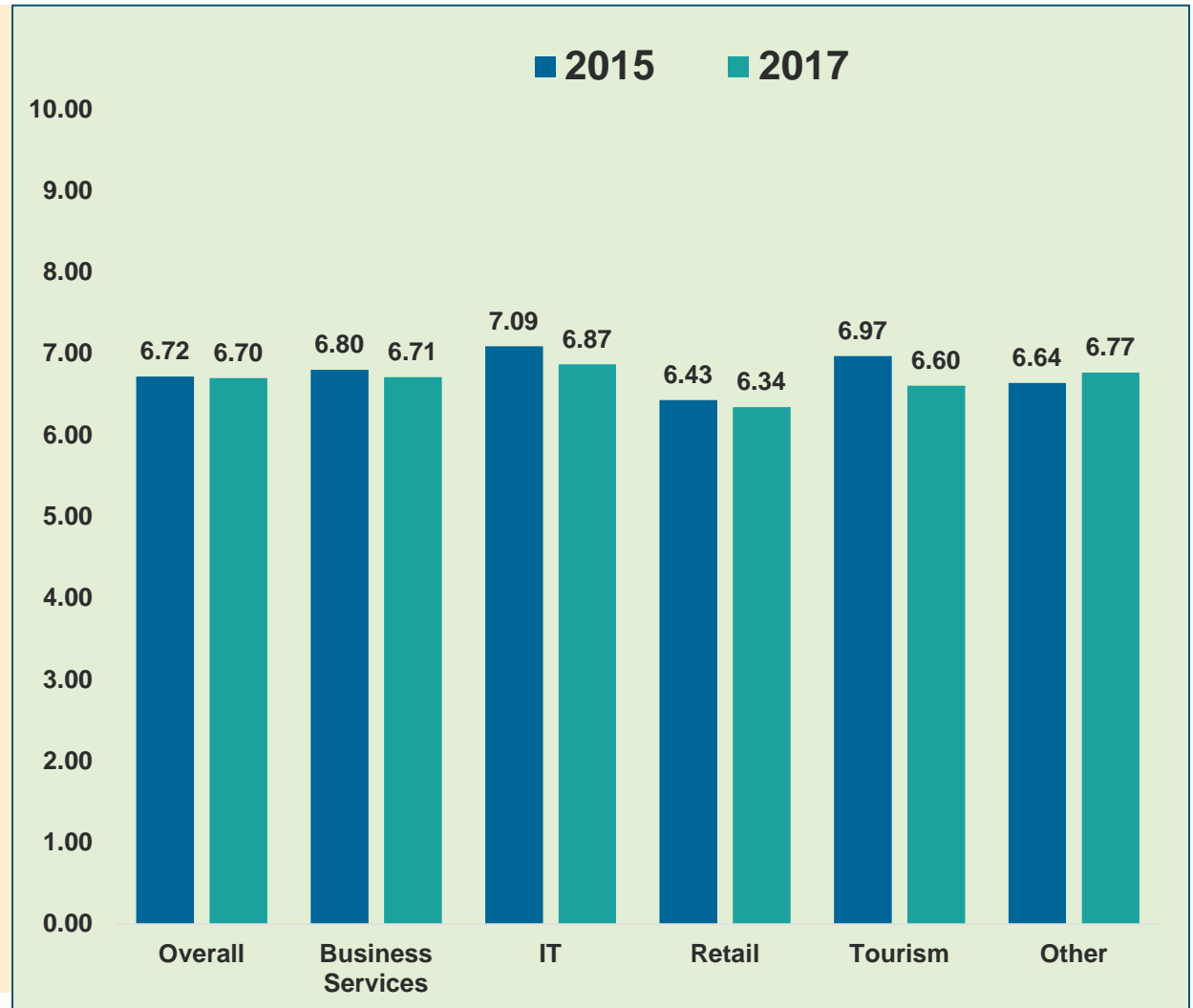
Direction Bellevue is Headed

☐ Bellevue is moving in the right direction due to: (596 businesses)

- Continued economic growth
- Business friendly climate
- Forward thinking leadership
- City management

☐ Bellevue is *not* moving in the right direction due to: (122 businesses)

- Unmanaged growth
- Traffic
- Cost/expense
- Regulations





Business Support Initiatives

Initiative	Status
Business outreach for Eastlink Construction.	On-going in coordination with Transportation Department
Development Services process review	Completed
Affordable Housing study and analysis.	Completed
Destination Marketing Plan	Finalizing. Council briefing in Nov/Dec 2017
Outreach to local business about employee transportation options.	On-going in partnership with BDA and Transportation
Business Retention & Expansion outreach	On-going
Marketing and promotion of the Small Business Development Center.	On-going



2015 Strategies & Status

Strategy	Status
Develop and undertake a holistic, cross/departmental strategy to address workforce mobility.	Smart Cities Transportation Manager hired to integrate city-wide transportation solutions.
Continue the development of the Startup 425 Entrepreneur Center to promote business startups and entrepreneurship.	Startup425 Foundation and Global Passport programs on-going.
Develop an annual business license renewal program to collect key data about Bellevue's business climate.	Tax office working within existing reporting structures to address updated business information.



