

INNOVATE. EDUCATE. BUILD.





Seattle-area economy rated 3rd in U.S.

Policom Corporation Metro Economic
Strength Ranking, May 31, 2012

This year has brought some of the most favorable economic news we've seen in Seattle since the Great Recession began in 2007. Seattle is outperforming the region, the state, and the country in our rate of job growth and our retail sales. Existing businesses are expanding and new ones are being launched.

The people of Seattle are building this recovery, but we still face challenges. To solve them we will partner with businesses and residents to build an innovative economy that is sustainable, that enhances our quality of life, and that helps more people share in our prosperity.

We've met with more than 1,200 businesses in dozens of economic sectors. We've met with people who need work. We've listened to their thoughts and suggestions about the City's role in supporting the recovery. Their needs converge.

From businesses, we've heard they need responsive city government, a supportive regulatory environment, investments in infrastructure, and skilled workers. We've heard from residents who want better opportunities and that they need better education and job training. We've substantially increased our investments in K-12 education and are partnering with our community college system and businesses to create new pathways to careers. We're working to give our new entrepreneurs the support and capital they need to launch their businesses. We're ensuring that disadvantaged communities have equal access to government contracting and opportunity.

From everyone, we've heard that Seattle's quality of life is one of our best assets. Whether it's Amazon, a family-owned mobile food truck, or a neighborhood store, they are here because they want to be in a growing, diverse, urban place like Seattle. The people who are building this recovery prefer to live in a city rich in arts and culture, with a variety of transportation choices, surrounded by smart and creative people with backgrounds and experiences from all over the world.

This Jobs Plan update includes specific, actionable items to help Seattle innovate, educate our children, and build for the future. I invite you to read about them in these pages, and to consider ways we can partner with you to achieve the goals we share. I look forward to working with you so that Seattle will be the city of the future for a long time to come.

Sincerely,

Mike McGinn

Mayor of Seattle

***“We’ve
substantially
increased our
investments in K-12
education and are
partnering with
our community
college system
and businesses
to create new
pathways to
careers.”***






Mayor Mike McGinn, October, 2012

ECONOMIC INDICATORS

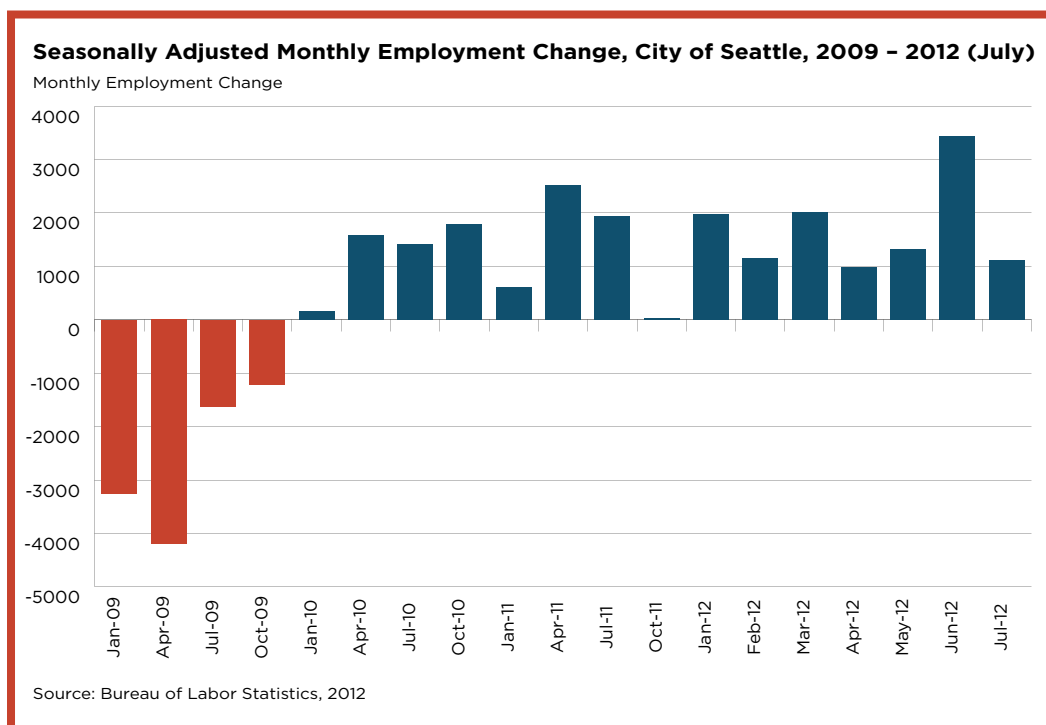
A Snapshot of Recovery

“Seattle fourth in U.S. for job growth this year”

