SEATTLE JOBS PLAN

Photo: Courtesy of Getty Images

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City of Seattle • Mike McGinn, Mayor
Office of Economic Development

www.seattle.gov/jobsplan
www.seattle.gov/mayor
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Introduction

A Choice

Cities, communities, societies – there comes a time when they all face a choice: do they meet the future? Or do they resist it? It might seem like an obvious choice, but history is littered with those who have decided to resist. There's a reason for that: it's easy. They are never able to make the tough decisions needed to evolve. Instead they just hunker down and hope for the best. And history leaves them behind.

Photo: Bronwyn Edwards

The Harder Path

We are faced with this choice right now. If we want to meet the future, then we have to purposefully choose to take the harder path. Taking that path requires that we let go of the past and are clear eyed about what's coming. We have to do our best to predict the demands of the economies of the future – and develop the human talent and infrastructure to meet those demands.

That path also requires that we are honest with ourselves about our strengths and weaknesses. In Seattle, we are blessed with many assets, including an active port with a solid maritime and industrial base, clean and inexpensive electricity, quality research and educational institutions, and leading businesses in growing economic sectors.

We are surrounded by natural beauty and benefit from walkable neighborhoods that encourage home-grown businesses. We are entrepreneurial and hard-working, blessed with the skills and cultural experiences of a diverse population.

But we are also facing significant challenges. Right now, just 10% of Seattle Public School students graduate ready for post-secondary education. We have built a transportation system that is overly dependent on cars and foreign oil. We have made inadequate investments in transit. And, like the rest of the country, we are suffering from massive job losses that were simply unimaginable three years ago. These losses are set against a backdrop of three decades of rising income inequality and looming environmental crises that make the challenge of meeting the future even harder.

Photo: Bronwyn Edwards

Meeting the Future

For us to succeed, government must shift from managing growth to being a proactive partner fighting for new jobs, shared prosperity and sustainable economic development. We all need to work hard to build on our strengths. We can't be afraid to stand up to the status quo and tackle our weaknesses head-on. We have to be willing to do things differently – to take real risks and explore new ideas.

This is what it means to take the harder path. It isn't easy, but it is what it will take for us to exert meaningful control over our future and build a solid foundation for coming generations. It's what it will take to improve our schools so that all of our kids are prepared to step up. It's what it will take to make sure our limited resources are invested strategically to build next generation infrastructure.

Photo Courtesy of Cascade Designs

Doing Our Part

We know there are limits to what government can do. But we will do our part. That is why we launched the Youth and Family Initiative and Walk. Bike. Ride. It is why we will continue to fight to put light rail on 520, invest in high capacity transit and make smart, long-term infrastructure investments. And it is why we are launching the Seattle Jobs Plan. This will be a core priority for the McGinn Administration.

It is a modest first step. The Seattle Jobs Plan is a strategy for next generation economic development to help create a sustainable economy with shared prosperity. It is a framework of policies, programs and investments to create quality jobs, protect the environment and ensure that taxpayers get true value from the City of Seattle's public investments.

Photo: Matt Miller

Guiding Principles

These three principles will guide all our decisions as we rebuild our economy:

Shared Prosperity.

The source of our strength in the United States has been the breadth and depth of our middle class, along with the promise that any one of us can achieve and reach our full potential based on talent and hard work.

But the ladder to achievement no longer seems open to everyone. Government at all levels has a responsibility to make sure everyone has an equal opportunity to work their way toward a better life.

Environmental Sustainability.

The economic choices we are making right now are not sustainable. We talk big and we set ambitious goals, but too often our actions are inconsistent with what we know has to be done starting now. It can seem daunting but we must change course for the sake of future generations. That means being clear-eyed about whether our actions meet the scale of our environmental challenges, or make them worse, and being determined enough to act on that knowledge.

Effective, Open Government.

In the good times, we expanded programs and services in ways that are not sustainable anymore. We have to prioritize, make difficult cuts and re-focus on providing outstanding core services. We will also have to approach our challenges with a can-do attitude, listening to the public, and leveraging creative and affordable solutions. We can't simply throw money at problems, or decide that government knows what's best. Government has a fundamental responsibility to look out for the interests of the people it serves. That means listening, making the extra effort to walk in their shoes, and having the guts to stand up and fight for them.

A. Re-Creating the Ladder to Opportunity

True prosperity for Seattle can only be achieved when all residents have the opportunity to work and share in the Puget Sound region's economic prosperity. Ensuring that Seattle residents have access to education, training, and employment means supporting businesses that provide living-wage jobs, and connecting the Seattle residents who are struggling most with meaningful training and employment opportunities. City-supported programs such as Community Power Works and Emerald Cities Seattle, combined with targeted support of micro and immigrant businesses, will direct millions of dollars to the people most in need during this prolonged recession. Focused efforts to create skilled weatherization jobs, bolster our most challenged businesses and communities, and support the next wave of business owners will help ensure that the ladder to achievement is accessible to all Seattle residents.

Photo: Matt Miller

Energy Efficiency.

Inefficient buildings cost residents and owners billions of dollars each year in wasted energy. The power needed to light, heat and cool Seattle's buildings is responsible for about 20% of our City's greenhouse gas emissions. At the same time, cost-effective investments in our buildings can generate new jobs and reduce energy costs. These conditions offer a great opportunity to address an environmental challenge while creating pathways for sustainable careers.

The City of Seattle has received $26 million in funding from the U.S. Department of Energy to ramp up initiatives to grow Seattle's energy efficiency building retrofit industry. The funding provides incentives and financing tools to rapidly increase the demand for retrofits while simultaneously increasing access and training for low-income residents to become skilled workers. The funding will put up to 2,000 people to work in the green jobs retrofit industry and will help residents and businesses save energy and resources.

Photo: Seattle City Light

- **Community Power Works (CPW) Initiative:** Community Power Works will leverage the grant funding to complete more than $140 million of retrofit projects across six building sectors in a targeted district that includes parts of Seattle's downtown core, Central District and Southeast neighborhoods. These neighborhoods are home to some of the city's most culturally and economically diverse populations and businesses, where nearly 60 million square feet of buildings was constructed prior to 1982 energy performance standards.