2017 Proposed Strategies

Strategy	Partners
Through the Innovation Triangle partnership, establish a public-private technology platform to test new private-sector technologies to support mobility solutions.	<ul style="list-style-type: none">- Bellevue DOT- Mobility technology companies- Innovation Triangle
Develop an inventory of mobility options to determine how the City of Bellevue can advance mobility solutions for employers, employees and residents.	<ul style="list-style-type: none">- Bellevue DOT- Employers- Mobility technology companies
Undertake a business startup user experience analysis to identify ways to streamline the City's business startup process.	<ul style="list-style-type: none">- Finance- OED



Creative Edge

Presenter:

Joshua Heim, Arts Program Manager



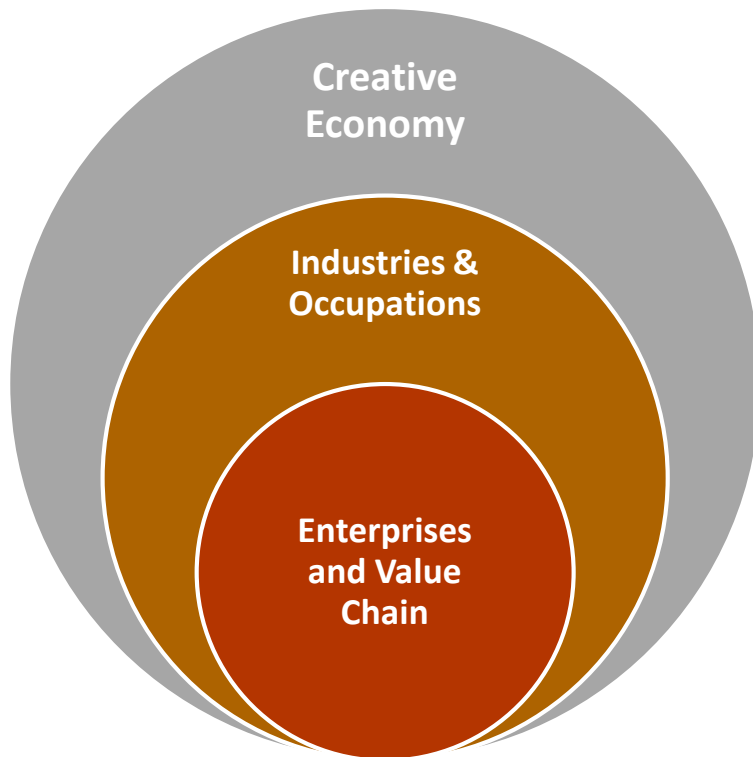
CREATIVE
EDGE BELLEVUE

CREATIVE **EDGE** BELLEVUE



THE CREATIVE ECONOMY

The Knowledge Economy



Amazon HQ2

- Metropolitan areas with more than one million people
- A stable and business-friendly environment
- Urban or suburban locations with the potential to attract and retain strong technical talent
- Communities that think big and creatively when considering locations and real estate options



CHAIR

PAUL MANFREDI ✓
Chair
Bellevue Arts Commission

ARTS

ELLEN WALKER ✓
Executive Director
Pacific Northwest Ballet

HUGO LUDENA ✨
Photographer

KARIN KIDDER ✓
Executive Director
Bellevue Arts Museum

ROB HUNT ✓
Executive Producer
Village Theatre

RITA MEHER ✓
Executive Director
Tasveer, South Asian Film Festival

WENDY TYNER ✓
Development Director
Wintergrass Music Festival

THE CREATIVE ECONOMY

TASK FORCE

✓ Confirmed Members ✨ Invited Members

BUSINESS

BETTY CAPESTANY ✓
President
Bellevue Chamber of Commerce

ERICA VANDENBRANDE* ✓
Deputy City Administrator
City of Redmond

KRISTINA HUDSON ✓
Executive Director
Washington Interactive Network

PATRICK BANNON ✓
President
Bellevue Downtown Association

STACY GRAVEN ✓
Executive Director
Visit Bellevue/Meydenbauer Center

CREATIVE FIRMS & DESIGN

MATT WILSON ✓
Head of Online Presence, North America
Wargaming.net

TRENT FLEMING ✨
Senior Design Director
Ellumus

* Innovation Triangle members

EDUCATION & INNOVATION

MELISSA CARNAHAN ✓
Program Manager, Community Programs
Bellevue College

RAYMOND YAN ✓
Senior Vice President
DigiPen Institute of Technology

TIM MILLS ✨
Superintendent
Bellevue School District

LARA LITTLEFILED ✓
Associate Vice President for Innovation Strategy
University of Washington, CoMotion HQ

PHILANTHROPY

JIM KELLY ✓
Executive Director
King County 4Culture

HUONG VU ✓
Community Investor – Arts, Culture and Civic Engagement
The Boeing Company

MARI HORITA ✓
President & CEO
Arts Fund

THE PROCESS



The Values Framework report summarizes findings to date in the Creative Edge Bellevue planning process drawn from the Research and Analysis and Engagement and Cultural Values phases of the process.