U.S. Bureau of Labor Statistics, August, 2012

	2009	2011	CHANGE
BUSINESS INCOME			
Business Income Update Billions, 2010\$	\$52.3	\$53.8	 2.9%
JOB GROWTH			
Employment	462,100	485,700	 5.1%
Unemployment Rate	7.9%	6.6%	 -1.3%
BUSINESS START-UPS AND CLOSURES			
Total Businesses Update	55,000	57,000	 3.6%
EDUCATIONAL ATTAINMENT			
Higher Education Degrees Awarded	17,130	18,752	 9.5%

We invite you to visit the Office of Economic Development’s website at www.seattle.gov/economicdevelopment for complete statistics of the Seattle Economic Indicators.



JOBS PLAN *By The Numbers*

- ✓ Seattle's second quarter 2012 **unemployment rate was 6.3%**, compared to 8.2% for the Seattle metropolitan area
- ✓ Since February 2010 to August 2012, the Seattle metropolitan area **job growth rate is 6.6%**. This is more than double the US growth rate and more than triple the rate for the rest of the state
- ✓ **1,425 individuals** received training and employment services resulting in **476 job placements**
- ✓ In 2011, **Seattle businesses generated \$53.8 billion** in taxable income, up 3.3% from 2010
- ✓ The City has committed **\$2 billion in capital improvements**, which created or retained **6,204 jobs**
- ✓ From 1st quarter 2010 to 1st quarter 2012, Seattle's **taxable retail sales grew 13.2%**, more than double the state's growth rate
- ✓ Value of **construction permits** issued has **increased almost 50%**, from \$1.6 billion to an estimated **\$2.4 billion** in 2012
- ✓ The City projects the **value of real estate** transactions for 2012 to 2014 to be **\$112 million, a 48% increase** over the previous three years
- ✓ There are **57,000 businesses licensed** in Seattle at the end of 2011, a **net increase of 1,600 businesses** over 2010
- ✓ Distributed **\$71.4 million** in financing to **110 businesses**, resulting in **1,242 jobs** created or retained
- ✓ Since 2010, the City invested over **\$7.5 million** to support **business district initiatives** and **community projects in our neighborhoods**
- ✓ **Seattle's local music scene** is now discoverable by **32,000,000 travelers** annually through the Sea-Tac Airport's experience the City of Music Initiative

See highlights of major accomplishments since 2010 on pages 8-12

Retail Lockbox

Retail Lockbox, a Seattle business started by Craig Dawson and his childhood friend Walt Townes, specializes in payment/remittance and electronic document management services. When the company decided to consolidate their operations, Craig and Walt wanted to bring Retail Lockbox to the Central District near where they grew up and be able to contribute to the neighborhood. When the company relocated their headquarters to the former Urban League-owned building at 14th and Yesler, the transaction also made it possible for the Urban League to remain in its historic home. This move was made possible by \$7 million in New Market Tax Credits allocated by the City-managed Seattle Investment Fund LLC, and equity and leveraged lending provided by Wells Fargo Bank. The project retains 80 permanent jobs and will create at least 20 new jobs as the company expands its operations in the new space.

"We're excited to be able to stay in the city and give our employees more convenient access to their homes, other neighborhood amenities, and the new streetcar line," said Craig Dawson, president of Retail Lockbox. "Walt and I started our company in 1994, and we wanted to have our headquarters in this beautiful historic building with an urban feel. We're pleased to keep the building vibrant, and welcome the Urban League, Sound Vocational Institute, and other tenants that will add to the flavor of the neighborhood."

Craig Dawson and Walt Townes stand at their new headquarters at 14th and Yesler. Photo credit: Rachel Sawyer



LOOKING AHEAD

Continuing to sustain and enhance Seattle's innovative economy is an important part of our Jobs Plan. That includes updating our regulations, improving our schools, and getting more job training and skills development to workers who need them, and building the next generation of infrastructure.