  Demand for building retrofits will be created through a neighborhood-based approach that identifies retrofit opportunities, connects building owners to incentives and financing, and provides support for contractors and career pathways for workers to deliver the retrofit projects. Specific Community Power Works initiative outcomes will include:

  - Retrofitting more than 2,000 eligible buildings in the single family, multi-family, small commercial, large commercial, hospital, and municipal building sectors
  - Achieving between 15% and 45% energy savings per building retrofitted;
  - Reducing approximately 70,000 metric tons of greenhouse gases;
  - Creating up to 2,000 new living-wage green jobs; and
  - Leveraging grant funds 7-to-1 with local investment.

- **Emerald Cities:** The Emerald Cities Collaborative (ECC) is a national coalition that includes labor, community organizations, social justice activists, businesses, and elected officials. ECC's goal is to rapidly green major U.S. cities and their surrounding metropolitan regions in equitable and democratically accountable ways. In Seattle, we are developing a local ECC coalition, Emerald Cities Seattle, that includes the City of Seattle, area non-profits, labor and business. Emerald Cities Seattle will work to create a sustainable building retrofit industry that creates long-lasting jobs, saves energy, and reduces climate pollution. Emerald Cities Seattle will drive market demand for building retrofits by:
  - creating financing tools;
  - Targeting investment to create jobs for low-income community members; and
  - Developing broad-based community support for retrofit policies and public investments in retrofit projects.

Together with Community Power Works, Emerald Cities Seattle will help create a building retrofit industry in Seattle that provides a path to self-sufficiency for thousands of our residents.

- **The Jobs Act for Public K-12:** With support from the City, the Seattle Public Schools received over $3.8 million in grant funds to improve energy efficiency at a number of its schools citywide. The City has pledged to work closely with the school district to ensure that work is done as efficiently as possible by coordinating efforts between city departments. This grant will reduce long-term energy costs at our educational facilities while immediately creating construction jobs.

New Business Financing for Micro and Small Businesses.

For many small businesses, lack of assets for collateral and limited credit history are barriers to securing even small loans. Access to credit is especially challenging for the most fragile small and micro businesses, among them minority, immigrant and low-income entrepreneurs. The collapse of the capital markets has made this problem worse. The City has raised $70 million to develop a comprehensive business finance program, detailed later in this plan. The program includes tools, such as the New Markets Tax Credit Program, to finance large commercial projects in low-income communities. The City has placed special emphasis on small and micro businesses and have secured $1.4 million in federal community development block grant stimulus funds to provide financing for micro and small businesses. With these funds, the City and our private lending partners – Community Capital Development, Enterprise Cascadia, and Rainier Valley Community Development Fund – are offering new financing for loans between $20,000 and $100,000 for new entrepreneur start-up, business expansion, and operations. Visit www.growseattle.com for more details on these financing tools and how to apply.

Minority and Immigrant Business Support.

Entrepreneurship is an effective way for low-income individuals and families to earn a livelihood and accumulate wealth. This is particularly true for immigrant entrepreneurs, who start businesses at higher rates than native-born Americans. To support these enterprises, the City will invest $300,000 in targeted assistance to those who have historically been underserved by traditional business support programs and lenders. The City will collaborate with business service organizations and leaders from immigrant business communities to:

- ***Improve immigrant entrepreneur access to existing support services***. Many existing resources are not adequately marketed or connected with immigrant entrepreneurs. The City will host an Immigrant Business Resource Fair this fall to increase awareness of existing programs.

- ***Develop culturally appropriate business training.*** Most currently available training is offered in English and engineered for native English speakers. In collaboration with community partners, we will invest $150,000 this fall to develop business training that is culturally appropriate and linguistically accessible.

Photo: Lydia Daniller

- ***Enhance access to credit.*** Accessing credit is particularly challenging for minority and immigrant entrepreneurs who may not have the collateral and credit history to secure loans. This fall, the City will invest $150,000 to serve as a credit enhancement to support loans of entrepreneurs who may not otherwise qualify for loans. Visit www.growseattle.com for more details on these financing tools and how to apply.

Preparing Our Workforce.

To be competitive and address economic inequities, we must do a better job preparing Seattle residents for an economy where nearly all future living-wage jobs will require complex skills and higher levels of educational attainment. Even with today's high unemployment rates, we know from talking with employers that a shortage of skilled workers is their greatest impediment to long-term economic recovery and competitiveness. Meanwhile, a recent study has shown that only 10% of students educated in the Seattle Public Schools system graduate from high school ready for successful postsecondary education or training.[1]

The urban leadership network CEOs for Cities has estimated that if Seattle were able to increase the college completion rates of its residents by just 1%, it would translate into a $2.5 billion dividend. Our goal is to dramatically increase the number of Seattle youth and adults who achieve degrees and credentials beyond high school, which lead to living-wage careers while meeting industry demand for skilled workers.

SEATTLE YOUTH & FAMILIES INITIATIVE

- **Youth and Families Initiative.** The Youth and Families Initiative (YFI) is a citywide initiative designed to identify the challenges Seattle's youth and families face, and to collectively mobilize government, schools, nonprofit groups, businesses and citizens towards measurable solutions.

  One of the primary goals of YFI is to ensure that 100% of Seattle Public School students graduate ready to successfully complete post-secondary education or training. We have created the Seattle Roadmap to Success , which sets clear milestones to lead students toward

Photo: Lydia Daniller

post-secondary and career success. Visit www.youthandfamilies.seattle.gov/ to see more details on the Youth and Families Initiative. We are also implementing the following next steps:

- ***Action Teams***: We have created an action team for each of the six YFI categories (Health, Race and Social Justice, Strong Neighborhoods, Youth Development, Safe Neighborhoods, and Education). These teams will:
  1. Address solutions for the 35 YFI priorities identified during a public process that included over 2,800 concerned residents.
  2. Identify opportunities for City departments to align their work with Seattle's Roadmap to Success.

- ***Accountability Framework***: We are committing City resources to help achieve key milestones on Seattle's Roadmap to Success. The City Budget Office is analyzing the $62 million currently spent on children's programs to ensure that the 2012 budget is aligned with the Roadmap. Additionally, all of our City department heads are aligning their work with Roadmap milestones in their performance agreements.

- ***Cities of Service Grant***: This grant funds a Chief Service Officer in the Mayor's Office, who will create and implement a citywide volunteer service plan that is aligned with the priorities of YFI and the Roadmap.