These themes and issues will inform the next phase of consultation that will establish priorities and generate ideas and strategies to advance the issues and opportunities identified.

**CONSULTATION
PROCESS**

**STRATEGIC THEMES
& ISSUES**

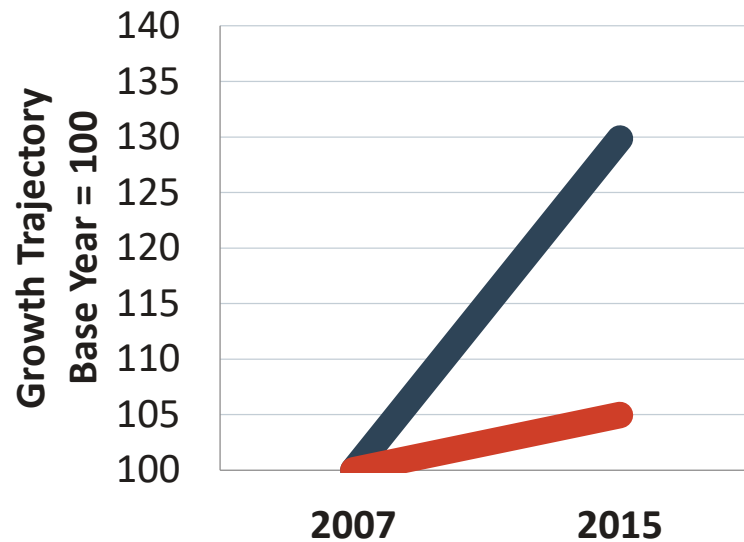
The Baseline

RESEARCH AND ANALYSIS

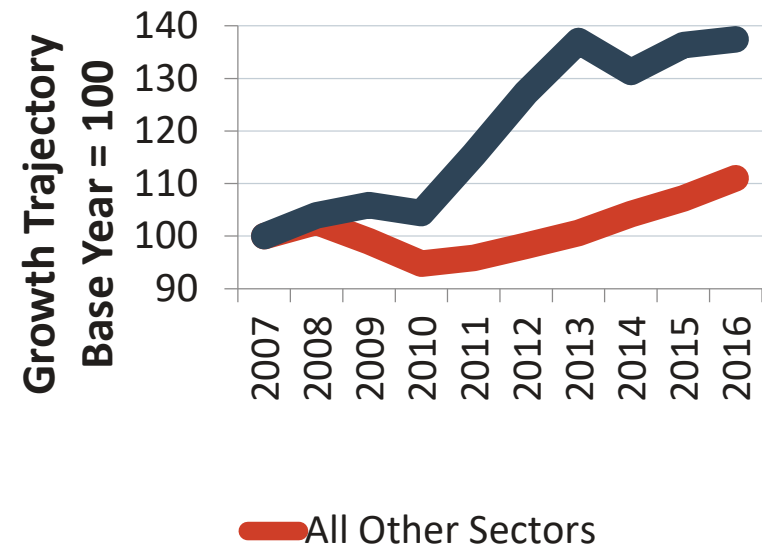
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GROWTH

