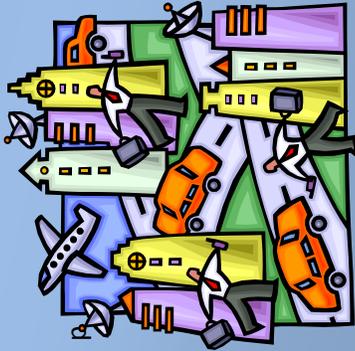


Economic Growth & Competitiveness

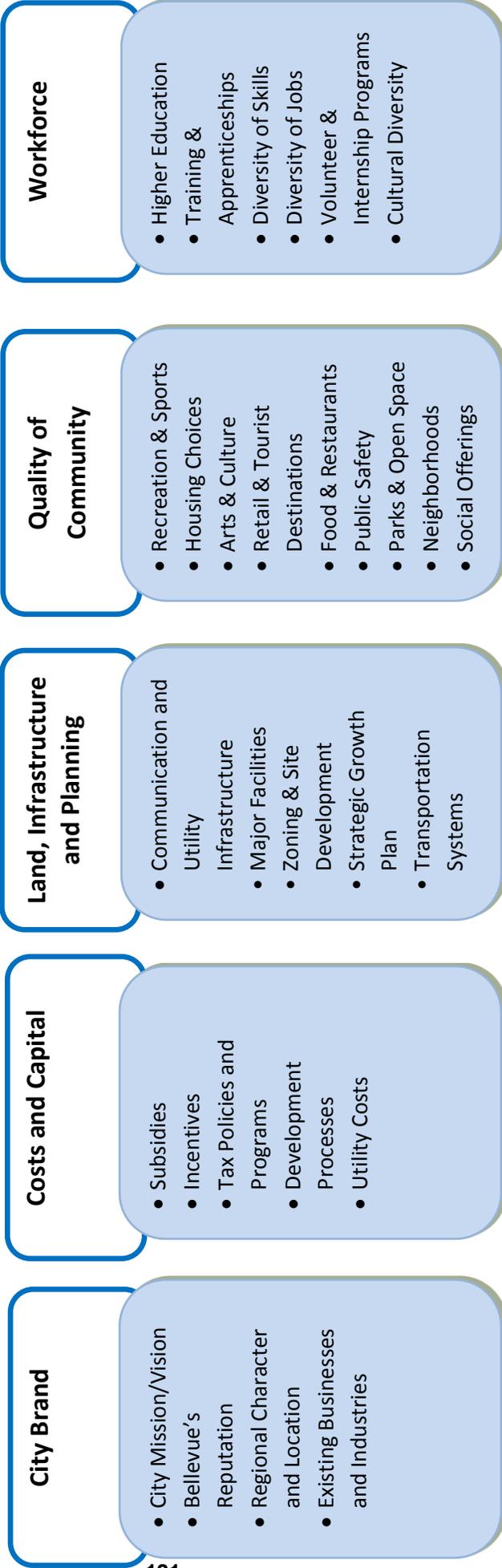
– Cause & Effect Map

As a community, Bellevue values...

- A community that grows in ways that add value to our quality of life and enhance the opportunity for economic prosperity.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment and prosperity of the community.



Factors:



Community Indicators:

- % of residents who feel that the City is doing a good job of planning for growth in ways that will add value to their quality of life.
- % of residents who agree that the City is doing a good job helping create a business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment of the community.



Request for Results

Economic Growth & Competitiveness

Introduction

This Request for Results (RFR) outlines the results and factors that will be used to evaluate and rank operating and capital offers for the Budget One process for Economic Growth and Competitiveness (EGC). Citizen-focused outcomes were approved by City Council and form the basis for developing the City Manager's Preliminary Budget. This document provides guidance to staff in developing offers for the 2013-2014 Operating Budget and 2013-2019 Capital Investment Program Plan.

