

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Economic Development Vision and Strategy.

STAFF CONTACT

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POLICY ISSUES

The City's economic development activities should be guided by a clear mission, vision, and set of strategic objectives and priorities, endorsed by the City Council. In a continuation of the discussion begun on March 18, staff is seeking Council direction on the economic development program's Mission and Vision statements, along with endorsement of the next steps in developing strategic objectives and priorities for the program.

This discussion is currently guided by the goal of the Economic Development Element of the Comprehensive Plan:

To pursue a strong local economy with a sustainable natural environment and a high quality of life in order to provide:

- *Employment and other economic opportunities for residents of Bellevue and the central Puget Sound region;*
- *Vibrant commercial areas to serve the needs of the city and region; and*
- *A solid tax base to support local services.*

DIRECTION NEEDED FROM COUNCIL

- Action
 Discussion
 Information

No formal action is requested tonight. Staff is seeking Council feedback on refinements to the draft Economic Development Mission and Vision, and on the scope of work for an Economic Development (ED) Strategic Plan. If the Council agrees with this direction, action for approval

of a consultant contract for assistance with the ED Strategic Plan will be forthcoming at an upcoming regular meeting.

BACKGROUND/ANALYSIS

To introduce this discussion, an overview of current development in Bellevue will be presented at the meeting by Development Services.

While Bellevue has a very strong economy, it is important to continue building from past successes, to be proactive, and to not take future economic competitiveness for granted. In this light, staff and Council have been focusing in recent months on developing more clarity and focus around the City's economic development strategy. At the Council's March 1 Retreat, Council discussed a general approach to economic development and explored various opportunities that could be realized in the coming months and years. On March 18, staff presented a draft Mission, Vision, and initial set of strategic objectives for the City's economic development program for Council consideration. Staff has incorporated Council comments into a revised document, and is bringing this back for Council endorsement. This discussion is also intended to address next steps, including a proposal for development of a formal ED strategic plan to guide the City's economic development work over the next three to five years.

Refinements of Draft Mission and Vision

Staff brought forward a draft Economic Development Mission, Vision and initial set of strategic objectives at the March 18 Study Session. Overall Council comments suggested that this was headed in the right direction. Specific feedback on refinements include the following:

- The **Mission** statement should be shorter and more concise, and should address the "whys;" i.e., why and how is economic development contributing to the community?
- The **Vision** should be crisper, and include reference to additional key elements. A number of these were specifically called out and have been included in the new draft (excellent schools, extensive parklands, full range of building types, regionalism, sustainability, etc.).
- The draft Vision had some terminology that felt outdated ("one foot in the 1980s and the other in the 21st century"); the new draft has been revised to address this issue.

Attachment 1 is the revised draft ED Mission and Vision, amended to reflect Council comments. The original March 18 version is included for reference. Staff is seeking any additional Council comments on the ED Mission and Vision and, if the Council is ready, endorsement of these statements.

Next Steps

Economic Development Strategic Plan

Earlier discussion at the March 1 Council Retreat noted the value of having a solid economic development strategy, with clear stakeholder and Council ownership. Staff suggests that this could best be provided through a formal ED Strategic Plan that would provide critical insight into Bellevue's current situation, gaps and opportunities before us, and clear focus for the City's ED efforts. Some of this work was anticipated by the *Economic Recovery* budget proposal

funded in the current operating budget. Staff proposes that, as work moves forward on a variety of other fronts, the City also embark on developing a formal ED Strategic Plan. The Plan would include:

- Analysis of Bellevue’s position within the regional economy
- A citywide economic assessment, breaking down the structure of the local economy and how this has been changing over time. This includes:
 - Positioning the City within the “cluster analysis” conducted for the PSRC regional economic strategy
 - Identifying new and emerging business sectors that capitalize on local strengths
 - Incorporating Bellevue’s Global economic influences
 - Examining our Economic Competitiveness profile
 - Exploring opportunities to expand regional leadership and collaboration

Because this is a high-level effort with multi-departmental implications, staff propose that this work be steered by the standing Economic Development Committee, composed of directors, assistant directors and other senior staff from multiple City departments. Frequent Council check-ins will ensure that it remains on track with the Council’s thoughts and direction.

The end product will provide a new level of focus and prioritization for the City’s economic development efforts. Staff anticipate it would be ready for Council adoption in about 7 months. An initial proposal for consultant assistance with this work, which would be funded through the *Economic Recovery* budgeted funds, has been scoped. Necessary funding will be approximately \$90,000 and, if this direction is acceptable to the Council, staff would bring this contract forward for Council action in the next several weeks.

