



**COMMISSION
AGENDA MEMORANDUM**

Item No.

3b

BRIEFING ITEM

Date of Meeting

June 27, 2017

DATE: June 20, 2017

TO: Dave Soike, Interim Executive Director

FROM: David McFadden, Managing Director Economic Development

SUBJECT: 2016 Economic Development Partnership Program Results Presentation

EXECUTIVE SUMMARY

In June 2016, the Commission created a new grant program to advance local economic development in partnership with King County's cities. The grant funding was awarded on a \$1 per capita formula with a \$65,000 upper limit and minimum funding of \$5,000. Thirty cities participated in the partnership, effectively helping the Port of Seattle advance the Century Agenda and its business interests.

While the majority of city initiatives will take some time to show results, there were some immediate measurable outcomes.

- Kent provided training for ethnically diverse food entrepreneurs. As a result, four new businesses were launched, employing seven people.
- Auburn leased space to launch a business incubator that will accommodate up to 10 businesses in the 1,556 square foot facility. At the June ribbon cutting, three businesses were operating in the incubator and there is a waiting list of 13 applicants that will fill the incubator by early fall.
- Shoreline developed a marketing prospectus for a media campus that they expect will secure investors by the end of the year. The media campus is anticipated to create 700 – 1,000 jobs at full capacity.

Each city project is summarized in the pages that follow. Several cities also plan to be at the June 27 Commission meeting to highlight their initial results.

Staff is also starting to implement the 2017 Partnership program. We meet with participating cities next week to elicit their feedback about this new initiative and kick off this year's funding cycle. As new work plans are finalized with participating cities, the associated contracts will come back to Commission for review and approval.

RESULTS AND ACCOMPLISHMENTS

The Port has invested just under **\$900,000** in economic development partnerships with King County's cities. The grant fund was structured to drive meaningful outcomes. Yet it provided

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some flexibility to define local economic development projects. Staff worked with participating cities so that initiatives tied to economic development and the Century Agenda. The Port also required a 50 percent local match to ensure cities were also committed to project success.

City projects generally fell into the following categories:

- Business recruitment initiatives designed to attract new companies to a region or city;
- Small business development (including incubator/accelerator projects);
- Tourism development;
- Sector promotion, e.g., media, food, wine, technology;
- Downtown or waterfront revitalization; and
- Website and wayfinding enhancements

Collaboration among cities provided a greater return on individual city investments. Cities were able to initiate projects previously outside of their budget, and the 2016 grant funds provided a foundation for moving forward on major multi-year initiatives.

Support and feedback from the cities has been overwhelmingly positive and there is great anticipation of continuation of the grant funds. The cities will continue to provide metrics on website traffic, business growth, and programmatic progress.

CITY GRANT SUMMARIES

Auburn - \$65,000

- Developed a business-to-business supply chain database to promote local purchases through the business license process.
- Launched a 1,556 square foot business incubator with the capacity to house a minimum of 10 business.

Bothell - \$25,410

- Developed a vision and comprehensive plan for the Canyon Park Technology area to support business expansion and job growth.

Burien - \$48,810

- Designed signage that creates a walkable multi-modal downtown environment to attract visitors, new businesses, and commercial development, as recommended in the city's Downtown Mobility Study.

Carnation - \$5,000

- Supported the "Savor Snoqualmie" marketing collaboration with cities of Snoqualmie and Duvall promoting outdoor recreation, farm and culinary experiences, cultural heritage, and the work of local artists.

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- Due to permitting issues, the wayfinding sign installation has been delayed. The city has requested a contract extension to complete this work.

Covington - \$18,520

- Redesigned the city's website with an emphasis on economic development opportunities and business services. Incorporated economic development data, demographics, and an interactive map showing information on development opportunities in the city.

Des Moines - \$30,100

- Completed a pre-design feasibility study for a multi-use facility at the downtown marina location.
- Completed a market demand assessment of the marina and downtown as "destination locations" to accommodate future growth.
- Completed a parking study assessment for downtown and marina redevelopment.

Duvall - \$7,345

- Updated the City Economic Development Vision and Plan.
- Supported "Savor Snoqualmie," a new regional tourism promotion group supported by each Snoqualmie city.
- Updated information for their branding and marketing efforts.

Enumclaw - \$11,140

- Provided small business workshops and training through Green River Community College for light manufacturers.
- Promoted visitors to Mount Rainier through collaboration with Visit Rainier, Pierce County Visitors Bureau, and Seattle Visitor and Convention Bureau through enhanced web content and advertising.

Federal Way - \$65,000

- Developed and implemented print and digital marketing campaign targeted at site selectors, developers, and commercial property professionals to attract 10-20 new businesses to the city.
- Executed a business recruitment program to identify prospects and make contact with key company executives. Expanded the business retention effort to contact 25 local businesses and provide business assistance tailored to the business needs.

Issaquah - \$33,330 (Actual Spend \$13,759)

- Provided training for eight small businesses in preparation of attending Mobile World Congress in collaboration with the State Department of Commerce and other eastside cities.
- Created a six-part business education series through the Issaquah Chamber of Commerce focused on advertising and marketing best practices.

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- Created a video to promote the city's Sports Medicine Hub through social media and on-line resources.
- Due to staff turnover, the scope of Issaquah's work plan was scaled back and the total Port funds expended were reduced to \$13,759.

Kenmore - \$21,500

- Provided training and technical support to companies involved with the City's business incubator.
- Promoted the City's image for business development and tourism.
- Built a marketing brand based on local assets like Bastyr University, Kenmore Air, Edward State Park, Lakepointe and Kenmore's emerging brewery district.