Innovate:

Create **attractive urban neighborhoods** that can accommodate new jobs and businesses:

- Approve legislation to implement the **South Lake Union Urban Center Plan** in 2013
- Partner with **University District** leaders on policies and investments to take advantage of opportunities provided by the opening of light rail and the commercialization of groundbreaking research at the University of Washington
- Execute new plans to redevelop **Yesler Terrace** and the **Central Waterfront**

Launch an initiative to attract and **support startup information technology companies**, including developing strategies to better promote our technology community, invest in our urban neighborhoods where innovative companies want to gather, and improve business assistance services

In partnership with Washington State and King County, pursue creative partnerships with the best proposals participating in the **Industrial Development District program**. These projects will support expansion of our manufacturing and maritime industries by offering regulatory and policy flexibility, financial incentives, and/or workforce training

Build an **energy efficiency sector** in Seattle that can continue to export knowledge and products around the world while creating jobs and sustainable neighborhoods at home. We will work with companies to develop pilot projects to achieve energy savings and link City Light financial incentives to buildings' energy performance. We will continue to support energy retrofits and helping build a new clean energy industry that employs local workers



Continue to **update City regulations** to support job creation:

- Amend the fire code to support development of above-ground lab space in **life sciences and global health industries**
- Partner with state, county, and city agencies to **streamline regulation and permitting of restaurants, bars, and cafés**
- **Improve construction permitting** across City departments to save time and improve transparency of decision-making

Educate:

Implement the **Families and Education Levy**, which invests \$241 million over seven years to prepare students for college and a career. Measure results by the percentage of students who are ready to succeed in school by kindergarten, proficient at reading and math in elementary schools, and graduate high school on time and enroll in college

Successfully execute the **Pathways to Careers** initiative to provide professional education and training that supports lifelong learning and skills acquisition for working adults. The initiative targets the 45,000 Seattle adults living in low-income households who are in the labor force and have less than two years of college:

LOOKING AHEAD



- Mercer Corridor West, investing \$95 million to enhance connections between South Lake Union, Uptown, and Interbay
- Complete the First Hill Streetcar and extend it to the north Broadway business district
- Seattle Public Utilities' innovative Green Stormwater infrastructure projects

Develop a high speed, high quality **fiber optic broadband network** in Seattle. We are partnering with the private sector and the University of Washington to use the City's existing dark fiber network to bring broadband to more of Seattle's neighborhoods and businesses

Connect Seattle's neighborhoods with **high capacity transit, including rail** to provide residents and businesses with

an affordable, reliable way to get around our city. The necessary planning work for the downtown to Ballard and the Center City corridors is getting underway this year. The mayor's 2013-14 budget funds planning work for two more corridors

Build a **new North of Downtown substation** and a South Lake Union network to provide reliable, clean electricity to the innovative high-tech and bio-tech businesses north of downtown. Work with City Light to develop and implement a **smart grid system** to help residents and businesses become energy efficient

- Partner with the **Seattle Community College** district to double completion rates of professional and technical degrees and certificates in middle wage occupations that are in high demand by employers in Seattle's industrial, business, logistics, and health care industries
- Launch the **Career Bridge** program to help working adults with additional barriers, such as English language learners or those with criminal records, gain access to the Pathways to Careers initiative and obtain the skills they need to get better jobs

Partner with the Seattle-King County Workforce Development Council to dramatically **increase youth employment** and internship opportunities in the private sector, starting in the summer of 2013

Build:

Over the next five years Seattle will spend \$5 billion on **major capital projects** that will renew our infrastructure, enhance our quality of life, and create thousands of good jobs. Projects include:

- \$300 million to rebuild the Elliott Bay Seawall, a project that includes a strong Community Workforce Agreement to help hire Seattle residents



Clean-up the Lower Duwamish Waterway in partnership with King County, Port of Seattle, and the Boeing Company. The estimated investment ranges from \$200 million to \$1.3 billion and creates between 1,200 and 7,300 jobs

Support the next generation of **bicycle and pedestrian infrastructure**, including a downtown cycletrack network in partnership with Amazon, to improve safety on our streets and continue to attract and retain skilled, creative employees for our local businesses

Continue to partner with downtown businesses, residents, service providers, and City departments on our **Center City Initiative** to help make downtown Seattle streets more safe, inviting, and vibrant. Our 2013-14 budget funds outreach and support services for people in need, hires more officers, and invests in making 3rd Avenue more pedestrian friendly

Work with stakeholders to **update the Freight Master Plan**, helping to provide mobility in a changing and growing city



Partner:

Continue the successful **Be Here, Get There attendance campaign** to get students to the classroom, ready to learn. This campaign is a partnership with Seattle Public Schools and dozens of companies large and small across Seattle, from Amazon and Google to Mollie Moon's Ice Cream, Top Pot Doughnuts, the Seattle Symphony, KEXP, and many others

Partner with King County and Chris Hansen to **build a new basketball and hockey arena**, bringing nearly \$800 million in new investment to Seattle. The arena will create good, family wage jobs in construction and in operations, and support neighborhood businesses across the city

Work with businesses, builders, and Seattle Public Schools to find a location and partner on **building a downtown school** to serve the thousands of new families expected to live and work in our Center City and South Lake Union neighborhoods in the coming years



Highlights of Major Accomplishments Since 2010

Investing in SEATTLE'S RESIDENTS, YOUTH & YOUNG ADULTS

- ✓ Launched **Pathways to Careers** initiative that prepares Seattle residents for in-demand jobs. Since launching the partnership this past January, **266 individuals** have enrolled in the **Pathways to Careers** training and education programs
- ✓ **1,425 individuals received training and employment services** resulting in **476 job placements**
- ✓ **Families and Education Levy doubled to \$230 million** to help Seattle children graduate from high school ready for college
- ✓ **Seattle City Light** graduated **14 pre-apprentices** to the Lineworker Apprenticeship Program, and **11 electrical apprentices** to the Cable Splicer, Electrician Constructor and Meter Electrician Apprenticeship programs
- ✓ **Community Power Works generated over \$27 million in public and private investment** and created over **100,000 hours of work for more than 700 local residents**
- ✓ **The Seattle Public Library created a job resource center**, with computer access dedicated to the job search process, and **hosted 88 job skills classes for a total of 699 job seekers**
- ✓ The **Seattle Public Library's Homework Help student achievement support service served 8,554 students at 11 branches** throughout the city, including **1,128 tutoring sessions**
- ✓ HomeWise and Home Repair programs **invested \$6.5 million** to improve the energy efficiency of **1,653 multifamily units and 185 single family homes** and committed **\$500,000 for 30 loans** to help lower-income homeowners finance repairs that address immediate health and safety issues
- ✓ Over 2010 and 2011, the Office of Housing's **Multifamily Rental Housing Program** committed **\$49.5 million to 17 affordable housing projects**. These funds, primarily from the Seattle Housing Levy, **leveraged additional public and private funding representing nearly \$215 million** in total investments
- ✓ The **Office of Arts & Cultural Affairs** invested **\$300,000** in a partnership with Seattle Public Schools to support capacity building in arts education for all students, which has leveraged an additional **\$1 million** grant from the Wallace Foundation



Seattle Jobs Initiative's Medical Business Information Technology & Welding Graduation, September 24, 2012. Photo credit: Jennifer Richard Photography

“Hiring people is probably one of the greatest challenges any organization has, even though it seems counterintuitive with the high unemployment rate. But the truth is, finding skilled workers is very difficult. That’s where a program like Pathways to Careers can really bring some great people to us, with the technical and soft skills needed to be successful in the workplace.”

Scott Ofstead, Kibble & Prentice

Profile of a *Pathways to Careers* Student: D.M.

Seattle Jobs Initiative, one of the City's *Pathways to Careers* partners, concentrates on providing support services and job training for some of our most vulnerable residents. D.M. is one such resident and a recent success story. D.M. is a very smart and experienced “Jack of All Trades” who lacked focus for schooling in the past. He entered the *Pathways to Careers* Summer Quarter Welding class with a number of clear goals. After camping under I-5 seasonally for a number of years, D.M.'s immediate goal was to secure stable housing. He also hoped to attain a welding certificate, understanding that further education was critical to his future. By the end of his first quarter in the *Pathways to Careers* program, D.M. moved into HomeStep housing, completed weeks of fasting and services during Ramadan without missing any class, and passed Welding with a 3.9 GPA. Now D.M. is registered to take his second quarter of welding in the evening course, and as of August 27, 2012, he began a new full-time job as a welder at Northstar Casteel.