- ***Open Progress Reporting & Social Networking Website:*** The Mayor's Office is working with our Department of Information Technology to create a site that provides updates on our progress and facilitates continued coordination and social networking for YFI participants and volunteers.

• **Postsecondary Success:** Every person deserves an opportunity to get ahead. In today's economy, financial security is increasingly linked to an individual's knowledge and skill level. We are determined to make it easier for Seattle residents to obtain a degree, credential, or skill beyond high school that has genuine labor market value.

The Seattle Community College District is one of our principal engines for delivering one and two-year degrees or credentials, and transferring students to 4-year colleges. The vast majority of the district's students are "non-traditional;" including those who have delayed enrollment, are older, work full-time, are single parents, or those who have dropped out of high school. They are also frequently low-income and from low-skill backgrounds. 60% of the district's students lack basic English or math skills, greatly decreasing the odds that they will successfully complete their education. For all of these reasons, it is essential to bring together multiple partners to help students enroll and complete college and connect them with real internships and jobs.

As a first step, we will convene industry, education, philanthropic, and community leaders to forge a partnership that will double the number of low-income job-seekers who complete at least one year of postsecondary education or training that results in a living wage job with opportunities for career advancement. The City will commit up to $2 million of existing investments in the Seattle Jobs Initiative to align with commitments from partners in business, philanthropy, and education to achieve this goal. Among the challenges we must address are:

- Improving connections between education and training programs and actual industry demand for skilled workers.
- Integrating basic education and skills training so job-seekers gain credits toward a degree at the same time they make up for educational deficiencies in numeracy and literacy.
- Incorporating career and academic counseling to help job-seekers better

Photo: Lydia Daniller

understand the labor market and develop an educational plan that will lead to greater economic stability.

- Aligning the delivery of social and human services to support persistence and completion by eliminating life crises that knock individuals off their education plans; and
- Improving job placement services that help job-seekers find a job once they have completed their training.

B. Helping Entrepreneurs and Growing Businesses

Seattle is blessed with a strong entrepreneurial spirit. Whether a recent MBA graduate or a new immigrant, we are lucky every time someone decides to take the risk to start or grow a business. Many factors influence the climate in which these businesses operate: policy and regulatory framework, availability and quality of public services and infrastructure, workforce quality, and quality of life. The City will provide enhanced support to Seattle businesses by launching an online portal that streamlines access to important business information and services; distributing $50 million in new business financing; creating a business advocacy team that works across departments to cut through red tape; seeking out feedback and advice from business owners; making connections between business leaders; and improving businesses' access to credit.

Enhanced Business Services.

The City is committed to improving customer service to businesses. We are now launching two ways to improve business access to city resources:

- ***growseattle Business Web Portal.*** The City is launching an easily navigable, comprehensive, online resource to help new and existing Seattle businesses access all business services and programs offered by the City of Seattle. The portal will enable new and established businesses to find all their permitting and licensing requirements in one place, and to easily locate information on loans, business planning, technical assistance, and more.
- ***Citywide Business Advocacy Team.*** The City is forming a Business Advocacy Team of key staff from multiple City departments to help Seattle businesses navigate government. The advocacy team will help identify and correct systemic permitting and regulatory issues impacting Seattle businesses and develop solutions that cut across departments.
- ***Engage Seattle Businesses:*** The City is looking for new ideas on how to improve customer service and streamline government processes. Go to www.seattle.gov/economicdevelopment and give us your best ideas.

Business Financing.

In this economic downturn, all businesses are having a hard time accessing capital. 75% of domestic banks have implemented stricter lending standards for small businesses. As of late last year, only 28% of small businesses were using bank loans, the lowest rate since 1993. Recognizing that business growth is key to an economic recovery, the City has developed multiple tools to help businesses locate funding that otherwise would not be available. Over the next 12-18 months, the City will distribute $50 million in new business financing to stimulate economic activity, particularly targeting disadvantaged communities, and small businesses. The City estimates that 750 jobs will be created or retained through our financing programs. The City and its lending partners have developed several programs to increase access to credit for Seattle-based companies. Visit www.growseattle.com for details on these financing tools and how to apply.

- ***Small to medium sized businesses:*** The City has established an $8 million business loan fund, the Grow Seattle Fund, by leveraging City investment with support from the Seattle Foundation, the National Development Council, and private capital markets. Loans from the Grow Seattle Fund will finance business

development and expansion in Seattle's key industry sectors. This fund will immediately offer new financing between $50,000 and $2 million for established businesses to support their expansion and operations.

- ***Large businesses:*** The City has established the Seattle Investment Fund, LLC, to invest $19 million in tax exempt stimulus bonds and $40 million in New Markets Tax Credits (NMTC) that will finance large private business and real estate development projects in low-income communities. The City will prioritize projects that create or retain permanent jobs, increase the availability of goods, and serve as an anchor for future economic development in low-income communities. The City's first NMTC investment will support the retention of the small businesses that will be displaced during the renovation of the Pike Place Market. We will be working with economic development partners to develop a robust pipeline of potential projects to support our business and job growth goals.

Photo Courtesy of Cascade Designs

Active Business Retention and Expansion.

The most effective way to support entrepreneurs and economic growth is to nurture early-stage and existing businesses. The City has prioritized direct support to individual businesses by helping businesses access capital, expand into new markets, and navigate governmental policies and regulations. The City and its economic development partners – the Manufacturing Industrial Council, ECOSS, enterpriseSeattle, the Washington Biotechnology and Biomedical Association, and the Downtown Seattle Association – will reach out to home-grown businesses and support their growth. By helping companies remain, expand, or move to Seattle, the City estimates that at least 250 jobs will be created or retained each year. The City will:

- Connect with at least 700 businesses ever year, with an emphasis on reaching those in the industrial, maritime, clean technology, life sciences and information technology sectors, as well as in the central business district, to learn more about their experiences doing business in Seattle and what we can do to support their growth.
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Interim Uses in a Down Economy.

The City is exploring new and innovative re-use and interim uses of Seattle properties to encourage neighborhood vitality and provide incentives for business and job growth. These efforts include the following:

- **Interim Parking near light rail stations, and the activation of vacant and underused lots:** To support underutilized lots during the recession, the City has developed a proposal that would allow interim long-term parking adjacent to several of the new light rail stations in Southeast Seattle. Currently, surface parking is discouraged in those areas by land use regulations. The proposal includes the station area overlays in Rainier Valley as well as institutions within a quarter mile of the stations, including North Beacon Hill, and applies to existing short-term parking lots and accessory parking. The use would be allowed for up to three years.