CREATIVE INDUSTRIES



CREATIVE JOBS



COMPETITIVE

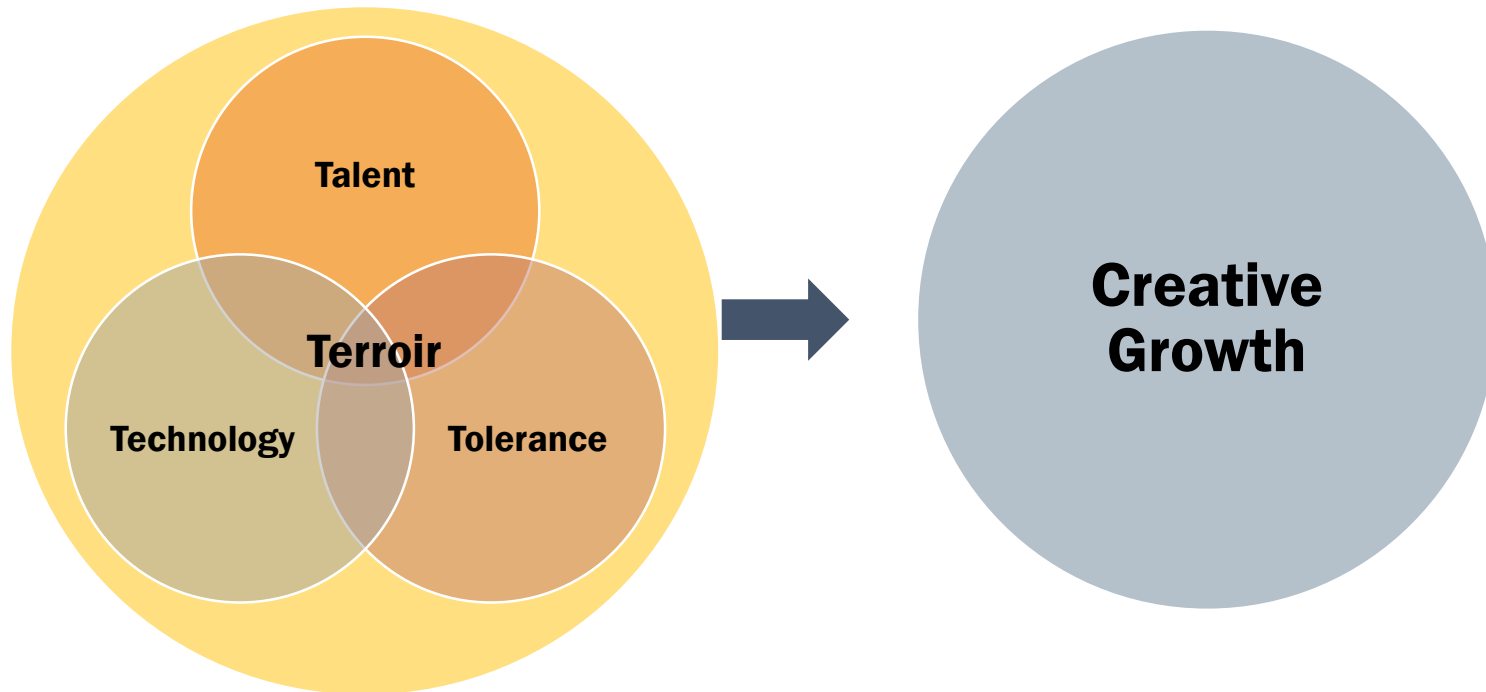


The creativity index indicates that Bellevue is comparably one of the top jurisdictions in presenting an environment that will attract and retain knowledge workers.