Investing in SEATTLE'S ENTREPRENEURS

- ✓ Disbursed **\$71.4 million** in financing to **110 businesses**, resulting in **1,242 jobs** created or retained
- ✓ Visited **1,268 businesses** and connected **577 businesses** with resources to solve problems and grow their companies
- ✓ In 2010 and 2011, **women and minority-owned businesses** earned **\$126.3 million** in city funding for completed construction projects and provided essential goods and services
- ✓ Processed over **1,000 film permits** from January 2010 through September 2012, including assisting **15 major feature films** and over **300 corporate productions and television commercials**, which created over **5,000 local cast and crew positions**
- ✓ Provided **47 businesses in Seattle and King County** assistance and financing through the **Healthy Foods Here** program, to increase the availability of healthy foods in low-income communities
- ✓ Served **186 immigrant or refugee business owners** with culturally appropriate entrepreneurial training
- ✓ **The Citywide Business Advocacy Team assisted 96 businesses** with issues ranging from permitting, public safety, transportation, and land use
- ✓ Seattle City Light completed **2,281 business and multifamily oriented conservation projects** and provided **\$34.5 million in Seattle City Light incentives**
- ✓ **Approved a regulatory reform package to improve land use processes** that make it easier to start a home-based business and start projects under 200 units or less than 30,000 square feet of non-residential development
- ✓ Launched the **Electronic Plan Review Pilot program**, which allows applicants to submit plans online – a more efficient review process which saves time, paper and trips downtown. Processed **300 applicants** and conducted **over 800 permit** intake appointments “virtually”
- ✓ Implemented **new policies streamlining the rules and regulations for street-food vending**. The number of licensed food trucks vending curbside on Seattle streets has jumped from zero to 15

Ra Power & Light

Ra Power & Light, a leading west coast energy services company and utility-scale commercial solar developer, chose to relocate their business from California back home to Seattle. The decision was reinforced by combined efforts of the Office of Economic Development and partner agency enterpriseSeattle to connect Ra Power & Light with existing solar manufacturers, installers, and available tax incentives, creating a strong climate to cultivate commercial and industrial solar clients in Seattle.

Ra Power & Light team: left to right: Luke Pulsifer, Matt Campbell, Michael Campbell and Dave Pulsifer. Photo credit: Rachel Sawyer



Lanier's Fine Candies

The Office of Economic Development visited Lanier's Fine Candies, a local minority-owned manufacturer of fine candies, and realized the business needed help to grow. OED arranged for the company's owner to receive business planning assistance, as well as provided connections to several local retailers to introduce their products. As a result, the company is selling products in several new outlets such as Fireworks Gallery, The Chocolate Box, and Ventures, and is purchasing new equipment to increase production capacity. The business is looking to move into a new manufacturing facility within the next two years and hire more employees to assist with production.

Herman Lanier, Lanier's Fine Candies. Photo credit: Rachel Sawyer

Investing in SEATTLE'S ECONOMIC STRENGTHS

- ✓ Invested over **\$3 million** as part of the *Only in Seattle* program to help neighborhood business districts execute strategies for business attraction and retention, marketing and promotion, cleanliness and safety, physical improvements, and organizational capacity building
- ✓ The **Neighborhood Matching Fund** invested in over **419 projects**, providing a total of **\$4.5 million** for community-initiated projects in Seattle neighborhoods
- ✓ Established the **Seattle Tourism Improvement Area** to increase leisure tourism to Seattle by advertising and promoting Seattle as a premier vacation destination
- ✓ **Mapped opportunities for collaboration** among global health organizations and business opportunities for non-global health companies in this emerging industry
- ✓ Updated the **Shoreline Master Program** to align Seattle's requirements with State guidelines, **protect the access to the shoreline for water-dependent maritime industry**, and ensure that necessary accessory uses and water related businesses that support Seattle's maritime economy are allowed
- ✓ Expanded the **Living Building™** program to include the **'Deep Green Building' pilot** supporting new, innovative development projects; permitted and helped finance the **Bullitt Center**, the greenest commercial building in the world
- ✓ Invested **\$150,000 in 14 groups** to support construction and renovations of arts and cultural facilities
- ✓ **Arts Means Business** will have invested approximately **\$250,000** by the end of 2012 to support arts organizations in developing sustainable revenue strategies
- ✓ As part of the **Seattle Nightlife Initiative**, the City increased customer options and discouraged drinking and driving by offering prepaid next-day parking for on-street meters. Monthly prepaid parking meter transactions **increased from 584 to 2,631** over the past 13 months
- ✓ **Seattle's local music scene** is now discoverable by **32,000,000 travelers** annually through the Sea-Tac Airport's experience the City of Music Initiative, where screens and speakers broadcast overhead music, streaming media, informative music videos, and announcements by musicians
- ✓ The **Seattle Center** transformed the former south Fun Forest area into the **Chihuly Garden and Glass**, and opened to the public in May, 2012, **creating 225 new jobs** and attracting a projected **500,000 visitors annually**
- ✓ **\$4.1 million in public funds leveraged \$1.175 million** in private investment to renovate the food atrium in Seattle Center's Armory building, attracting 11 new innovative local food vendors and more patrons to the Center