Photo: Matt Miller

- **Street Food Initiative:** The Seattle Street Food Initiative includes a set of proposals that address current barriers to a vibrant street food scene. The proposals would allow a greater

variety of foods to be sold from sidewalk carts, designate signed zones where food trucks could vend from the parking zone to the sidewalk, and change the system by which permits are granted for sidewalk carts. The Mayor will transmit legislation to City Council to make these changes later this year. The Health Department intends to implement complementary changes in concert with City Council action on the proposed legislation.

- **Activation of vacant and underused lots:** For vacant and underused lots in commercial zones, a pilot program is being developed that would allow 20 sites to obtain temporary permits for uses as such as food carts, retail kiosks, and entertainment. It would also allow surface parking on sites with stalled projects with the requirement that a percentage of the perimeter be activated with similar street food and retail uses. The Mayor will transmit these proposals to City Council this fall.
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- **Regulatory Changes:** The City and the Department of Planning and Development (DPD) are exploring regulatory changes to help job, construction and business growth, including eliminating the parking requirement for low-income housing near transit hubs and light rail stations, only requiring retail at the ground level where it makes sense in commercial areas, and revisiting the definition of "home occupation" to provide more flexibility for home-grown businesses.
- **Urban Agriculture:** The City is actively seeking to support entrepreneurial farming on city property. Regulatory changes could include easing restrictions to allow gardeners to market food grown in backyards, rooftops and neighborhood gardens. One successful example is the Market Garden program at High Point and New Holly housing communities, where 15 market gardeners sell produce via neighborhood farm stands and a Community Supported Agriculture (CSA) model.

Economic Benchmarking.

Measuring Seattle's economic performance over time, and identifying opportunities and challenges along the way, is crucial to the successful implementation of the Seattle Jobs Plan. The City will benchmark select economic indicators and report regularly on progress in implementing the Jobs Plan. Through these indicators and action item progress reports, we invite you to take a closer look at Seattle's competitive position and path to economic prosperity. The City will track five crucial economic indicators to determine economic health, including:

- ***Business Income (per major business sector):*** Gross business revenue is one indicator the health of our economy. The Business and Occupation tax will provide us with a gauge on how well businesses are doing in each of our key business sectors.
- ***Job Growth (overall and per major business sector):*** Job growth, as well as losses, in major employment categories provides an important benchmark of the City's economic health. By understanding where jobs are being created, we can work to implement policies and strategies that encourage additional job growth.

Photo: Matt Miller

- ***New Business Growth:*** Measuring the number of new business start-ups is one way of quantifying the strength of Seattle's entrepreneurial drive. We will also examine Seattle's "business churn" rate, which is the sum of starts and closures as a percentage of all firms. A high business churn is a sign of a positive entrepreneurial environment and market dynamism, by actively shifting resources toward growing areas of the economy. This indicator is a reminder of the importance of an entrepreneurial environment, in which starting a

business is as easy as possible, and a supportive business climate helps new companies grow and create jobs

- ***Educational Attainment:*** Quality education and skills training are the most important long-term investments the City can make for both residents and businesses. A strong K-12 education system is fundamental to a strong economy, and an essential investment in Seattle's future workforce. At the postsecondary level, resources and skill-building must be aligned to meet increased industry demands. Lifelong learning opportunities, especially for low-income working adults, will be crucial in ensuring our workforce has the skills to adapt to changing industry needs.
- ***Income Gap:*** To develop business development policies and education and training programs that promote shared prosperity and economic opportunity for all, City officials and other community leaders need to understand the forces underlying Seattle's income gap.

C. Improving Regional and Global Competitiveness

Seattle's economic competitiveness is bolstered by a strong entrepreneurial ethic, a robust manufacturing and maritime base, and leading businesses in innovative and creative sectors. These rich concentrations of knowledge and experience in key economic sectors are a foundation from which to drive future growth in jobs and income. We need to take stock of our existing economic strengths and nurture them wherever possible to encourage further diversification.

The City will play an active role supporting and leading regional economic development efforts. As a first step, we will develop and execute key business sector "action agendas." We will convene a diverse set of industry, government and community leaders to identify actionable steps that will contribute to the growth of key industry clusters. These action agendas will assess local economic conditions, define a long-term vision, identify key actions, and report regularly on progress. Over the next year, we will convene and develop action agendas in the following five clusters:

Photo: Brownyn Edwards

Manufacturing and Maritime.

No other large city on the West Coast is blessed with an industrial base in its center city. Our manufacturing and maritime businesses support more than 90,000 jobs, generate $6 billion per year in taxable retail sales, and contribute over $37 million per year in B&O taxes. Industrial businesses have been resilient during the economic downturn, but need the City's support to meet the demands of increasing global competition for resources and talent. The City will actively engage industrial business owners and workers to explore new and innovative ways of supporting long-term global competitiveness and improved environmental stewardship. We will work to increase efficient movement of freight and goods to keep industrial businesses competitive, while identifying opportunities to increase the local manufacture of "green" transportation technologies. In the meantime, the City will aggressively pursue support for the manufacturing and maritime sector by:

- Targeting business retention and expansion efforts on maritime and manufacturing industries.
- Proceeding with an innovative partnership to create natural habitat on publicly owned lands in the Duwamish and provide businesses a cost effective way to satisfy their Natural Resource Damages liabilities.
- Working with the Port of Seattle to more fully utilize valuable industrial and maritime lands at Terminals 90 and 91 at Interbay.

Photo: Courtesy of Getty Images

Healthcare and Life Sciences.