The 2013-2014 Economic Growth and Competitiveness Result Team consists of the following members:

Team Leader: Max Jacobs

Team Members: Geoff Bradley, Emma Johnson, Denise McAuley, Kam Szabo

Community Value Statements

As a community, Bellevue values:

- A community that grows in ways that adds value to our quality of life.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment of the community.

Community Indicators

Community Indicators are high level measurements that provide information about past and current trends. They provide insight that community leaders and others can use in making decisions that affect future outcomes.

In the case of Budget One, they are high level indicators of resident opinion that illuminate Council Outcomes and parallel the Community Value Statements. They are gathered annually and provide insight into the overall direction toward an intended outcome – whether things are improving, declining, or pretty much staying the same. The indicators for EGC are:

- % of residents who feel that the City is doing a good job of planning for growth in ways that will add value to their quality of life.
- % of residents who agree that the City is doing a good job helping create a business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment of the community.



Request for Results

Economic Growth & Competitiveness

Background and Context

Bellevue's economic growth and competitiveness is about the community's existing and future economic vitality, productivity and economic opportunity. This Outcome is a product of virtually everything that occurs in the city – both within the city organization and, especially, in the broader community. As recognized in Bellevue's Comprehensive plan, Bellevue provides an attractive business location for a number of reasons, including its geography, demographics and quality of life. Bellevue's strengths include its central location within the Eastside, its proximity to Seattle, its excellent access to a regional transportation network, and one of the most highly-educated workforces in the nation. Bellevue's cultural diversity also promotes its ties to the rest of the world, which offers the prospect of increased international trade. Bellevue values equal opportunity and fairness in distribution of the benefits of a world-class community and prosperous economy.

Bellevue is the major employment center of the Eastside with a workforce of more than 131,000 people. Bellevue hosts regional shopping centers and large commercial areas, drawing customers and employing people from throughout the region. Bellevue's vibrant economy not only bolsters employment, but also helps keep city tax rates low. In addition, the city shares goals for long-term prosperity with the larger Puget Sound area, which is characterized by the region's status as a global business hub for aerospace and information technology.

The City Comprehensive Plan's Economic Development Element identifies six key areas for concentrated City attention – these can be seen as the context for this Request for Results:

- Economic Climate – building and nurturing a positive economic climate that will attract and retain high quality firms.
- Community Livability and Economic Growth – investing in Bellevue's quality of life, which attracts creative talent.
- Planning and Infrastructure – developing the land uses and infrastructure that support the needs of businesses that Bellevue wants to attract, retain, and grow.
- Maintaining and Revitalizing Commercial Areas – promoting redevelopment and revitalization that maintains the quality of older commercial areas.
- Business Marketing, Retention and Recruitment – providing leadership and focus and coordinating best efforts of complimentary organizations.
- City Development Strategies – developing organizational and financial tools that effectively leverage private sector resources.

The 2012 City of Bellevue Budget Survey also provides context for this Outcome and for proposals that will be directed here. In particular, the Survey notes that Bellevue residents rank Economic Growth and Competitiveness as the 3rd priority among the seven budget Outcomes (up from 4th in 2010). In addition, of the 38 City service areas evaluated in the Survey, Bellevue



Request for Results

Economic Growth & Competitiveness

residents rank “promoting jobs and economic development” as an area of significant change in importance, with a priority level of 8th but with a satisfaction level of 36th.

The Team recognizes that a wide variety of factors influence economic growth and competitiveness and that many overlap with other Outcomes. Public safety, transportation, utility infrastructure, and parks are all critical to the City’s productivity and prosperity; however, these are explicitly addressed by other Outcomes. Consistent with the general instructions, proposals should be submitted to the Outcome most closely aligned with the proposal’s primary objective. If it is not initially clear, Results Teams will work with each other and the submitting department(s) to identify the most appropriate Outcome for evaluating and rating each offer. If a proposal is focused on economic growth and competitiveness aspects, it should be addressed to this Outcome.

