



Office of Economic Development
City of Seattle

Briefing Memo

Date: May 28, 2010

To: Councilmember Richard Conlin
Councilmember Mike O'Brien
Councilmember Jean Godden
Councilmember Tim Burgess

CC: Phyllis Shulman, Legislative Assistant

From: Steve Johnson, Acting Director, OED

Re: Integrated Business Services Program

Last fall, the Seattle City Council passed the budget action item “Statement of Legislative Intent (SLI) 5-1-A-2” that called for the Office of Economic Development (OED) to “develop and execute a formal strategy for awarding contracts that support the provision of business attraction and retention services by non-City entities.” In response to the SLI, OED has prepared this memo, which provides a brief overview of OED’s new business services program, explains the RFQ process used to select the external economic development partners, and outlines the role OED’s partners will perform in the new integrated business retention and expansion program.

Integrated Business Retention and Expansion Program:

OED’s new business services model is based on the premise, widely supported among economic development experts, that retaining existing businesses is the most effective way of supporting new business development and has prioritized the delivery of direct business assistance to individual businesses. OED has developed a comprehensive service delivery program to help businesses, including the development of the “GrowSeattle Business Services Web Portal” to help businesses navigate government regulations and access business resources to help grow their market base and the deployment of nearly \$70 million in financing for micro, small, and large businesses.

In January, OED issued an RFQ to identify partners with strong industry expertise and the capacity to support the retention and growth of companies in the central business district and the manufacturing and maritime, life sciences and global health, and clean technology sectors. The primary goal of the RFQ process was to align our contracted partners with OED-led direct services and support deeper service delivery in the targeted business sectors. The RFQ specifically required the following functions to be performed:

- Business retention and expansion assistance and case management

- Counsel existing companies on business growth opportunities and to leverage competitive advantages
- Connect target industry businesses with other companies, organizations, and resources in the region essential to growing their businesses
- Visit Seattle businesses in targeted industry and business sectors to identify issues and trends impacting businesses, such as permitting, regulations, workforce development, and general business climate issues
- Coordinate with OED staff on results of their business assistance visits to Seattle-based companies and identify strategies to support these companies and address broader issues in the targeted sectors.

The review panel that included OED, the Mayor's Office, Council Central Staff, the Greater Seattle Chamber of Commerce, and the Puget Sound Regional Council, selected enterpriseSeattle, Washington Biotechnology and Biomedical Association, Downtown Seattle Association, Manufacturing and Industrial Council of Seattle, and ECOSS as the partners for this effort. Below are highlights of the major work items for the partners.

enterpriseSeattle

- Coordinate with OED and all our partners to provide business attraction and recruitment services, corporate strategy and research expertise to companies across targeted industry sectors.
- Assist early-stage and established companies in clean technology sectors.

Manufacturing and Industrial Council of Seattle and ECOSS

- Provide direct assistance to Seattle-based manufacturing, logistics, maritime, and shipbuilding companies.

Washington Biotechnology and Biomedical Association (WBBA)

- Support the growth of promising life sciences companies by connecting firms with start-up and expansion capital and providing coaching and technical expertise.

Downtown Seattle Association

- Assist street level retail and professional service businesses.
- Partner with the Technology Alliance to attract early stage high technology and media entertainment businesses to Pioneer Square neighborhood.
- Work with enterpriseSeattle and businesses in the financial services sector to identify opportunities to support the emerging financial services cluster.
- Partner with WBBA and the Washington Global Health Alliance to identify the advantages, barriers of life science companies to expand in the downtown core.

Reporting

Outcome measurement is a critical part of this work and OED will coordinate with its partners on results of business assistance activities and help our partners identify strategies to assist companies and identify broader issues impacting businesses, such as permitting, regulations, workforce development, and general business climate issues. The partners are required to use OED's business contact management system and will

work with OED to generate quarterly and annual reports that shall include economic impact data for Seattle specific business assistance activity, including:

- Descriptions of the Seattle-based businesses visited
- Number of business issues identified and resolved
- Business sales growth (annual reporting)
- Businesses adding jobs (annual reporting)
- Identification of issues and trends impacting businesses in these sectors
- Number of businesses accessing debt or equity capital and amount of capital

Next Steps

OED has developed detailed scopes of work and executed contracts for the partners and work has already begun. We will look forward to reporting back in September on the progress we have made and the businesses we assisted.

Attachments

Business Retention and Expansion PowerPoint presentation