Seattle has become one of the nation's leading health care and life science centers with a significant concentration of innovative health care providers, biotechnology firms, global health organizations, and life science research institutions. With one of the largest concentration of medical facilities in the Pacific Northwest, Seattle has over 74,600 medical workers who earn $3 billion in labor income. A remarkable one in five jobs in Seattle is tied to this sector. Seattle is also home to national leaders who attract significant amounts of federal funding for life sciences and health care research, including the University of Washington, The Bill and Melinda Gates Foundation, and various internationally acclaimed health organizations that have grown the global health sector into a new force for the region's economy. When healthcare is linked with the biotechnology and global health sectors and related research institutions, Seattle's broader healthcare and life science cluster totals over 90,000 workers with an annual payroll of $4 billion. Our partnership with the health care and life sciences industries will include:

Photo: Courtesy of PATH

- Targeting resources in our Community Power Works building retrofit initiative to invest in efficiency improvements in our major hospitals.
- Increasing the supply of qualified workers to meet the demand for skilled workers in acute care by building educational pathways that advance home health care workers into high demand occupations such as Medical Assistants and Certified Nurse Assistants.
- Targeting our business retention and expansion efforts on the life sciences and global health industries.
- Organizing a 2012 celebration of Seattle's leadership in global health as port of the 50th Anniversary of the World's Fair.
- Examining our regulatory and permitting environment to support cost effective project development for hospitals and other major institutions whose success is critical to a healthy community and vibrant economy.

Content Technology Initiative.

Seattle's music, game, film and software industries contribute over $7 billion in direct revenue annually to the State, and support over 45,000 high wage jobs. The Content Technology Initiative connects local content creators in film, music, and interactive media with local technology creators to position the greater Seattle area as the global leader in digital media creation and distribution.

Content Technology Initiative policies will support symbiotic industries that continually drive innovation. Living Cities, an innovative philanthropic collaborative of 21 of the world's largest foundations and financial institutions, will partner with the City in this work, and serve as the physical site for exploring and developing these ideas. The City has received seed funding for initial mapping research, and is already bringing together industry leaders and community partners – including the Washington Interactive Network, Washington Filmworks, and The Pacific Northwest Chapter of the Recording Academy – to create an agenda that will:

- Promote state and local legislation attractive to growing arts, entertainment and technology based organizations and startups.
- Make collaborative resources known and available.
- Connect companies, startups and individuals to educational opportunities that act as idea and project incubators.
- Connect industry veterans with new talent to encourage the exchange of experience and ideas.
- Align projects with appropriate investment.

Three other City efforts are being developed to complement the Content Technology Initiative, including:

- The implementation of the Seattle Nightlife Initiative to take advantage of the economic and social rewards of extended business hours, which would support nightlife businesses and jobs directly.
- The development of the Seattle Music Commission, which will work to guide efforts to support, promote, expand and encourage Seattle's vibrant culture of music.
- The dedication of Building 2 at Magnuson Park as a soundstage for film productions to exponentially increase the viability of our film industry.

Energy Efficiency Innovation.

The U.S. market for energy efficiency technologies and infrastructure will grow from $300 billion in 2004 to an estimated $700 billion in 2030. The energy efficiency sector, which includes green building, architecture, engineering, and smart grid, currently constitutes more than 40% of all clean technology jobs in our region. Given our innovative companies, clean energy provided by Seattle City Light, world-class research institutions, and rich history of accomplishment in leadership innovation and environmental responsibility, Seattle is well positioned to take the lead in the energy efficiency economy.

The Northwest has been tackling energy efficiency challenges for several decades. It is now imperative for Seattle to implement high-impact projects that will save money for Seattle homeowners and building owners. It is critical that the City actively encourage higher level commercial efficiency retrofits that demonstrate deep and continuing savings. This higher level of efficiency will require new technology, new approaches, and new business models.

This year, the City will partner with the Puget Sound Regional Council and the Governor's Clean Energy Leadership Council to identify specific policies and projects that will position our region as a leader in the export of innovative energy efficiency goods and services. The City will use the funds from a U.S. Economic Development Administration grant to support the development of a major new demonstration and commercialization center. This facility will provide an environment where cutting-edge local energy efficiency technologies can be tested at a scale that determines effectiveness in real commercial settings.

Restaurant/Retail/Hospitality.

Seattle's restaurant, retail and hospitality sector generate more than $2.3 billion in taxable sales citywide. This sector, more than any other, is where entrepreneurial ventures are started and grown. It is also the sector that is hit the hardest during times of economic decline. Since 2005, retail losses in downtown Seattle have reached over $316 million and over 1,000 jobs. During this critical time, we need to proactively assess issues important to this sector's business performance, and immediately implement initiatives to:

- Execute a business recruitment and retention program with Downtown Seattle Association that would reach out to the restaurant/retail/

Photo: Lydia Daniller

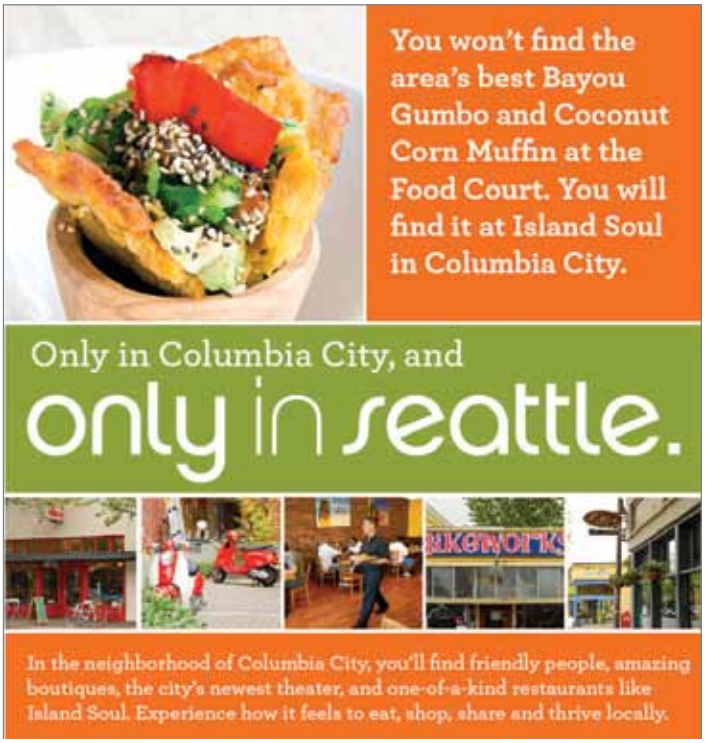
hospitality businesses of the Central Business District.

- Provide safe and inviting commercial business districts, with increased policing downtown, along with activation of vacant lots, storefronts, and public spaces.
- Launch ePark Program – On September 9, the City will launch a new electronic parking guidance system to guide downtown customers and visitors to short-term, off-street parking spaces. For more details, see www.seattle.gov/epark

Neighborhood Business Districts.