Factors

Five primary factors were identified that we believe most directly influence economic growth and make the city more competitive. The Cause & Effect (C&E) Map illustrates the relationship of these factors, secondary factors, value statements and the Outcome. The five primary factors (not prioritized) are:

- City Brand
- Costs and Capital
- Land, Infrastructure, and Planning
- Quality of Community
- Workforce

Research

The 2013-2014 EGC Results Team built upon the foundation created by the 2011-2012 Results Team. The current Team reviewed the City’s adopted plans and economic development policies and conducted additional, limited research into economic development materials listed in the attached list of resources.

Proposal Writing Guidance:

In your proposal please describe activities that the **City** might undertake to affect the Economic Growth and Competitiveness factors and sub-factors (described in detail in the next **Factors & Purchasing Strategies** section). The factors and sub-factors are intended to speak to goals as opposed to city activities.

For instance: Our program does **[activity]** (the “what”) in order to affect **[factors and sub-factor(s)]** (the “why”)



Request for Results

Economic Growth & Competitiveness

WHAT - activities the city does

- Strategic planning
- Fostering partnerships
- Strengthening relationships
- Affecting policy
- Affecting zoning or development space
- Improving permitting processes
- Marketing and outreach
- Studies, evaluation, and research
- Leveraging tax policies and incentives
- Program development
- Program delivery

WHY- factors (and sub factors)

- City Brand
- Costs and Capital
- Land, Infrastructure, and Planning
- Quality of Community
- Workforce

As much as possible, show the logical relationship between your proposal and how it might support one or more of the factors which contribute to economic growth and competitiveness. Your proposal does not need to support all the factors, in fact we urge you to be selective and strategic in choosing the factors that most closely align with your proposal. If possible, describe short, medium, or long-term goals of the program in your proposal. Also show how your proposal relates to the citywide purchasing strategies.

Purchasing Strategies

Factor 1: City Brand

Brand is a statement about who a city is. Bellevue has a brand image of being a city with vision, creativity, a commitment to excellence, and a strong sense of civic pride. It is also a smart city – it is rich and diverse with highly educated and trained citizens, business leaders, and workers. Bellevue provides opportunities in which to locate and grow because it is a place where innovative industry and business-friendly services exist, including those directly provided by the City. Bellevue is also an attractive place with many natural features and spaces and is thought of as a “City in a Park.” There is a certain buzz surrounding Bellevue as a place of possibility and prospect. The combined positive impressions about Bellevue, including its unique characteristics, its business base, and its people form the basis of the City Brand.

The City Brand is a key component of advancing Bellevue’s economic growth and competitiveness in the region, the state, the nation, and the world. Bellevue’s Brand is an immensely valuable asset and is a result of many relationships that are created and fostered within the other four economic factors in this RFR. Good economic development programs will often incorporate and build upon the City Brand, and will help develop, promote, advance, strengthen, and protect it in order to attract businesses and a desirable workforce.



Request for Results

Economic Growth & Competitiveness

Sub factors:

- City Mission/Vision
- Bellevue's Reputation
- Regional Character and Location
- Existing Businesses and Industries

Purchasing Strategies:

We are seeking proposals that enhance and promote the City Brand as a core asset. Such proposals will highlight Bellevue's reputation as a great place in which to launch, grow and sustain a thriving business. Specifically proposals that:

- Develop and support the ideas behind our City Mission/Vision in a unified manner.
- Contribute to the positive reputation of Bellevue as a great place for business and development, a safe and diverse community to live in, and city with a vibrant retail and night life.
- Market the City and region's unique qualities and attributes including: our position as a global gateway to the Northwest, our proximity to major transportation corridors (including transit connectivity), and our beautiful parks and open spaces.
- Promote the positive perceptions of Bellevue as a great place for business and development by showcasing the city as a center of international business with a business supportive culture.
- Earn local, national, and international recognition.

