



City of Seattle
Office of Economic Development

Memo

Date: April 17, 2012

To: Councilmember Sally Clark
Councilmember Tom Rasmussen
Councilmember Richard Conlin
Councilmember Jean Godden

CC: David Yeaworth, Legislative Assistant to Councilmember Sally Clark

From: Steve Johnson, OED

Re: Office of Economic Development Director's Report

Thank you for the opportunity to report monthly on the state of our local economy and the activities and accomplishments of the Office of Economic Development. I have organized this report to provide an overall look at the strength of the recovery of our local economy and provide brief updates on our major priorities: (1) Investing in Businesses; (2) Investing in our Economic Strengths; and (3) Investing in Workers.

Seattle by the Numbers

In 2011, businesses generated \$53.8 billion in taxable revenues, an increase of 2.9% between 2010 and 2011.

- Seattle-based businesses generated \$43.2 billion in taxable income in 2011, 80% of all business income reported in Seattle.
- Businesses based outside of Seattle reported \$10.6 billion in income earned from activity and transactions within Seattle, 20% of revenues reported in the City.
- The only sector that does not project revenue growth in 2011 is FIRE.

Investing in Businesses

OED Business Services Performance for 1st Quarter of 2012

Loans	<ul style="list-style-type: none">• 1 business has received a loan for \$55,000.• 14 jobs retained or created due to this lending activity• We expect to assist businesses with loans of \$24M in 2012.
Company visits	<ul style="list-style-type: none">• 80 companies have been visited by OED staff and our partners• 73 of these companies are in our targeted sectors, which include: manufacturing, maritime, life sciences, global health, clean tech, and information technology
Businesses assisted	<ul style="list-style-type: none">• 53 businesses were connected with resources or were helped with a permitting or policy issue• 11 businesses have been assisted by the City Business Advocacy Team

Business Services

- *Maya's Mexican Restaurant* – Lance Randall met with the owners of this popular Rainier Valley restaurant to address a loss of business due to gang members parking and loitering in their parking lot and with a biker club parking their bikes in front of the restaurant. The restaurant has been working with SPD over the past several months and the situation has improved greatly. OED is connecting the business to its partner Community Capital Development to develop a marketing plan to rebuild the customer base.
- *Presentation to the Rainier Chamber of Commerce* – OED and OH staff provided an overview of the NET Initiative (HUD Challenge Grant) to the Rainier Chamber. The bulk of the discussion was focused on the commercial stabilization activities to support small businesses and increase business attraction at the Othello node. Lance Randall (OED) led a discussion on how OED will partner with the business community to utilize the brochure OED developed to help recruit businesses to the Rainier Valley.
http://www.seattle.gov/EconomicDevelopment/pdf_files/Rainier%20Valley%20brochure-FINAL-web%20low%20res%202-20-12.pdf
- *Farmers Market Update* – The Special Events team met with the operators of all 15 Seattle Farmers Markets on April 5th to get permitting underway for the 2012 farmers market season.
 - Georgetown and Interbay have canceled for the 2012 season with Georgetown hoping to re-open when heavy construction is complete.
 - OED staff is working with SDOT on a plan to: (1) mitigate impacts of street car construction on the Broadway Farmers Market; and, (2) expand the staging area for the Magnolia Farmers Market.
 - The remaining markets are all stable or growing for 2012.
- *Novo Nordisk SLU expansion* – Novo Nordisk will bring their North American diabetes research headquarters to Seattle, expanding their existing footprint in South Lake Union, citing “the collaborative nature of Seattle biotech sector as important to Novo Nordisk and our future strategic growth.” This new headquarters will bring 30 – 50 jobs to Seattle, with a possibility of further future expansion. The Washington Biotechnology and Biomedical Association, an OED businesses services partner, played a key role in their decision to choose Seattle over Boston.

- *Downtown Retail* – Special Events issued permits for recent openings of the Nordstrom Rack and new Carhartt store.

Investing in Seattle’s Economic Strengths

Film and Music

Feature and Commercial Film Production Heating Up in Seattle:

- *Commercial* – Three Los Angeles-based production companies have chosen Seattle as their filming location in March/April: Subaru in Pioneer Square; KIA along a closed section of 5th Ave under the Monorail; and with the assistance of SDOT, Metro, SPD, and the DSA, Intuit will be closing a downtown city block to erect a driving range for business lunch goers.
- *Feature* – Local director Nicholas Gyeney’s *Matt’s Chance* (starring Marshawn Lynch, Lee Majors, Gary Busey, and Edward Furlong) wrapped three weeks of filming in Seattle the week of April 6th. Lynn Shelton’s *Touchy Feely* begins filming this week through May 13th. Local director Rob Devor’s *You Can’t Win* is in preproduction with an expected filming schedule of April 27 through May 31. OFM worked with FAS to provide affordable production office spaces for both of these feature films.
- *Television* – OFM worked closely with SPU to coordinate a week of filming for the Europe 3-Net Discovery Channel show “Super Systems.” The production is documenting Seattle’s impressive public and private sector recycling and waste infrastructure.

Interactive Media

The Downtown Seattle Association, with support from OED, has released the latest in a series of reports highlighting different strengths of Seattle’s economy. The latest report looks at positioning Seattle as a growth center for interactive media and information technology. Key findings are that Seattle Center City was home to 585 firms employing more than 17,000 individuals in 2010. Below is a link to this and other recent reports by the DSA.

<http://downtownseattle.com/economicsectors>

Manufacturing and Maritime

GIS Sector Mapping Tool – OED’s Brian Surratt and Roque Deherrera previewed a new web-based GIS mapping tool that provides economic data (business name, business type, number of employees, etc.) for every industrial business in King County. This mapping tool is an element of the Industrial Development Pilot Program, developed in partnership with King County. It will serve as a valuable tool for OED and its economic development partners. A BETA version of the mapping tool is scheduled to be completed in May.

Neighborhood Commercial Districts

Request for Qualifications – University District Commercial Revitalization Plan - The University District Livability Partnership released an RFQ seeking a consultant to facilitate a visioning process with University District (UD) business stakeholders to identify short and long-term actions that promote a unique and vital commercial district and enhance the University district business community. Work will result in a Commercial Revitalization Plan, which outlines strategies focused on business organizational development, land use and retail development, public safety, and other issues. The Partnership is hoping to brief the Committee later this year on its recommendations.

LOOK AHEAD

May 10

May 2nd week

City Business Casual: What's Next for Green Business

National Travel and Tourism Week

OED/DSA Release: Tourism/Hospitality/Restaurant Economic Impact Study

May 15-18

Chamber Intercity Study Mission to Atlanta

May 19

Seattle International Film Festival Opening Night

June 14

City Business Casual: Tourism/Hospitality/Restaurant

July 12

City Business Casual: Manufacturing & Maritime