Creativity Index Score



CREATIVE CAPITAL



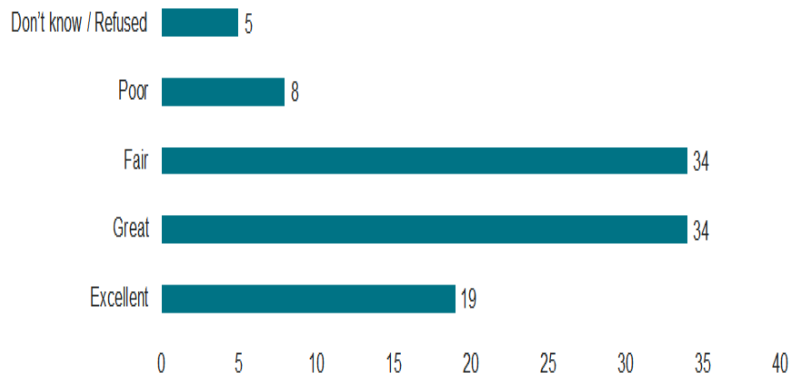
Top 10

Strategic Themes and Issues

10

**Embed the arts and creativity
throughout the city**

**How favorable is Bellevue
to start or grow your business?**



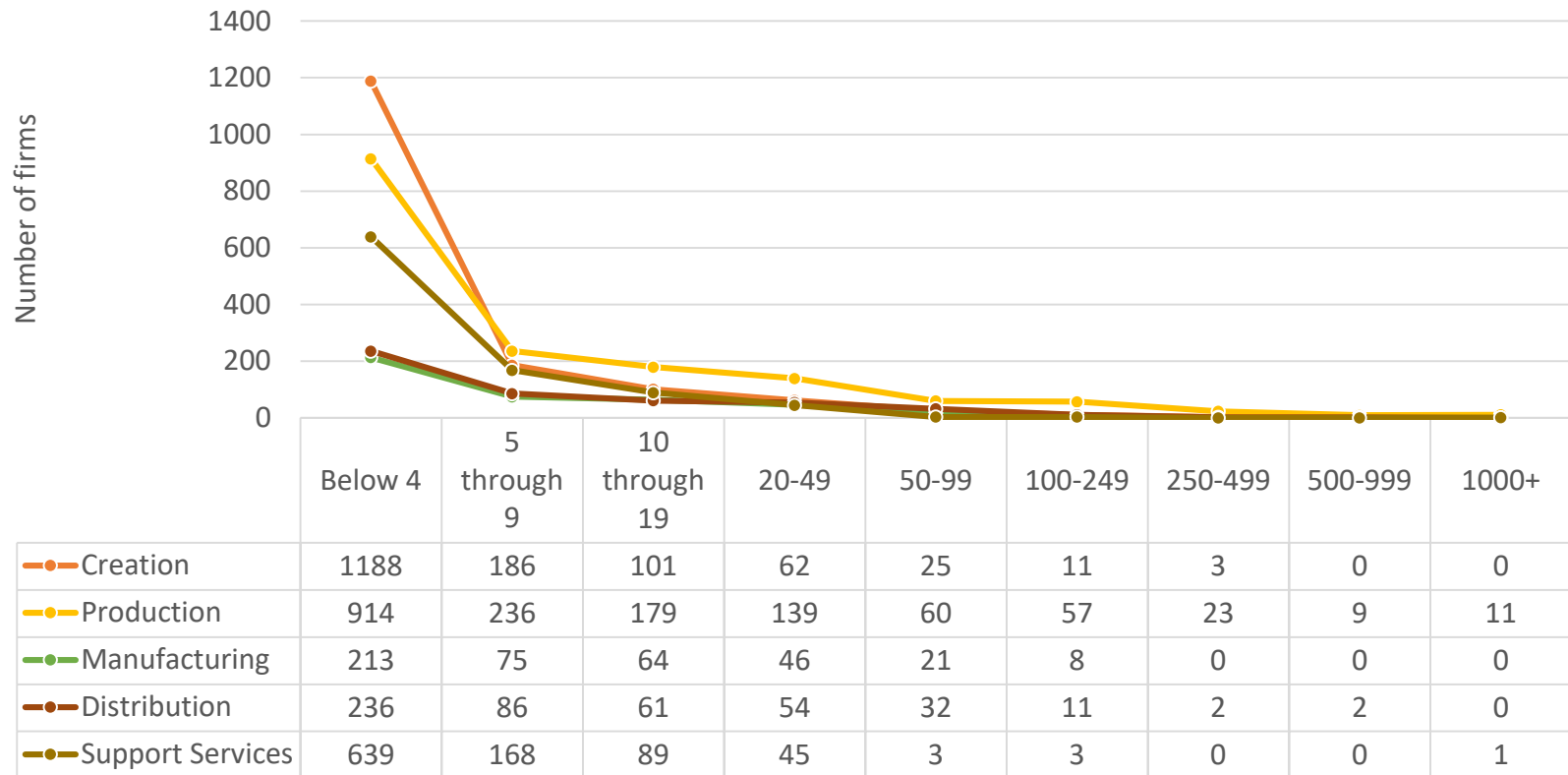
Top Advantages

1. Access to Affordable Broadband/Hi-speed Internet
2. Access to a Diverse Population
3. Access to Cultural Amenities, Programs, Festivals and Events
4. Access to Skilled Workforce

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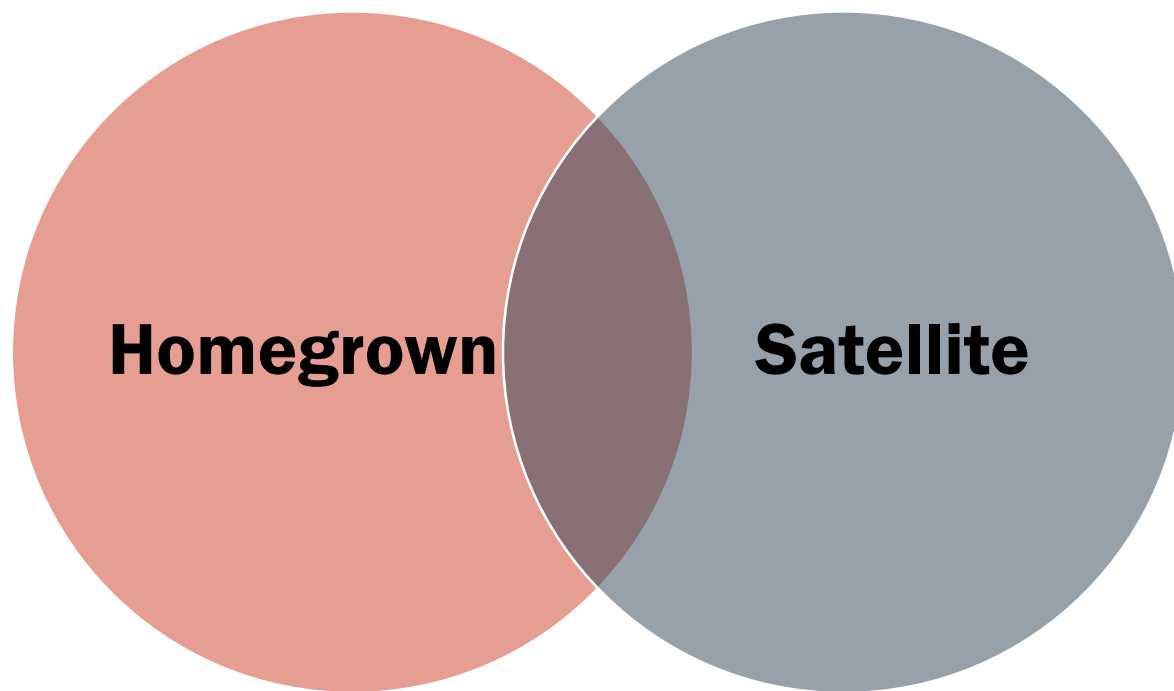
**Strengthen the arts, culture
and creative sector**