Photo Credit: 206inc

"To be included in a city-wide campaign, and be featured as a small business has been extraordinary for me. It's amazing to be in a city where I can do what I do, and people are really interested in it. I feel like that would only happen in Seattle, so the name of this campaign is really apropos. There's incredible richness, diversity, and creativity here, and to see a city celebrate and promote it is really phenomenal. I'm honored to be a part of it."

Karyn Schwartz, SugarPill, *Only In Seattle* marketing campaign business owner

International Building Code Changes to Support Biotech

The Touchstone Corporation and other biotech industry stakeholders identified an issue with the new International Building Code and International Fire Code that would negatively impact Seattle's biotech and life sciences businesses' ability to expand. Specifically, the new regulations placed very strict size limits on the amount of hazardous materials located above the fourth floor of a building. Given that the biotech cluster is concentrated in South Lake Union, a dense urban environment with the typical building heights of eight stories, this change presented a challenge.

The Touchstone Corporation reached out to Citywide Business Advocacy Team for assistance. An interdepartmental team was assembled, including staff from the Office of Economic Development, Fire Department, and Department of Planning and Development. The team met with industry stakeholders to identify best practices from other jurisdictions around the country, then developed Seattle-specific code changes that would safely allow hazardous materials in small quantities to be safely stored above the fourth floor of a laboratory facility. The changes were approved by the Fire Code Advisory Board and are set to be presented to Construction Code Advisory Board in the coming months. Changes to the International Building Code and International Fire Code are anticipated in 2013.

Investing in SEATTLE'S NEXT GENERATION INFRASTRUCTURE

✓ Since 2010, the **City committed \$2 billion in capital improvements, which created or retained 6,204 jobs** and include the following:

- ✓ **\$454 million** to improve the safety and security of the drinking-water supply by covering two in-city reservoirs and building a new south recycling and disposal station; these investments supported **1,465 jobs**
- ✓ **\$740 million** to maintain and upgrade the city's electric system, including upgrades to the distribution network, which supported **675 jobs**
- ✓ **\$583 million** in the city's transportation system, including the opening of Mercer Street to two-way traffic, which created or retained **2,848 jobs**
- ✓ **\$119 million** in parks and **\$129 million** in other public facilities, which supported a combined **1,215 jobs**

“Renewing our infrastructure investments is one of the most powerful economic development tools that we have. I’m proud to live in a city where our residents and businesses continually invest in our parks, libraries, fire stations, streets, and other community assets.”

Mayor Mike McGinn, October, 2012

Seattle listed as the 5th smartest and sustainable city in the U.S.

Green Chip Stocks, March 16, 2012

Wild Ginger’s move to LED lighting maintains great ambiance while saving money

Seattle City Light rebates got the attention of Paul Strick, Wild Ginger’s Facility Manager. The incentives to reduce energy use aligned well with Wild Ginger’s effort to reduce the restaurant’s environmental footprint. “There were certain out-of-pocket expenses for Wild Ginger,” says Strick, “but when we realized it was an eight month return on investment after the cash rebate from Seattle City Light, it was a no-brainer.” The team converted 385 incandescent halogen lamps to LED lighting and installed centralized controls for the entire restaurant. Combined with some commercial kitchen renovations and additional LED lighting work, the restaurant’s total energy savings is 159,550 kWh or a \$10,000 reduction in electricity bills every year. In addition to reduced energy consumption, the new LED lighting has dramatically decreased maintenance costs. “If you have the opportunity to upgrade, you should,” explains Strick. “We are in an historic building that has challenging requirements, but it can be done. And if we can do it, others can do it too.”

The inside of the Wild Ginger dining area with new LED lighting.
Jacky Lo, Executive Chef at Wild Ginger.

Photo Credit: Keith Brofsky



WWW.SEATTLE.GOV/MAYOR/JOBSPLAN
WWW.SEATTLE.GOV/ECONOMICDEVELOPMENT
WWW.GROWSEATTLE.COM



Photo credits, Front Cover: Sabey Corporation, Lydia Daniller Photography, 206inc; Back Cover: 206inc, Sabey Corporation



Office of the Mayor
Mike McGinn