Factor 2: Costs & Capital

Money is a traditional element of production and a building block of economic activity. Businesses require capital to start and operate. The availability of money and financial opportunities, in addition to the costs of doing business, is critical to a firm's decision to develop or stay in one location versus another.

Sub-factors:

- Subsidies
- Incentives
- Tax Policies and Programs
- Development Processes
- Utility Costs



Request for Results

Economic Growth & Competitiveness

Purchasing Strategies:

We are seeking proposals that support Bellevue’s predictable and consistent development processes, which provide a foundation for economic growth and competitiveness. In addition, we are seeking proposals that aim to maximize the City’s ability to use financing tools existing under Washington state law to promote partnerships, or provide incentives, subsidies, tax credits and other forms of financial and cost-cutting assistance geared toward increasing business opportunity and productivity in Bellevue. Specifically proposals that:

- Promote efficient, coordinated, predictable, and customer-focused development processes.
- Facilitate private sector investment and partnerships with other entities and organizations.
- Take advantage of financing tools such as business districts, incentives, credits and bonds.
- Balance taxes, fees and utility rates with the City’s economic development goals, commitment to high-quality services, and financial health.
- Provide market-based tools, incentives, or other creative alternatives to regulation and enforcement.
- Create or enhance access to business incubators and/or business capital to support development of new and growth of existing businesses.

Factor 3: Land, Infrastructure, and Planning

The City’s growth plans communicate the vision for economic growth and thriving business districts. Strategic land, infrastructure, and development planning forms the foundation for the City’s economic competitiveness and advances the living standard for the community.

A robust transportation, utility, and communication network directly adds value to land by allowing higher productive uses of that land as a resource. Enhancements in capacity and reliability of all infrastructure networks support the future needs of Bellevue employers and residents. Civic facilities are another form of infrastructure that plays an important role in economic growth and competitiveness. They can house public services, or provide venues for community and business events that contribute to the community’s overall appeal.

The City—and its regional infrastructure partners—have a responsibility to continue to improve the infrastructure necessary to transfer information, goods and services quickly and safely throughout the City while promoting and enhancing the city’s natural environment. This emphasis will also ensure that new development does not exceed the capability or capacity of our existing infrastructure.



Request for Results

Economic Growth & Competitiveness

Sub-factors:

- Communication and Utility Infrastructure
- Major Facilities
- Zoning & Site Development
- Strategic Growth Plan
- Transportation Systems

Purchasing Strategies:

We are seeking proposals that promote, create, and maintain economic growth and competitiveness by planning for and providing quality infrastructure that includes reliable, attractive, and efficient services and systems. Specifically proposals that:

- Advance long-range economic growth strategies that can be understood and implemented throughout the City organization.
- Enhance access to and circulation within commercial and employment centers as a way to support their continued economic health.
- Support development of advanced utility and communication networks (“emerging infrastructure”) with quality, reliability and capacity to retain and attract innovative, technology-dependent businesses.
- Coordinate with regional partners for transportation and development planning.
- Facilitate a wide range of residential and commercial development through zoning and site development assistance.
- Promote activities in Meydenbauer Center and development of future major facilities.

Factor 4: Quality of Community

Quality of community includes the traditional concept of quality of life and also embraces a larger view of the whole community and its institutions, vibrancy and civic engagement. In today’s global economy, the most challenging competition faced by industries will be the competition for human talent in a society that has higher standards and is increasingly mobile. Talented people are attracted to places with a high quality of life; businesses recognize that this enhances recruitment and retention, making a vibrant community a key competitive advantage. In addition, quality of community leads to greater community attachment (emotional bond to the community). A strong positive correlation exists between community attachment and local economic growth.