Employee Size



8

Collaborate locally and regionally



7

Build cultural infrastructure

HOME GROWN

Purpose Built Facility, Owned

- Bellevue Arts Museum
- KidsQuest Children's Museum
- Bellevue Youth Symphony Orchestra
- Bellevue Chamber Chorus
- Bellevue Downtown Association
- Eastside Heritage Center
- Emerald Ballet Theatre
- Music Works Northwest
- Lake Washington Symphony Orchestra

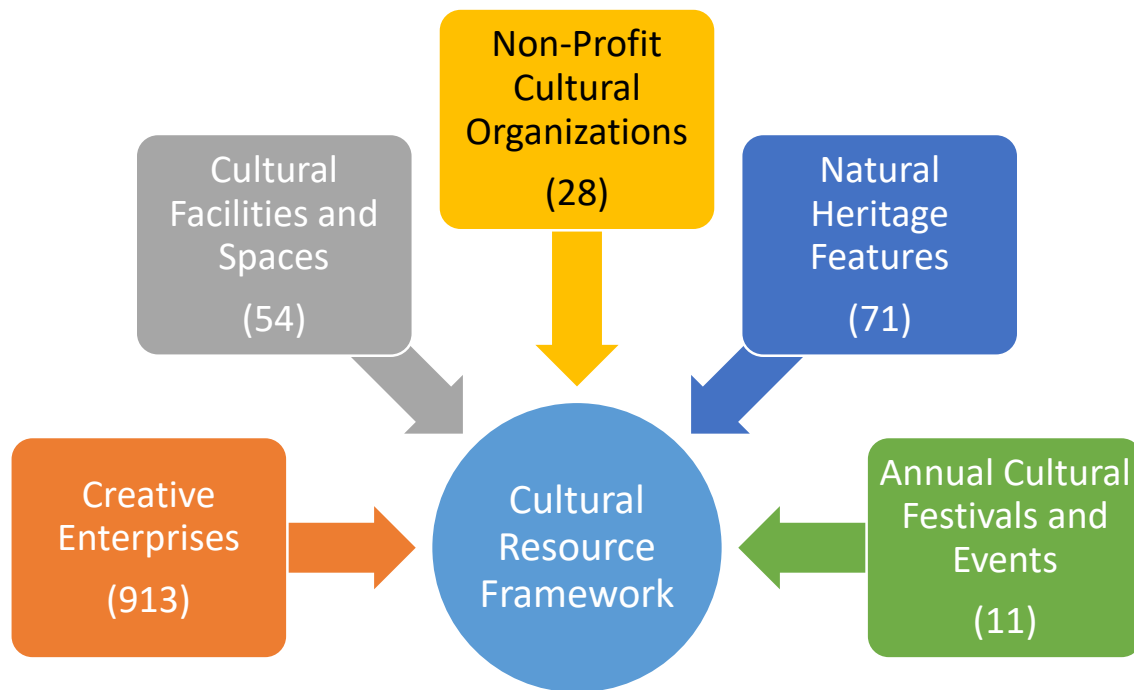
SATELLITE

Purpose Built Facility, Leased

- Pacific Northwest Ballet
 - Pacific Science Center
 - Seattle International Film Festival
 - Village Theatre
 - Tasveer South Asian Film Festival'
 - Wintergrass Music Festival
 - Anindo Chattergee Institute of Tabla
- 

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Increase investment from all sources