Kent - \$65,000

- Executed a multi-level program to support and expand Kent's food entrepreneur business community, working with the Food Innovation Network and Green River Community College's Small Business Development Center.
- The program provides below-market-rate commercial kitchen incubator space and business training for food entrepreneurs.
- Launched a social enterprise, Ubuntu Street Café, featuring international foods and expect to hold 8-10 downtown pop-up dining events featuring diverse cuisines. Four new businesses, employing seven entrepreneurs, were launched as an outcome of the training. The program has received very good media coverage.

Maple Valley - \$24,700

- Maple Valley has completed prior studies related to economic development. The grant enabled the City to hire a consultant to review prior work and develop recommendations that outline and propose roles, responsibilities, and implementation strategies for economic development as associated with the City's 2017/2018 budget. The recommendations will direct the City toward a clearly defined future vision.

Mercer Island - \$23,480

- The City developed and designed wayfinding signs to direct visitors using the regional bike trail to the town center, supporting local business growth.

Kirkland - \$65,000

- Partnered with Bellevue and Redmond to promote ICT cluster growth.
- Participate in tradeshow events to attract technology companies.
- Provided business assistance to startup companies.
- Prepared an engineering study to increase transient moorage at Kirkland Marina.

Newcastle - \$10,940

- Port funds were used to support development of a new downtown plan, along with revised development regulations and capital improvements program for transportation

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and amenity improvements in the downtown, including streets, public spaces, parking, and public facilities.

- A new conceptual plan and vision for Coal Creek Parkway was developed to support a pedestrian-oriented downtown with effective linkages to the other sectors in the CBC and surrounding residential neighborhoods.
- The planning process also included an audit and a comprehensive revision of the Downtown zoning regulations and design guidelines.

Normandy Park - \$6,420

- Provided training through SBDC at Highline Community College for 209 unique businesses.
- A website was created for the new Normandy Park Economic Development Committee, which is open to Normandy Park residents and businesses, promoting “Buy Local” and “Shop the Park.”

North Bend - \$6,460

- Created two videos to promote outdoor recreation and market the city through social media. The City contracted with KOMO to produce the videos, which will be aired in July.

Pacific - \$6,770

- Updated city website with new data and images promoting the city to existing and new businesses.

Redmond - \$59,180

- Developed a marketing and media package that includes video, business cluster fact sheets, and print and digital brochures.
- Participated in business recruitment events including D.I.C.E (Design, Innovate, Communicate, Entertain) and the Space Foundation Symposium.

Renton - \$65,000

- Port funds were used to support part of the community’s overall branding and marketing campaign, which includes implementation of a new website with a searchable land and building inventory, GIS integration, economic data, and demographic profiles to promote commercial and industrial sites in Renton.
- Port funds were also used to develop collateral materials through production of photography, video, print, audio, and other digital media highlighting Renton’s business and industry, as well as promote downtown branding, including street banners, website upgrade, and utility cabinet wraps.

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Sammamish - \$49,980

- Port funds were used as part of the City's Economic Development Scoping Analysis including updated demographic and economic data, a marketing factsheet, and updated website focused on business attraction and retention.

SeaTac - \$27,650

- Redesigned the City's website to provide improved economic, demographic, zoning, comprehensive plan, and utility information to support business expansion and attraction.

Shoreline - \$54,500

- Developed a Request for Expression of Interest (RFEI) Prospectus to attract public and private investment for a Shoreline Media Campus.
- The Media Campus is intended for local production of movies, episodic television, commercials and gaming content and provide a flexible platform for new technology production to thrive such as VR/AR.
- The RFEI provides information on market demand, design, and financial models and will be used to present this opportunity to potential investors and developers.

Skykomish - \$5,000

- Designed and installed a historic signage plan that serves as a walking tour of the town and provides historic information on the town and significant buildings.

Snoqualmie - \$12,850

- Collaborated with other Snoqualmie Valley cities on the Savor Snoqualmie branding and marketing campaign.
- The City of Snoqualmie created a poster series promoting outdoor recreation, culinary experiences, cultural heritage, and local art. They also developed an online calendar of events to assist visitors to develop local itineraries.
- Due to permitting issues, the wayfinding signs have been delayed. The cities have requested an extension to complete the signs.

Tukwila - \$19,300

- Port funds were used to implement a business attraction, recruitment, and retention program including updated demographic and economic data, new collateral materials, and an updated City website.

Woodinville - \$11,240

- Woodinville was interested to learn what steps should be taken to ensure the area's wine and beverage industry would continue to grow and thrive.
- The city surveyed local residents, businesses, and tourists to identify the challenges and opportunities in the wine and tourism sector. The survey results provide the city the

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framework to implement the recommendations to increase visitors and grow local businesses.

2017 ECONOMIC DEVELOPMENT PARTNERSHIP GRANT TIMELINE

Port staff will have met with cities interested in the 2017 partnership program by June 26. Participating cities can start filling out and submitting grant applications over the following three months. Based on experience from the first year, all contracts should be brought to the Commission for approval by early November.

ATTACHMENTS TO THIS BRIEFING

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

November 8, 2016 – The Commission approved specific city grant contracts with the cities of Black Diamond, Federal Way, Pacific, and Skykomish.

October 11, 2016 – The Commission approved grant contracts with the cities of Bothell, Burien, Carnation, Covington, Enumclaw, Kent, Maple Valley, Mercer Island, Milton, Newcastle, Renton, Sammamish, SeaTac, Tukwila, and Woodinville.

September 27, 2016 – The Commission approved grant contracts with the cities of Bellevue, Shoreline, and Snoqualmie.

August 23, 2016 – The Commission approved grant contracts with the cities of Auburn, Des Moines, Duvall, Issaquah, Kenmore, Kirkland, Normandy Park, North Bend, and Redmond.

June 14, 2016 – The Commission authorized the 2016 Partnership Grant Program.