



City of Seattle
Office of Economic Development

Memorandum

Date: July 2, 2013
To: Councilmember Sally Clark
Councilmember Tom Rasmussen
Councilmember Richard Conlin
Councilmember Jean Godden
CC: David Yeaworth, Legislative Assistant to Councilmember Sally Clark
From: James Keblas, Office of Economic Development
Subject: Startup Seattle program update and briefing

Startup Seattle program update and briefing
Committee on Economic Resiliency and Regional Relations, 7.2.13

Overview

The goal of the Startup Seattle initiative is to increase the number of technology startups in Seattle. The initiative aims to help provide startups with the resources they need to be successful, while also expanding access to technology jobs to local students, especially those from groups that have been historically underrepresented in the tech sector. Jobs in this sector are among the highest-paid in today's economy, and Seattle is in constant competition, not only with San Francisco and Silicon Valley, but also with cities like New York, Boston, Chicago, Washington, D.C.; London, and Tel Aviv to attract and retain the most promising entrepreneurs and companies in the field. For every Christian Chabot who chooses to locate his company in Seattle and eventually take it public, like Tableau, there are many, many more that are instead currently choosing other cities. In addition, there are many here in Seattle who never achieve the success of which they may be capable due to lack of support. We want to ensure that we attract, retain, and support as many budding Christian Chabots as possible, and also that we prepare young Seattleites for all of the opportunities this field holds.

Stakeholder process

After consistently hearing from constituents about increased competition from Silicon Valley and New York, the Mayor's Office and OED put together a Tech Startup Roundtable in May of 2012 to hear directly from local community leaders about the challenges they were facing and how they thought the City could be most helpful in supporting their industry. Feedback received from the Roundtable and from individuals and companies in over 80 meetings in 2012 and 2013 helped to shape the development of a new program, the Startup Seattle initiative. In addition, a 12-person stakeholder group met in three work sessions from January to April, 2013 and worked to finalize the contents of the initiative. On May 9th, Zillow, an online real estate company and the last Seattle tech startup to go public, hosted the press conference at which the Startup Seattle initiative was announced to the public.

Stephen H. Johnson, Director
Office of Economic Development
700 Fifth Avenue, Suite 5752
PO Box 94708
Seattle, WA 98124-4708

Tel (206) 684-8090
Fax (206) 684-0379
www.seattle.gov/economicdevelopment
OED@seattle.gov

A smaller group from the 12-person stakeholder group has agreed to continue to serve in an advisory capacity to the initiative going forward, and they've been joined by one representative each from Microsoft, Amazon Web Services, and Google.

Program elements

There are four main proposed program elements:

1. *Startup Seattle business services*: Building off of the success of the Office of Film + Music model, OED would be responsible for working with the advisory group to execute proposed program elements as well as any others that arise in the future; acting as a liaison between the tech startup community and the City; developing a marketing campaign; providing general informational resources for community members; and managing Startup Seattle's online presence.
2. *Expanding opportunities in technology*: In order to increase K-12 student access to computer science education and help train more local tech workers to address the current talent shortage, the City would work with community partners to develop and implement events and ongoing programs (including professional development for teachers at Seattle Public Schools) dedicated to providing interested Seattle students from all backgrounds with the skills they need to be able to get a job in one of Seattle's many tech companies.
3. *Placemaking*: The importance of supporting increased density of startups and startup services in specific neighborhoods was another strong theme that emerged from our stakeholder process. In addition to continuing to support South Lake Union, Fremont, and Pioneer Square, under Startup Seattle the City would also leverage its role in the ongoing University District Livability Partnership to conduct a market assessment of the University District neighborhood and University of Washington development sites, focusing on the potential for the area to support a UW-focused incubator as well as flexible low-cost office space for early-stage technology companies. The market assessment would also identify the needs of startup companies and reasons why emerging companies locate in specific Seattle neighborhoods now.
4. *Broadband infrastructure*: The great work that the City's already doing to expand access to next-generation broadband service in Seattle is also included under the Startup Seattle banner because of its growing importance as a differentiating factor between us and the cities with which we're competing for top tech talent. With Google Fiber in Kansas City, Austin, and Provo, Utah and municipal fiber networks in Chattanooga, Tennessee and other cities, it's important that Seattle remains at the forefront of connectivity so that the products and platforms that will eventually be built to take advantage of gigabit speeds enable will be based in Seattle.

Next Steps

Continue engaging industry leaders and City Councilmembers about the proposed policy actions and structure the program to have a demonstrable positive impact on the startup sector and Seattle's broader economy.