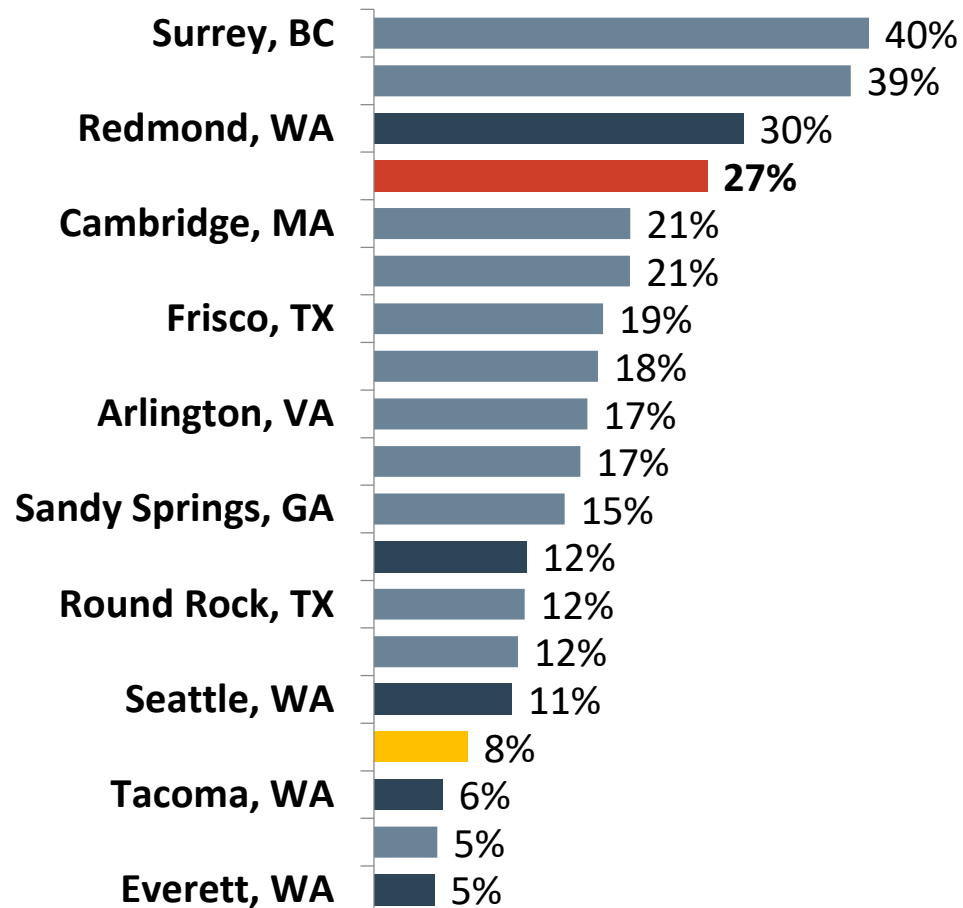


5

**Connect Bellevue's diversity
with the creative economy**



Share Of Visible Minority
Population With A Bachelor's
Degree (25 Years Or Older),
Comparable Communities and
Peer Regions vs. Bellevue, 2015



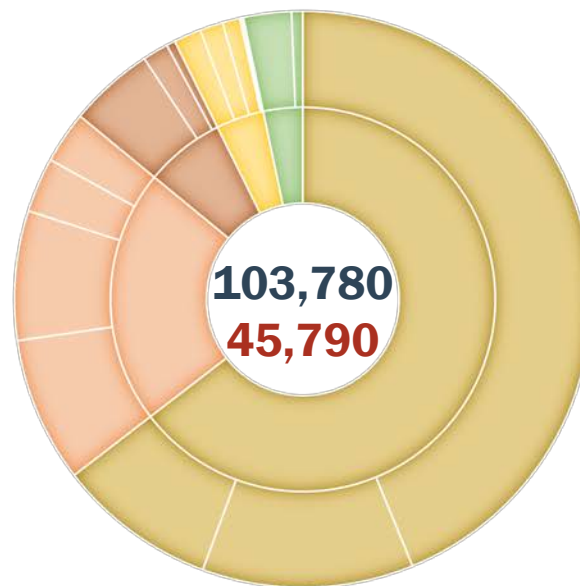
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Shift Bellevue's Civic Image

Employee Age	Employment	New Hires	Recalls	Job Gains	Job Losses	Job Change
25-34	50,803	10,480	1,344	5,103	3,321	1,782
35-54	87,485	8,846	1,294	4,016	3,512	501
55-64	18,324	1,709	432	864	1,019	-153
65+	6,203	907	229	453	485	-33
Total	162,815	21,942	3,299	10,436	8,337	2,097

