Economic Development Plan Update

Implementation Tactics and COVID-19 Impacts

Jesse R. Canedo | Community Development
Philippa Marsh | Community Development
Tony DeLisi | EY
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Direction

Staff requests feedback on the implementation tactics.

Staff requests direction to return with a full draft of the Economic Development Plan based on tonight's feedback.
Agenda

- Project Status
- Plan Objectives
- Impacts of COVID-19
- Measuring Recovery
- Work Underway
- Recovery Strategies
### Project Timeline

**Q1 2019**
- Intro to Council

**Q2 2019**
- Council reviews draft objectives

**Q3 2019**
- Council direction on objectives

**Q4 2019**
- Council received preliminary findings

**Q1 2020**
- Council feedback on draft strategies

**Q2 2020**
- Council adopts update

**Q3 2020**
- Council feedback on COVID updates

**Q3 2020**
- Council reviews draft plan

**Q4 2020**
- Council adopts update

*COVID impacts begin*

- Staff updates objectives
- Data gathering and analysis
- Stakeholders engaged
- Revise and finalize
- Review in response to COVID
- Revise and draft full plan
- Finalize
2020 Plan Update Objectives

In July 2019, Council approved 8 objectives:

1. Identify ways to support the **creative economy**
2. Explore new opportunities to support **small business**
3. Support more robust **retail** activity
4. Identify best practices for integrating **new businesses** into the community
5. Support **capacity building** for community groups
6. Integrate key recommendations from **Tourism Plan**
7. Make the Plan easier to update
8. Support local **workforce development** options and programs
Impact of COVID-19

• COVID-19 has often exacerbated existing economic development challenges versus creating new ones

• The City of Bellevue is well-positioned to emerge from the pandemic with a more resilient economy than before

• The resiliency of the community can already be seen in the creative actions taken to collaboratively address COVID-19
Bellevue Impacts

• Capacity Building and Partnerships
  • Proved necessary to address challenges of COVID

• Workforce Development
  • Bellevue’s unemployment rate reached 10.5% in April
  • Retail trade, accommodation and food services make up over 20% of Bellevue employment

• Small Business
  • Sector dependent
  • 51% of businesses in East King County said that they had reduced staffing hours or laid off employees

• Retail
  • Struggled with “stay at home” order

• Creative Economy
  • Social distancing was and will continue to be a challenge

• Tourism
  • Visitors dropped -88% in April and -80% in May
COVID-19 Business and Partner Engagement

- Major Employer Outreach
- Outreach to over 750 small businesses
- Partner organizations, neighboring cities and regional entities communication
- Business survey data
Measuring Recovery

Monitor KPIs Quarterly

- Unemployment Rate
- Job Growth Rate
- Sales Tax by Sector
- Admission Tax
- Startup 425 Participants
- New Business Starts
- Number of Visitors
- Building Permit Applications

- Monitor overall growth trend
- Compare with Qualitative feedback
Direct Strategy Recommendations

Work on these items will be the focus for Economic Development staff.

6 Focus Areas
Focus on Recovery Tactics First

Focus Areas:
- Capacity Building
- Small Business
- Workforce
- Retail
- Creative Economy
- Tourism
Topic Example

• Impacts of COVID-19 (Tony Delisi, EY)

• Response to COVID-19 (Philly Marsh)

• Strategies and tactics to focused on for Recovery (Jesse Canedo)
Capacity Building

Impacts of COVID-19

• Cities with strong partnerships display the greatest resilience.

• Communication and clear roles and responsibilities are key.

• Strong relationships and capacities are essential both in crisis and under normal conditions.
Capacity Building

Response to COVID-19

• Led and facilitated a weekly regional partnership call to share information, resources and collaborate on response

• Led an Eastside arts organization call

• Worked with Startup425 Partners to lead the development of re.startup425.org and partnership with BINW

• Supported the Welcome Back Messaging campaign led by Bellevue Chamber

• Sponsoring BDA’s Heart of Bellevue efforts
Capacity Building Strategies for Recovery

1. Work with partner organizations to be a more active convener on topics of importance.
   1.1 Utilize a shared leadership model to convene, support and build the capacity of community organizations that the city can partner with.

2. Apply a partnership approach to strategies throughout economic development efforts to expand and improve service delivery.
   2.1 Increase opportunities for community partners to lead and assist in the visioning and implementation of economic development projects.
   2.2 Develop additional public-private partnership tools and funding mechanisms.
Workforce

Impacts and Response to COVID

• Before COVID-19, reskill and upskill services were being studied for this Plan.