It is critical to preserve the authenticity and vibrancy of our neighborhoods: the places where small businesses thrive, communities engage, and jobs are created. By enacting policies that encourage density, walkability and a strong sense of place, we can support businesses of all sizes and improve the quality of life. We cannot have vibrant, safe, sustainable communities without successful small businesses, and businesses are most successful when they are located in neighborhoods with an active street life and healthy sense of community. In addition to deployment of the City's financing tools supporting small businesses, the City will:

- Invest nearly $1 million in targeted neighborhoods willing to implement a rigorous multi-year investment strategy to strengthen their commercial districts. This fall, the City will issue a Request for Proposals to select neighborhoods and provide funds for a period of up to three years to support the following
  - Marketing and promotion (events, social media, farmers markets);
  - Business attraction and retention (business mix to serve residential needs);
  - Clean and safe initiatives (graffiti, dumpster free alleys, lighting, off-duty cops);
  - Physical improvements (streetscape, catalytic development projects, façade, art); and
  - Building a strong business focused organizational capacity to sustain the effort, including active participation of an existing "Business Improvement Area" or commitment to form a new one.
- Remove regulatory barriers and improve public safety while encouraging mobile food vending.
- Activate vacant storefronts, parking lots and other vacant sites.
- Launch a city-wide "Only in Seattle" marketing campaign to highlight the amazing independent businesses and high quality goods and services that are available in our neighborhood commercial districts. The campaign will launch this fall and initially include Columbia City, Othello and Martin Luther King Way, Ballard, and West Seattle, with an opportunity expand and include other neighborhoods.
- Support successful execution of the new business alliance in Pioneer Square and its strategy to restore health to Seattle's first neighborhood.



- Assist South Park small businesses with retention strategies, including one-on-one business assistance financial assistance, and neighborhood marketing and promotional events.
- Implement public safety measures to address the perceived and real safety concerns of businesses, residents, and visitors, including the following initiatives:
  - ***The Seattle Nightlife Initiative:*** The Seattle Nightlife Initiative will explore the possibility of extended hours for bars and nightclubs. This will both support nightlife businesses directly and improve the ability of police to deal with problem behavior that occurs as bars close simultaneously. Perception of safety will be improved by the presence of more people on the street after 2 a.m., and will encourage businesses other than bars and clubs to extend their hours.
  - ***The Late Night Safety Initiative:*** The Late Night Safety Initiative puts 20-plus officers downtown on Friday and Saturday nights with the specific mission of maintaining a visible and uniformed presence to deter crime and promote safety. Neighborhoods outside of downtown can expect 4-6 more uniformed officers working in a similar capacity. Safe neighborhoods mean healthier business districts.
- The City is working with Public Health - Seattle & King County to increase the access of healthy food available in King County. The project is part of the Communities Putting Prevention to Work Initiative and will be countywide, with particular emphasis on providing better access in the focus communities of South King County, Seattle Central District, and Southeast and Southwest Seattle. $1.4 million will be used to provide incentives for food businesses, such as small convenience and corner stores, to increase the access and availability of healthy food. Participating businesses will receive a menu of incentives valued at up to $50,000 per business, which include:
  - Consulting services on topics such as merchandising, inventory management, marketing, store layout and design improvement, participation in EBT/WIC (food assistance for low-income families and individuals), nutritional consultation and distribution/supply chain development.
  - Marketing to increase awareness of the business' healthy offerings and participate in a larger campaign.
  - Financial incentives such as low-cost loans to make store improvements, purchase equipment, or provide working capital.

Photo Courtesy of Dimitriou's Jazz Alley

D. Next Generation Infrastructure

Living within our means includes making sure that taxpayers get their money's worth from public investments. If we are smart about these investments, we can create jobs while laying a foundation for our future. That includes planning for a citywide broadband network that will empower every corner of our city with the next phase of information age; building a transportation system that gives people quality alternatives to getting around; and protecting our natural assets, as well as our physical assets. Public capital investments create jobs directly in the construction trades and related industries and indirectly in supporting sectors. The City is investing heavily in new capital projects and in maintaining existing capital assets, with the 2010 Adopted Capital Improvement Program totaling over $700 million supporting over 2,500 direct jobs annually in the public and private sector, with at least as many indirect and induced jobs.

Broadband Network.

Seattle's economic prosperity, its ability to deploy effective public safety systems, and its determination to reduce gridlock and greenhouse gases are increasingly dependent on its communication systems. Currently, the communication systems serving Seattle businesses and residents are controlled by a few private companies, using older technology. With a lack of competition, there is little incentive to invest in more innovative technologies. Although some of Seattle's larger institutions have migrated to their own fiber networks, these types of networks are unavailable to residents and Seattle's small businesses. Multiple surveys indicate that 70% of Seattle households want to see more telecommunications competition.[2] A recent study listed global cities with the fastest broadband connections; not a single U.S. city was listed in the top 20. A network of municipal fiber optic cables would instantly put Seattle at the top of the list of U.S. cities capable of supporting next-generation, data-intensive businesses, making it a potential hub for a number of fast-growing industries.

Starting in 2004, when the City's taskforce recommended that the City develop a fiber broadband system, the City has been exploring ways to deliver a fiber broadband network to all residents and businesses. Due to new Federal Stimulus programs and a recent decision by the FCC to grant Seattle authority to use spectrum in the 700 MHz band for public safety, Seattle is now poised to move forward with detailed planning for both a municipal fiber network and a public safety network as outlined below:

- ***Municipal Fiber:*** The City has built and maintains a high speed, fiber optic broadband network connecting schools, government facilities, and community institutions. An interdepartmental team of staff in SCL, SPU and DoIT are currently developing a high level business plan that will guide this effort to expand broadband to businesses and homes. The business plan will be completed in early 2011. Once the plan is finalized, the City will explore funding options and next steps. Construction of the network would be a major public works project requiring large numbers of skilled workers, and the availability of a broadband network would also confer a competitive advantage to Seattle businesses, and provide an incentive for businesses considering Seattle in potential relocation or startups. Based on federal guidelines, we estimate approximately 2,450 jobs created over the life of the project.
- ***Seattle Net:*** The City of Seattle is one of 21 state and local governments who have obtained authority from the FCC to use spectrum in the 700 MHz band. This recent approval gives the City the authority to build a wireless broadband network for public safety using long term evolution (LTE) technology. In May 2010, the Broadband Technology Opportunities program (BTOP) was reopened for a limited time and the City of Seattle submitted an application for funding. If received, this federal grant will allow the city to expand its current network, creating a public safety network that will connect seven regional public safety agencies, as well as provide improved broadband connectivity to institutions such as hospitals and community colleges. At present, the City estimates that Seattle Net will create 1,070 jobs, which includes 304 direct jobs, 450 indirect jobs, and 316 induced jobs.