3

Leverage the strength of the gaming industry

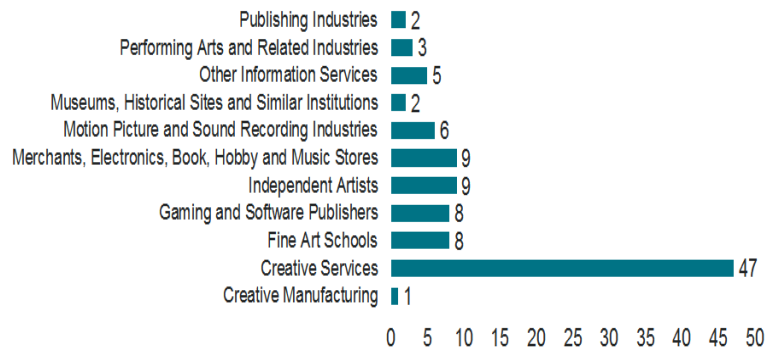


Arts Education Architecture Management Computers

2

Address affordable creative space needs

Types of creative businesses surveyed



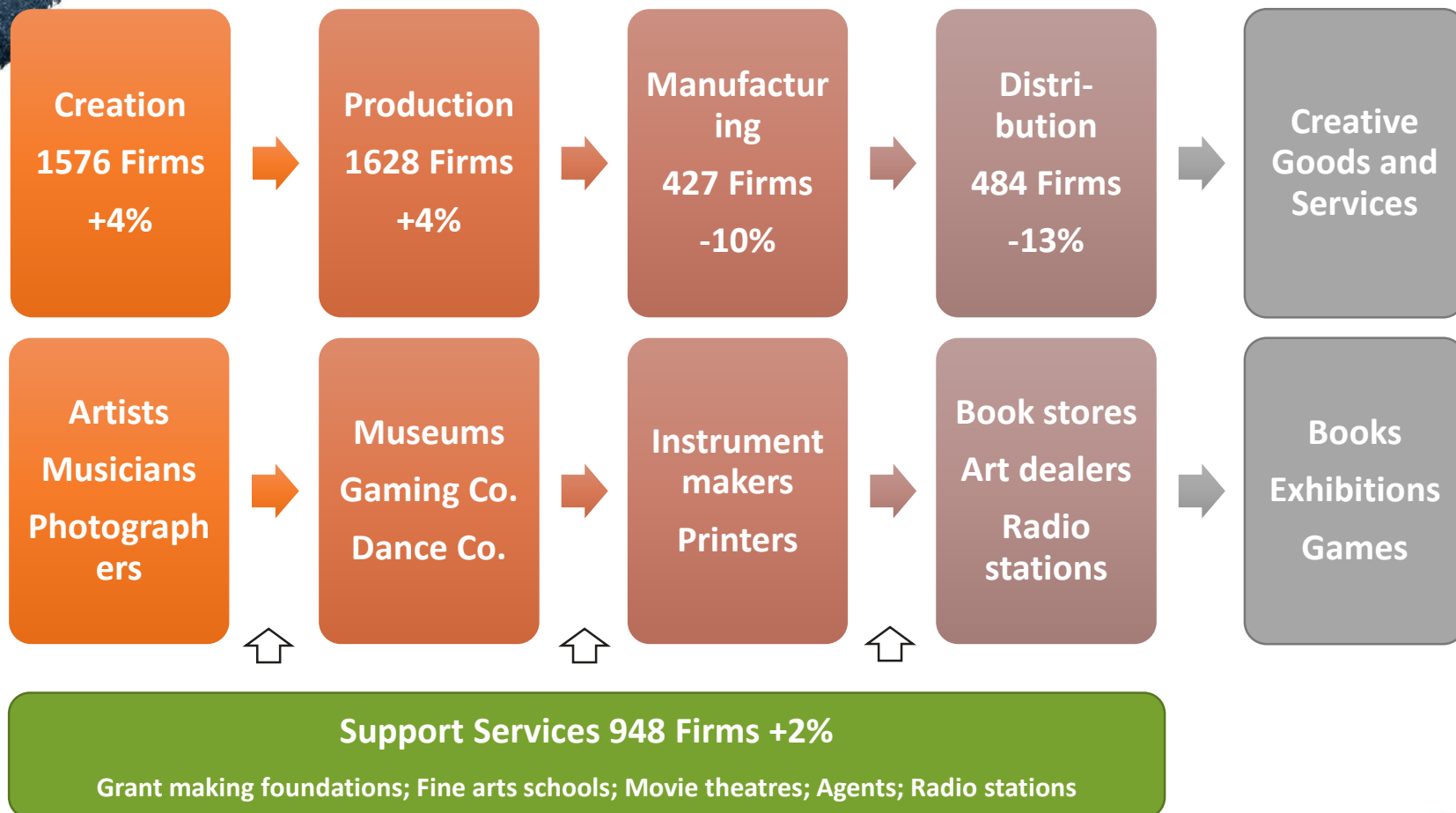
Top Disadvantages to being in Bellevue

1. Access to Affordable Commercial Workspaces
2. Access to Public Transportation
3. Access to Affordable Office or Industrial Space
4. Access to Semi-skilled workforce
5. Access to Indoor/Outdoor Recreation Programs and Amenities
6. Access to Capital Funding
7. Access to Shared Space Opportunities / Co-Working Space

1

**Strengthen leadership and shared governance,
including broadening the City's leadership role**

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Questions?

#DidYouKnow

Bellevue is home to 45 corporate headquarters, including T-Mobile, Expedia, Valve, and Bungie


#THINKBELLEVUE

VALVE EXPEDIA BUNGIE T-Mobile

#Think Bellevue

James Henderson
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 @Think Bellevue

 /ThinkBellevue