



City of Seattle
Office of Economic Development

Memo

Date: April 16, 2013
To: Councilmember Sally Clark
Councilmember Tom Rasmussen
Councilmember Richard Conlin
Councilmember Jean Godden
CC: David Yeaworth, Legislative Assistant to Councilmember Sally Clark
From: Steve Johnson, Director, Office of Economic Development
Re: Office of Economic Development Director's Report

The Economy by the Numbers: Kauffman Foundation-Thumtack.com Business Friendliness Survey

The Kauffman Foundation funded a survey of more than 7,000 small businesses nationwide in partnership with Thumtack.com, an online service that connects consumers with local businesses for services such as home improvement, events, health and beauty, lessons, and business and legal services. The survey is unique in that it is the only national ranking based on direct responses from small businesses. The survey responses were collated and analyzed to rank states and major metropolitan areas for overall business friendliness. The overall ranking was based on responses to a survey that assessed responses to the following criteria:

- Ease of starting a business;
- Ease of hiring;
- Regulatory environment (health and safety, taxes, licensing, zoning, employment, environmental, zoning)
- Training and networking programs.

Both Seattle and Washington State improved their overall business friendliness ranking from a C minus to a B minus from 2011 to 2012.

- Seattle and Washington both scored highest on ease of starting a business with a rating of A minus.
- Seattle scored a C minus, its lowest grade, on zoning and health and safety regulations.
- Washington State scored its lowest grade, a D, in employment, labor and hiring regulations.
- Tacoma was the only other city with enough responses to merit a statistically significant rating. They received an overall score of C minus.

Utah, Alabama, New Hampshire, Idaho and Texas rated as the top-five friendliest states for small business while Hawaii, Maine and Rhode Island received the lowest score. The top performing cities were Austin, Virginia Beach and Houston. Other key qualitative findings included:

- Professional licensing requirements were 30 percent more important than taxes in determining a state's overall business-friendliness, confirming the findings from last year's study. Furthermore, this year's research revealed that 40 percent of U.S. small businesses are subject to licensing regulations by multiple jurisdictions or levels of government.
- Small businesses were relatively unconcerned with tax rates — more than half of small business owners felt they pay about the right share of taxes.
- African-American and Hispanic small business owners were significantly more likely than their white counterparts to encourage others to start a new business.
- The ease of obtaining health insurance was an important factor for many businesses. One-third of small business owners rated obtaining and keeping health.

Investing in Businesses: OED 2013 Results by the Numbers (as of 4/10)

Loans	<ul style="list-style-type: none"> • Announcement of new allocations for New Markets Tax Credits in late spring. • \$1 million 108 loan for 12th Avenue Arts closed in January. Year-to-date, OED and its partners have lent \$4.6M to 4 businesses creating and retaining 98 jobs.
Company visits	<ul style="list-style-type: none"> • 108 companies have been visited by OED staff and our partners • Targeting 500 business visits in 2013.
Permits Issued	<ul style="list-style-type: none"> • 81 film permits and 55 special events permits for a total of 136 permits issued. • Targeting the issuance of 700 permits in 2013.
Businesses assisted	<ul style="list-style-type: none"> • 56 businesses were connected with resources or were helped with a permitting or policy issue. • Targeting 250 businesses to be connected with resources in 2013.

Filson – OED and DPD teamed up to resolve a sign issue for Filson, who recently purchased a building in SODO where they will be expanding their manufacturing and retail operations. The sign issue had to do with the re-creation of the iconic *Filson Since 1897* sign on the roof of their new building. The sign company working for Filson misread the land use code, mistakenly thinking the sign wasn't allowed at the desired size. After a short conversation with Diane Sugimura, who knew from memory (she's a code wizard) that the sign was likely allowed outright, Roque Deherrera reviewed the code, verified with DPD staff that the sign was allowed outright, and delivered some good news to the sign company and Filson's CEO, Alan Kirk.

Maritime Economic Impact Analysis – OED staff attended a meeting of regional economic and workforce development organizations looking at conducting an economic analysis of the Maritime Industry. The meeting was organized by the Workforce Development Council and attended by the Port of Seattle, the Puget Sound Regional Council, King County, and the Seattle Community College District. The consensus was that the combined efforts of all the organizations could pull off an analysis that measured the economic impact of the maritime industry and looked at future demand for employment. This type of analysis has been a major request of the maritime industry over the last year.

Plate of Nations in SE Seattle – Only in Seattle-funded "Plate of Nations" held their 3rd annual event from March 24th – April 6th along Martin Luther King Jr. Way South to explore the amazing global cuisine found in SE Seattle. Check out the great story on [KOMO NEWS](#). Participants were able to explore delicious dishes that varied from simmering Somali goat stew to Lao

papaya salad with Blue Crab. This year a "passport" invited diners to earn stamps for sampling all 10 restaurants and enter to win prizes. Plate of Nations is an opportunity for people to connect with their neighbors, support local businesses, and celebrate what makes this area unique.

Investing in Seattle's Economic Strengths

Ballard Partnership for Smart Growth Initiative Kicks Off – The Ballard Partnership for Smart Growth (BPSG) kicked off their commercial revitalization process on March 19th at the Ballard Public Library. The BPSG is an effort funded through the *Only in Seattle* (OIS) Initiative and is a collaborative effort that brings together a diverse set of stakeholders to discuss the important issues that are affecting Ballard's business corridors. OED staff will partner with SDOT, DPD, SPD, DON, and Sound Transit on this effort. The BPSG will produce a strategic document by the end of the year organized around the following buckets: 1) Business Development and Retention; 2) Urban Design and Transportation; 3) Clean/Safe/Healthy; 4) Marketing and Promotions.