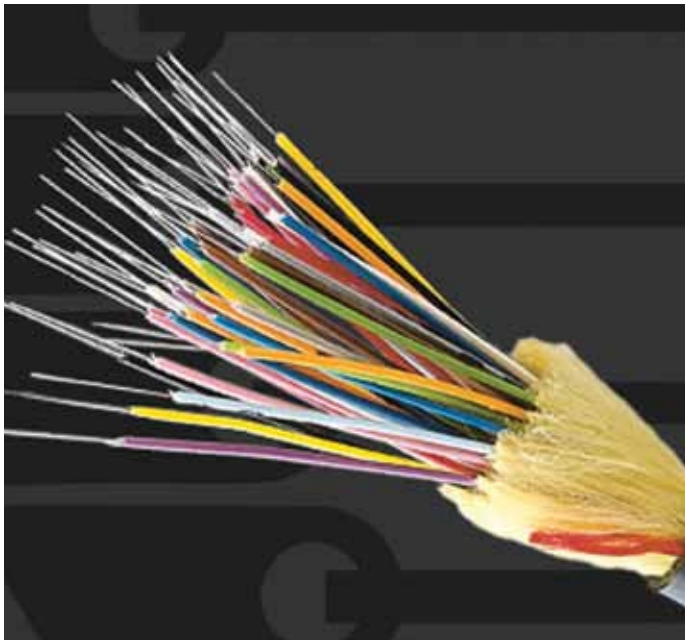


Photo: Seattle Department of Information Technology

Major Capacity Investments.

The State is currently planning replacements for the SR 520 bridge and SR 99 through downtown. We also know that I-5 through downtown must be resurfaced. Collectively these projects will exceed $10 billion. Meanwhile, the City has started a Transit Master Plan to identify opportunities for significant transit improvements, including light rail. At a time of diminishing resources, it is critical

[2] *Residential Survey Results for the City of Seattle, CCG Consulting (May 2, 2007)*

that we invest the money we do have on projects that will provide the best return and that help us build toward the future. That is why we will continue to fight for fiscally responsible solutions that will enhance alternatives to driving, reduce reliance on foreign oil, and reduce pollution. These choices also reduce costs to residents and improve community health. In the transportation arena, we will be required to make tough choices to live within our means and create lasting jobs. We are committed to making investments that build for future.

Replacing the Seawall.

The City is accelerating work on the $270 million project to replace the aging Alaskan Way Seawall, which supports a vibrant and active waterfront, as well as the utility and transportation conduits that flow into and through the waterfront area.

Transportation Investments.

The Seattle Department of Transportation's (SDOT) 2010 Adopted Capital Budget totaled nearly $200 million, which includes approximately $85 million of investments in major maintenance of SDOT's existing facilities. SDOT's assets include 4,000 miles of streets, 150 bridges, 560 retaining walls and other infrastructure that allows economic activity to flow within the city. Other significant investments include the Spokane Street Viaduct, Mercer corridor, and First Hill Streetcar.

Walk. Bike. Ride.

WALK. BIKE. RIDE.

The City evaluates transportation funding opportunities with the goal of expanding access and affordable choices within the City's transportation network. This leads to support of the City's Bicycle and Pedestrian master plans, investments in transit corridors, and support of transit planning. Transportation is the second largest household expense after housing, averaging 20% nationwide. Residents of mixed-use neighborhoods connected by transit can cut those costs by more than half. A strong transit network also connects more Seattleites to opportunities for jobs and education.

Seattle City Light.

Seattle City Light invests approximately $250 million annually in its capital program, including $76 million of investments in its distribution network. In addition, Seattle City Light's conservation program initiatives includes community-based outreach through the *Powerful Neighborhoods* program in low income, non-English speaking, and hard-to-reach communities to increase residential energy efficiency with the installation of compact fluorescent light bulbs, rebate programs for energy efficient appliances, and efforts to weatherize homes. The conservation program also targets small and medium-sized businesses through a variety of incentive programs designed for commercial energy efficiency. In order to meet the demand for improved lighting, local electrical and lighting contractors have increased hiring in response to the demand created through SCL's program incentives. We estimate SCL's conservation initiatives will impact as many as 1,000 new jobs in the local economy.

In addition, the utility of the future will require the skills of the field crews that maintain the miles and miles of City Light's electric transmission and delivery system. As many as 50% of the highly trained crews are entering retirement eligibility in the next five years. City Light is preparing to meet the need to replace these trades people through a robust three-year apprenticeship program. Recruitment already has started in 2010, with additional apprentice classes to be added in 2011, just to keep up with expected vacancies.

Mass Deployment of Electric Vehicle Charging Stations.

In late July, ECOtality and the EV Project unveiled their flagship electric vehicle (EV) charging stations. The first truly smart chargers to hit the market, the Blink Level 2 charging stations will be available for residential and commercial applications. ECOtality will deploy 1,200 publicly available charging stations by midsummer 2011 in the Central Puget Sound and Olympia areas; these stations will serve as the centerpiece of a rapidly expanding EV charging infrastructure system that will pave the way to long-term success in the adoption of electric vehicles in the Seattle area and throughout the United States. The City will work closely with ECOtality to identify station locations, assist with permitting, and ensure seemless integration with Seattle City Light's infrastructure.

ECOtality will deploy nearly 15,000 charging stations in 16 cities across six U.S. states, as well as the District of Columbia. The $230 million public-private initiative is funded in part with a $114.8 million grant from the U.S. Department of Energy, funded by the American Recovery and

Reinvestment Act. The EV Project is in conjunction with the launch of the LEAF zero-emissions electric car by Nissan. The City is working aggressively with Nissan to open its first Pacific Northwest retail location in downtown Seattle this fall.

Photo: Seattle Public Utilities

Seattle Public Utilities.