Other Economic Development Initiatives

A number of ED initiatives are currently underway, and these would continue to move forward even as the Strategic Plan is under development. These include:

- Downtown Livability
- Comprehensive Plan Update
- Auto Retail Relocation
- Station Area Planning
- Eastgate Implementation
- Work with specific development projects, through the conventional PCD and Development Services functions
- Small business services and support for entrepreneurs
- Facilitating new commercial projects and company recruitment
- Promoting successful commercial redevelopment efforts at Lake Hills and Newport Hills
- “Three Tech Cities” (Bellevue, Redmond, Kirkland) discussions about how to collaborate more successfully

In addition, as the ED Strategic Plan emerges, staff expect to get valuable insight into the marketing messages and strategies that will be most effective for Bellevue.

ALTERNATIVES

Economic Development Mission and Vision

1. Endorse the Economic Development Mission and Vision statements as presented; these are intended to capture the Council direction from March 18.
2. Further revise the statements and endorse them.
3. Provide additional direction to staff.

Consultant Contract

1. Endorse staff's bringing back a consultant contract for action at a future meeting. If the Council concludes that this is headed in the right direction, staff will return in the next several weeks to request Council approval of a consultant contract for services to assist with development of an ED Strategic Plan.
2. Provide alternative direction to staff.

RECOMMENDATION

Endorse the Economic Development Mission and Vision statements. Also direct staff to return to Council with a consultant contract for services to assist with development of an ED Strategic Plan.

MOTIONS

1. Move to endorse the economic development Mission and Vision statements as presented.
2. Move to direct staff to prepare a consultant contract for development of an ED strategic plan and schedule for future Council action.

ATTACHMENT

1. Draft Economic Development Mission and Vision, revised following Council's March 18, 2013 Study Session

**Bellevue Economic Development
Mission and Vision**

DRAFT for Council review at June 17, 2013 Study Session

MISSION

To recruit new businesses and nurture existing businesses in Bellevue, in order to generate prosperity and enhance the vibrancy of the City.

VISION

Bellevue and our region are known for inspiring new ideas and technologies that change the world. As the city continues to grow, it will build on its success as an economic center of the region and an international city.

- With a highly educated workforce, Bellevue is a center for research and innovation. Enriched by a growing presence of colleges and universities, the city is strong in technology transfer, business start-up, and business incubation.
- Beautiful and interconnected neighborhoods and the downtown center feature excellent schools, cultural attractions, entertainment, extensive parklands, safety, and a high quality of living. These features are attracting some of the best talent from around the world to live, work and invest in Bellevue.
- The City welcomes diversity, and recognizes the enormous value of its highly diverse population in attracting global energy and investment.
- A full range of commercial building types, highly reliable and up-to-date power and technology infrastructure, and a positive business climate make Bellevue an easy and attractive place to do business.
- Bellevue is a leader in sustainability, building an economy that generates prosperity while reducing greenhouse gas emissions and other environmental impacts.
- As a major regional economic center, Bellevue collaborates with others to advance the entire region's economic success.

NEW DRAFT
June 17, 2013

March 18 Version

For reference, following are the draft Mission and Vision statements presented to Council on March 18. The new versions are intended to incorporate the Council direction on amending this earlier draft.

MISSION

The mission of Bellevue Economic Development is to recruit and support creation of new businesses in Bellevue as well as support and nurture the growth of existing businesses of all sizes. The focus is on innovators and creators, both businesses and individuals, particularly in new or leading areas of technology, on Bellevue's emergence as a vibrant international business and lifestyle center, and on companies that are market leaders and support the cluster of related firms in the region.

VISION

Bellevue along with the entire Puget Sound Region is known for inspiring ideas and technologies that change the world. The City is known as a magnet for innovators, creators, and entrepreneurs. Enriched by connections with higher education institutions, Bellevue has become a center for research and innovation, in cutting-edge fields such as information technology, mobile communications, and "green technology." Drawn to this climate of innovation, growing numbers of firms are siting their headquarters within the City. Beautiful and interconnected neighborhoods and the downtown center feature safety, entertainment and cultural attractions, and a high quality of living. These qualities are attracting the "best and brightest" from around the world to live, work, and invest in Bellevue. As Bellevue continues to grow, it will be known and build on its success as an economic center of the region and an international city.

EARLIER DRAFT
March 18, 2013