Only in Seattle Partners with SIFF and State Film Office for 2013 "Fly Films" – OED's Theresa Barreras worked with Washington Filmworks and the Seattle International Film Festival to coordinate this year's "Fly Films" program, which will be focused on and filmed entirely in Seattle neighborhoods. Chamber liaisons from four neighborhoods are working with each of the four Fly Film teams, which are comprised of all-local casts and crews. Filming begins March 26th and ends April 19th, the Fly Films will premier during SIFF in early June.

Film and Special Events Report – 26 film permit applications have been submitted and/or processed so far between March 16th and April 12th hiring over 290 local cast and crew. Highlights include: Local photography team Armstrong Pitts Studios shot a still photography campaign for Darigold; Feature film *You Can't Win* returned to Seattle for scenic shots of the skyline and b-roll; and local rock star Duff McKagen began work on a documentary for his book "It's So Easy." In addition, local production house Kontent Partners shot still photography campaigns for Brooks Running Shoes and Seattle cookware company Sur La Table; Two SIFF Fly Films filmed in Georgetown and Fremont; and international advertising agency Oglivy & Mather hired local production team Hand Crank Films to film a commercial in Pike Place Market. Please review the [Seattle Film Production List](#) for the complete list of permitted Seattle productions. Special Events upcoming in April include Earth Day Run (4/20), Bullitt Center Grand Opening (4/22), and more. For a complete list of upcoming Special Events, visit the [City of Seattle's Special Events Calendar](#).

2013 Seattle Hempfest – Special Events and OED staff met with Hempfest organizers the first week of April following months of organizer meetings and presentations to business, civic, and neighborhood associations, and several planning Special Event Subcommittee meetings. Hempfest organizers were presented the current status of the permit conditions list, which includes outreach, clean up, traffic, and safety plans. OED will work with departments to issue the Special Event Permit by June 1.

High Impact Special Events Follow Up – OED and Special Events met with PIOs from core departments SDOT, SPD, DON, Parks, MO, and Seattle Center to create the media outreach plan for anticipated high impact event dates. PIOs are coordinating on pro-active, positive messaging about the upcoming summer events, which will be provided to the *Seattle Times* for their May 12th Special Events guide.

Sea-Tac Airport Continues Expanding Experience The City of Music Initiative – OFM has been working closely with Sea-Tac’s Music Initiative Steering Committee to roll out a series of strategic press releases and launch events aimed at raising awareness of the initiative programs. In addition to the original initiative programs (music in terminals, overhead announcements, mobile app and video messaging), the airport recently announced an updated web-player and has also launched a live music program – musicians will play at four locations throughout the airport – a 12 week pilot program. OFM facilitated an interview with legendary Seattle rapper Sir Mix-A-Lot, which aired on [KOMO](#) news and prominently highlighted the Music Initiative.

Music Commission Works w/ SDOT and Seattle Musicians Assn to Address Needs of Working Musicians – OFM facilitated conversations with SDOT and the Musicians’ Association of Seattle regarding the needs of working club musicians to load and unload their gear when playing gigs at Seattle Area live music venues. Working with Mike Estey, a solution has been proposed that could provide special Musician Load/Unload Zones near approximately 20-25 live music venues around the city. These Musician Load zones would be branded with the *City of Music* logo, and OFM will work with PIO’s for SDOT, the Musician’s Union, City Council and the Mayor’s Office to draft a press release when the program is launched, potentially in May or June of this year.

Investing in Workers

Career Bridge – The 3rd cohort of *Career Bridge* was launched in late March. Of the 28 people that have already participated in the program, 10 are currently working, 15 are actively in job search, one is enrolled in paid training, and two are continuing their education (note that some of these numbers are duplicated, with some individuals working part-time and actively seeking full-time work). One of the participants is now employed as a temporary employee at the City’s Human Services Department.

Tour of Cleveland High School’s STEM Program – On Friday, March 22nd, Steve Johnson and Matt Houghton joined Councilmember Bagshaw for a tour of the Cleveland High School’s Science, Technology, Engineering, and Math (STEM) program. The Workforce Development Council, the Manufacturing Industrial Council, and Holly Miller with OFE also attended.

Pathways to Careers Success Story - C.F. came to the YWCA SJI program in April 2012 with a multitude of barriers including childcare needs, transportation issues, and trouble paying utilities and rent. Additionally, she had a long history of being let-go from jobs and difficulty being punctual. While C.F. successfully completed SJI’s pre-orientation, she struggled with completing her academic assignments and showing up to class on time. As a result, the YWCA navigator worked closely with her to develop a performance improvement plan, which resulted in C.F. successfully completing both her training (with a 4.0 average) and internship at Animal Critical Care Emergency Services (ACCESS) with rave reviews. C.F. worked closely with her navigator during job search and, during this time, participated in several volunteer type positions at Group Health. In March 2013, C.F. was offered a full-time, training related position as a Radiology Scheduler at Harborview Medical Center earning approximately \$18+ an hour. She is hoping to continue her education by enrolling in the new SSCC coding certification program later in the year.

LOOKING FORWARD – THREE MONTH LOOK AHEAD

<i>Film, Music, Interactive Media Happy Hour:</i> SIFF	April 24
<i>City Business Casual</i> – Tourism, Hospitality, Restaurants	May 9
<i>Film, Music, Interactive Media Happy Hour:</i> Making a Living in Film	May 29

<i>City Business Casual – Life Sciences, Global Health</i>	June 13
Film, Music, Interactive Media Happy Hour: Making a Living in Music	June 26