Seattle Public Utilities plans to invest nearly $400 million over the next two years in capital projects, including over $60 million to rebuild two transfer stations at the end of their useful lives, and over $25 million to promote clean and reliable drinking water for Seattle residents and businesses. These investments create jobs and support business activities and quality of life in the region with reliable and quality utility infrastructure.

Photo: Seattle Fire Department

Fire Stations.

The City continues its replacement of fire stations and plans to invest over $40 million over the next two years to ensure these facilities can withstand significant seismic events, creating local construction jobs and investing in the City's ability to protect life and property in emergencies. This helps keep employees and residents safe. Businesses also benefit from saving on insurance premiums, reducing the cost of locating in Seattle.

Major Projects Capital Team.

The City will establish a "Major Projects Team" to serve as the point of contact for expediting major capital projects between multiple City departments. This team would improve coordination between multiple City departments for plan review and processing permits that will ultimately result in reduced permitting time and project costs..

Equitable Access to Opportunity.

The City has implemented significant new expectations for ensuring equitable and successful distribution of contracts to woman and minority-owned (WMBE) firms. This is a critical cornerstone in creating economic growth and opportunity for all. On April 26, 2010, the Mayor issued a new Executive Order that holds departments accountable directly to the Mayor for new progress and meaningful utilization of woman and minority firms within City contracts. The Executive Order requires the City to change our processes, to ensure departments seek out and select companies that commit to meaningful inclusion, whenever it is feasible, in contracts we award. New City contracts will make these commitments enforceable. For additional information, please see Executive Order 2010-05, available online at: www.seattle.gov/mayor/executiveorders/execorder201005.pdf

Conclusion

Seattle has weathered several economic downturns in the last 150 years, including the decline of the timber industry, the loss of aerospace contracts during the Oil Crisis, and the most recent downturn, fueled by the collapse of private capital markets. History has proven Seattle to be resilient and adaptable to new economic opportunities. We again are being challenged to change our focus from managing growth to spurring Seattle's innate creativity and innovation that will build a stronger economic future.

The Seattle Jobs Plan will focus City investments and policies that are focused on creating new jobs and preparing our residents to take advantage of them. It is the beginning of our collective work and we invite you to be part of this effort. Finally, we will be benchmarking and reporting on our progress quarterly so that we can see how we are doing and identify new opportunities.

As we have done in the past, Seattle can rise to the challenge of creating a new economy that is stronger and more diversified. We can also create a different story of boom and busts... and choose the path of sustainable, shared prosperity.

Photo: Bronwyn Edwards

Seattle Jobs Plan
By the Numbers

Percentage of Seattleites unemployed at the start of this year: 10%
Number of total regional job losses from 2008 to 2009: 125,000

Jobs supported by Seattle's manufacturing and maritime businesses: 90,000
Workers in the Seattle's healthcare and life science cluster: 90,000
Jobs supported by Seattle's music, game, film and software industries: 45,000
Taxable sales generated by Seattle's restaurant/food/beverage/retail/hospitality industry: $2.3 billion

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Seattle Public School graduates who are **prepared for postsecondary education**[1]: 10%
Postsecondary students enrolled in community colleges: 33%
Seattle Community College District students lacking basic English or math skills: 60%
City's investment to leverage private, philanthropic and nonprofit workforce resources: $2 million
Our goal for the percentage increase of low-income job seekers completing at least one year of postsecondary education: 200%
Our goal for the percentage of Seattle high school graduates ready to succeed in postsecondary education: 100%

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Amount leveraged by the **Community Power Works** Initiative from the **$26 million** federal retrofit grant: $140 million
Green jobs our energy efficiency funding will create: 2,000
Amount $300 billion energy efficiency sector is expected to grow by 2030: $700 billion
Grant awarded to Seattle Public Schools for energy efficiency retrofit projects: $3.8 million
New Electric Vehicle Charging Stations to be deployed in the Central Puget Sound and Olympia Areas: 1,200

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New business financing the City will distribute over the next 18 months: $50 million
Individual financing loans available for new entrepreneur start-ups, expansion and operations: $20,000 to $100,000
Individual financing loans available to established businesses for expansion and operations: $50,000 to $2 million
Tax exempt stimulus bonds available for large commercial projects in low-income communities: $19 million
New Market Tax Credits available for commercial and real estate projects in low-income communities: $40 million
New jobs that will be created or retained through our financing programs: 750

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Businesses the City will contact to learn about how to support their growth: 700
Businesses the City will help with obtaining incentives, financing, site location and/or strategic business advice: 250
Business services provided to each participating convenience/corner stores for increasing access to healthy foods: $50,000

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City investment targeted to **strengthen neighborhood commercial districts:** $1 million per year
Businesses featured in a new citywide **"Only in Seattle"** marketing campaign: 20

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Seattle households wanting more **telecommunications options**[2]: 70%
Jobs created from implementation of the City's municipal fiber business plan: 2,450
Jobs created from Seattle Net, a wireless public safety broadband network: 1,070
Jobs created by Seattle City Light's conservation initiatives: 1,000
City's investment in **capital projects**: $700 million
Direct jobs supported by City's capital improvement projects: 2,500

1. The Seattle Public Schools: Identifying Early Warning Indicators and Tipping Points to Prevent Dropouts, Northwest Decision Resources (October 27, 2009)
2. Residential Survey Results for the City of Seattle, CCG Consulting (May 2, 2002)

Conversations with the Mayor

Creating a sustainable future with shared prosperity requires that we work together as a community to overcome the difficult challenges we face. These challenges affect all aspects of our public and private lives – how we educate our kids, move ourselves and our products from place to place, protect our environment, and pay for maintaining our basic government services like parks, libraries, streets and bridges, water and electric systems, and public safety.

A critical first step toward overcoming these challenges is to talk about them honestly and face-to-face across different perspectives. With this in mind, the Mayor will collaborate with the Greater Seattle Chamber of Commerce to bring together leaders of diverse interests in a series of civic conversations focused on specific challenges that will determine whether we enjoy a sustainable and equitable economic recovery. The first of these discussions will occur the week of October 4th and will gather business, government, philanthropic and community leaders to identify tangible first steps on how we can build a world class education system that provides economic opportunity for all who grow up in our community.

Office of the Mayor
Mike McGinn

City of Seattle
Office of Economic Development

www.seattle.gov/jobsplan
www.seattle.gov/mayor
www.seattle.gov/economicdevelopment
www.growseattle.com