



Redmond
WASHINGTON

City of Redmond Economic Development Strategic Plan

Adopted July 16, 2024



ACKNOWLEDGMENTS

This Economic Development Strategic Plan has been developed in close collaboration with the City of Redmond staff and under the guidance of Mayor Angela Birney and the City Council. In addition, we'd like to thank numerous local and regional partners and stakeholders for their participation in interviews, questionnaires, and focus groups that guided the findings and development of this plan.

Redmond Mayor

Angela Birney, Mayor

Redmond City Council

Vanessa Kritzer, City Council President

Jessica Forsythe, City Council Vice President

Jeralee Anderson

Steve Fields

Angie Nuevacamina

Osman Salahuddin

Melissa Stuart

City of Redmond Staff

Carol Helland, Planning and Community Development Director

Seraphie Allen, Planning and Community Development Deputy Director

Philly Marsh, Economic Development Manager

Kim Dietz, Principal Planner, Economic Development

Jackie Lalor, Program Administrator, Tourism and Economic Development

Brooke Buckingham, Human Services Manager

Jeff Churchill, Long Range Planning Manager

Vangie Garcia, Public Works Deputy Director

Jan Harrison, Program Advisor, Diversity, Equity, and Inclusion

Michael Hintze, Transportation, Planning, and Engineering Manager

Zach Houvener, Parks and Recreation Deputy Director

Jenny Lybeck, Program Manager, Sustainability

Economic Development Partners

OneRedmond

Public Consultants

Community Attributes, Inc.; President and CEO, Chris Mefford; Project Manager, Madalina Calen; and analysts Bryan Lobel, Kortney Cena, Carly Bednarski, Rebecca Ballweg, and Cassie Byerly

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EXECUTIVE SUMMARY

In 2023, Redmond is one of the region's most dynamic and fastest growing cities, home to over 75,000 residents. As a major employment center, ranking fourth in the central Puget Sound region, Redmond is a global innovation hub for information technology, interactive media and gaming, and commercial space. Growth and change are expected to continue in Redmond as the City plans for Redmond 2050 and welcomes four light rail stations. To help address the challenges and opportunities of the future, an Economic Development Strategic Plan (EDSP) was prepared for the City of Redmond that will guide the City's economic development programs, policies, and allocation of resources for the next five years. The Plan was a collaborative effort led by the City of Redmond Economic Development Division staff, influenced by business community and economic development partners feedback obtained through interviews, focus groups, and a questionnaire, and is reflective of contributions from a team of cross departmental city staff, Mayor Angela Birney, and Redmond's City Council. The plan is aligned with other important efforts, such as the Redmond 2050 Economic Vitality Element.

This strategic plan is the first of its kind for Redmond and will provide a solid foundation on which the City of Redmond can continue to build past the five-year timeline with future updates. The plan recommends priority strategies and actions to realize within the next five years, as well as aspirational actions for future consideration beyond its lifespan.



Economic Development Vision

The vision reflects the values and priorities for economic development for the City of Redmond and provides a signpost to guide focus areas and strategies.

“Redmond is a diverse, resilient, and growing economy, based on a foundation of innovation, inclusion, collaboration, and sustainability. The City has a welcoming and positive business climate with a highly educated, skilled, and international workforce. Redmond is a desirable destination with an exceptional quality of life, and vibrant amenities including recreation, culture, retail, and dining.”

Focus Areas and Economic Development Strategies

The Plan sets forth six focus areas in support of the economic development vision that were identified in collaboration with the City of Redmond and validated through research, analysis, and stakeholder engagement:

1. **Business Retention and Expansion:** Continue to build relationships and engage with existing and emerging businesses in Redmond to accurately assess their needs, address displacement risk and other challenges, and to support expansion of business operations in Redmond.
2. **Equitable Small Business and Entrepreneurship Support:** Provide small businesses in Redmond with the right tools to start, stay, grow, adapt, and flourish by working in partnership with technical assistance partners and trusted messengers to preserve and increase the number of local establishments.
3. **Cluster Diversification and Expansion:** Expand established and growing clusters to strengthen competitive advantages and attract businesses that diversify Redmond's economy and enhance economic resilience and increase tax revenue.
4. **Business Attraction and Recruitment:** Promote the attractiveness of doing business in Redmond and improve the business climate and opportunity for continued investment.
5. **Workforce Development:** Work with partners to attract, retain, and develop a broad base of creative and diverse talent in Redmond and increase access for Redmond residents to greater economic mobility.
6. **District Development and Placemaking:** Create and evolve district identities and branding to leverage district marketing power in support of inclusive and equitable growth and economic impact.



To achieve these outcomes, the City and its partners will need to pursue a set of recommended foundational and economic development strategies. Foundational strategies underpin Redmond's long-term success in achieving sustainable, equitable economic development and are the responsibility of multiple city departments. Eight foundational strategies were identified for regional collaboration and partnership, communication and storytelling, equitable economic mobility, land use, transportation, housing, livability, and sustainability.

This plan also proposes to move the City of Redmond toward achievement of its economic development focus areas by addressing each through a set of coordinated and phased economic development strategies. Each economic development strategy consists of interrelated and mutually supportive actions. The economic development strategies which are summarized below are primarily led by the City's Economic Development Division in collaboration with other city departments and external partners.

Business Retention and Expansion

1A. Cultivate relationships with Redmond's business community through robust, ongoing communication and invitations for Redmond's businesses to be engaged in city efforts.