Quality of community and economic growth and competitiveness are complementary to one another. The high quality of community in Bellevue contributes to the City’s economic health through the provision of amenities such as shopping, entertainment, and restaurants that are part of the economy and contribute to the quality of life. A diverse range of housing choices is another fundamental amenity contributing to the quality of the community, in addition to



Request for Results

Economic Growth & Competitiveness

being a key aspect of city-wide planning and infrastructure. Local economic growth not only measures economic success, but also Bellevue's ability to grow and meet resident needs.

Sub-factors:

- Recreation & Sports
- Housing Choices
- Arts & Culture
- Retail & Tourist Destinations
- Food & Restaurants
- Public Safety
- Parks & Open Space
- Neighborhoods
- Social Offerings

Purchasing Strategies:

We are seeking proposals that enhance Bellevue's quality of community and create community attachment to provide an environment where businesses and employees want to be.

Specifically proposals that:

- Enhance arts and culture.
- Promote wellness through a wide range of sports and recreational activities.
- Enrich community aesthetics including parks and open space as a core element of economic development.
- Provide quality housing opportunities for all income levels.
- Establish a "sense of place" through creation of attractive neighborhoods, streetscapes, shopping areas.
- Provide community amenities such as restaurants, farmer's markets, shops, events, tourist attractions, and other social offerings for citizens to meet and engage with one another.
- Create a sense of community that is welcoming to different types of people including families, minorities, and young people.
- Recognize businesses that significantly contribute to the City's quality of community.
- Enhance a feeling of public safety.

Factor 5: Workforce

A workforce is the backbone of the economy—it is how work gets done. Skilled workers are especially valuable for businesses in a globally competitive marketplace and one of the primary attractors for businesses when considering re/locating in an area.

Colleges, universities and other research programs are critical components of the economy in that they train and prepare the future workforce. Higher education institutions also provide



Request for Results

Economic Growth & Competitiveness

research resources and attract retail and housing development to serve the college and university population.

Jobs provide opportunities for people to apply their skills and support themselves and their families. A vibrant economy has a need for diverse skills (professional, technical, manual labor, and service) to match a diversity of jobs. Apprenticeships, internships, volunteer opportunities and training programs provide individuals a mechanism to upgrade their skills and secure better jobs. Volunteerism can also result in substantial contributions to the city and other organizations through labor hours that could not/ would not be procured otherwise, while also providing a source of “on the job” training and benefiting the community overall.

Sub-factors:

- Higher education
- Training & Apprenticeships
- Diversity of Skills (technical, professional, manual, service)
- Diversity of Jobs (mix of higher paying and entry level jobs)
- Volunteer & Internship Programs
- Cultural Diversity

Purchasing Strategies:

We are seeking proposals that develop the skills of Bellevue’s present and future workforce so that businesses can grow and successfully recruit employees. Specifically proposals that:

- Leverage and/or enhance college, university, research institution offerings.
- Support apprenticeships and training programs.
- Provide job-matching or skill-matching services for workers and employees.
- Increase and provide meaningful volunteer and internship opportunities.
- Increase the cultural competence¹ of workers and employers.

¹ Cultural and linguistic competence is a set of congruent behaviors, attitudes, and policies that come together in a system, agency, or among professionals that enables effective work in cross-cultural situations. From: The Office of Minority Health. (2005) “What Is Cultural Competency?” <http://minorityhealth.hhs.gov/templates/browse.aspx?lvl=2&lvlID=11> Accessed March 19, 2012



Request for Results

Economic Growth & Competitiveness

Attachment A List of Primary Evidence

Previous research and interviews done for 2011-2012 budget provided the basis for our Factors and Sub-Factors. (For more background on the previous research, please refer to the resource list in the 2011-2012 EGC budget materials.) The 2013-2014 team built upon that knowledge base but did not separately validate or replicate that work. The 2013-2014 team also conducted additional research using the following sources:

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Request for Results

Economic Growth & Competitiveness

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ORC International (February 2012), "City of Bellevue 2012 Budget Survey."

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