• Rising unemployment due to COVID-19 layoffs is increasing the need for these services.

• Highly impacted sectors like retail trade, accommodation, and food services make up over 20% of Bellevue employment.
Workforce

Response to COVID-19

• Provided information and resources for unemployed individuals on websites and through communication channels.

• Expedited discussions with Eastside cities and colleges to develop a regional workforce program to help impacted workers reskill.
Workforce Strategies for Recovery

1. Expand access to education and experience opportunities within the city that directly lead to industry certifications, degrees, and job placement.
   1.1 Work with service providers and employers to expand internship, apprenticeship and training opportunities.
   1.2 Encourage the development of a “Welcome Back Center” that fosters opportunities for residents to gain necessary experience to return to the workforce.

2. Create stronger links between local employers, education and service providers, and residents.
   1.1 Create a webpage with a list of regional resources that can be shared with Bellevue employers and residents to help connect them to training opportunities, service providers and jobs.
   1.2 Explore opportunities to fund a new position dedicated to Workforce Development on the Eastside.
Small Business

Impacts of COVID-19

According to a regional survey in April:

• 38% of businesses in East King County expressed concerns about paying rent, and 32% say that they will be unable to pay.

• More than 51% of businesses in East King County said that they had reduced staffing hours or laid off employees.
Small Business

Response to COVID-19

• Proactive outreach to over 750 businesses

• Led creation of re.startup425.org including technical assistance program with Business Impact NW

• Developed a COVID-19 business resource page on Bellevuewa.gov translated into 4 languages
Small Business Support
Small Business Strategies for Recovery

1. Work with partner organizations to expand access to technical training for entrepreneurs and small business owners with a focus on those of diverse backgrounds.
   1.1 Work with Startup 425 partners to expand the website as a centralized one-stop-shop with additional resources in multiple languages.
   1.2 Support efforts to expand in-person and virtual training options.

2. Expand Bellevue’s existing business retention and expansion program to build relationships with entrepreneurs and small businesses across sectors so they receive proactive services.
   2.1 Promote business resiliency and preparedness by aggregating and promoting best practices.
   2.2 Streamline the city’s approach to resolving business technical issues.
Retail

Impacts of COVID-19

• Retail was severely impacted with the stay at home order

• Importance of e-commerce constant creative iteration of business model

• Businesses are re-opening in modified fashions and discovering new normal
Retail

Response to COVID-19

• Curbside Pickup Zones
• Developed What’s Open Eastside Map
• Streamlined permitting for outdoor use
• Business Promotion – Best of Bellevue
• BDA Heart of Bellevue Campaign
• Coordinating with Old Bellevue Merchant Association for expanded outdoor dining and retail
Sample of Best of Bellevue
Retail Strategies for Recovery

1. Retain and recruit a healthy retail mix based on local needs

1.1 Encourage capacity building at partner organizations that can support merchants in the city’s retail destination districts.

1.2 Work with partner organizations to develop and implement retail action plans that foster unique district identities and increased visibility for local establishments. (Growth)
Creative Economy

Impacts of COVID-19

• Due to social distancing guidelines creative education and performance organizations will continue to be impacted.

• Major cultural events like Arts Fair and Wintergrass 2021 are on hiatus, impacting organizers and tourism.

• In King County, the Arts and Entertainment industry has lost the largest percentage of workers (49%)
Creative Economy

Response to COVID-19

• Meetings with Eastside city art administrators

• Co-leading a new group of Eastside arts organizations

• Expanding existing programs to focus on pandemic recovery

• Launched an Arts Audience Participation Survey
Creative Economy Strategies for Recovery

1. Enhance Bellevue’s leading position in the digital creative sector and encourage linkages with the traditional creative sector where possible.
   1.1 Pursue regional collaboration that supports and promotes the creative cultural sector in Bellevue.
   1.2 Expand audiences for Bellevue’s multi-cultural organizations and offerings.

2. Develop the built and institutional infrastructure needed to position the BelRed Arts District as a major destination.
   2.1 Establish a working group to convene, foster and promote the BelRed Arts District.
   2.2 Reduce barriers to arts uses and improve prioritization of the arts incentive for new development in the BelRed Arts District.
Tourism

Impacts of COVID-19

• One of the first and hardest hit industries

• Tourism industry businesses supported through buy local efforts

• Work closely with Visit Bellevue on when to fully re-engage with strategies in the Destination Development Plan that will support economic growth.
What’s Next?

- After incorporating comments heard tonight we will bring a draft version of the full Economic Development Plan to Council in September 2020.
Direction

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