1B. Collaborate with Long Range Planning and Development Services to consider how the City can incentivize the creation of needed flexible spaces for retail, manufacturing, creative uses, and recreation uses.

1C. Work to proactively understand and predict the threats and opportunities for existing businesses in Redmond, including displacement.

1D. Work with public and private partners to foster small business space solutions.

Equitable Small Business and Entrepreneurship Support

2A. Monitor the existing and emerging needs of small businesses in Redmond.

2B. Collaborate with partners to develop programs that provide culturally trusted small business support across industries in Redmond.

2C. Foster entrepreneurship across industries and work with partners to ensure support for a diverse community of entrepreneurs.

2D. Increase outreach to and understanding of Redmond home-based businesses to help them grow and connect to market opportunities.

2E. Encourage development of co-working, maker spaces, commercial kitchens, and other small business and entrepreneurial space needs in Redmond.

2F. Encourage an equity in contracting program to increase contracting, procurement, and consulting opportunities for small and minority owned businesses.

Cluster Diversification and Expansion

3A. Invest in tools to collect and maintain data for tracking economic impact, monitoring business cluster trends, and identifying opportunities to expand industries.

3B. Continue to support Redmond's highest-employing and highest-growth cluster of Information, Communication and Technology and Interactive Media companies while pursuing growth in other technology related sectors.

3C. Boost Redmond's booming Commercial Space and Aerospace cluster by leveraging regional and local competitive advantages, concentration, and multi-jurisdictional supports.

3D. Monitor and support expansion in high-growth, emerging clusters in the Life Sciences and Clean Technology (Clean Tech) industries.

3E. Retain and grow independent retail activities that strengthen and differentiate Redmond's sense of place and experiential offerings.

3F. Support initiatives to highlight and grow the Creative Economy.

3G. Leverage and support tourism assets and initiatives in alignment with the Tourism Strategic Plan for continued cluster awareness and growth.

Business Attraction and Recruitment

4A. Work with regional and state partners to proactively promote Redmond as an attractive place to do business.

4B. Support internal efforts to reduce the cost and time of doing business for Redmond's business and development communities.

4C. Target recruitment of businesses that strengthen the City's commercial, cultural, and district identities.

4D. Encourage infrastructure investments, zoning, and development that is conducive for business attraction targets.

Workforce Development

5A. Collaborate with regional partners and service providers to improve awareness and access to education, training, and jobs for Redmond residents, including youth, tribe members, immigrants, and those returning to the workforce.

5B. Facilitate connections between employers and education and workforce development institutions to increase employer access to a qualified workforce.

5C. Identify and support opportunities to increase affordable dependent care and other supportive services to facilitate workforce attraction and retention.

5D. Build connections with public and private educational institutions within the region and monitor opportunities to attract programs or campuses to Redmond.

5E. Collaborate with regional and subregional workforce development partners to track workforce development trends.

District Development and Placemaking

6A. Foster the creation of district organizations that can convene, brand, program, and promote Redmond's unique business districts.

6B. Develop and disseminate a unique, strongly branded identity for Redmond's business districts and pair with programming to grow visitation and business attraction.

6C. Leverage light rail and continue to prioritize planning and resources for key investments in growth centers to reinforce unique identities as vibrant cultural and commercial centers.

6D. Preserve and promote the arts, entertainment, events, cultural assets, and sciences in Redmond to attract new firms, industries, residents, and visitors.

6E. Evaluate opportunities to create and enhance industry cluster districts, such as an EcoDistrict.

Dear Redmond community and businesses,

We are proud to present and support the first Economic Development Strategic Plan for the City of Redmond. As Mayor and Director of Planning and Community Development, we recognize this plan's critical importance in shaping our city's economic future and fostering sustainable growth and prosperity for all residents, businesses, employees, and visitors.

This plan represents a comprehensive and forward-thinking roadmap for guiding economic development initiatives in Redmond. The collaborative spirit and optimism exhibited by our business community, community partners, staff, and city leaders significantly shaped this plan, ensuring that it is grounded in the needs and aspirations of our community. We thank everyone who contributed through their participation, perspectives, and subject matter expertise.

One of the key strengths of the plan lies in elevating Redmond as a welcoming and successful place to do business, while also ensuring that our approach to economic development is equitable, sustainable, and enriching for businesses and our community. By prioritizing district development and placemaking, expanding access to equitable small business and entrepreneurship support, advocating for innovation, and investing in workforce development, the plan seeks to create a holistic economic development program that can change with market dynamics. The direction of the plan allows Redmond to further thrive as an attractive place to do business and a desirable destination for residents, employment, and leisure.

Moreover, the plan recognizes the interconnectedness of economic development with other key city priorities, illustrated through a set of foundational strategies. The plan includes a spectrum of approaches that support a high quality of life and wide array of opportunities for businesses and residents alike.

As Mayor and Director of Planning and Community Development, we are committed to working closely with stakeholders and the community to ensure the successful implementation of the Economic Development Strategic Plan. By harnessing the collective expertise, resources, and energy of our community, we can realize the vision of a vibrant, inclusive, and innovative economy for Redmond. Together, we will continue to cultivate a thriving and interconnected economy, providing opportunities and impact for all.

Sincerely,



Angela Birney
Angela Birney
Mayor of Redmond



Carol Helland
Carol Helland
Planning Director of Redmond

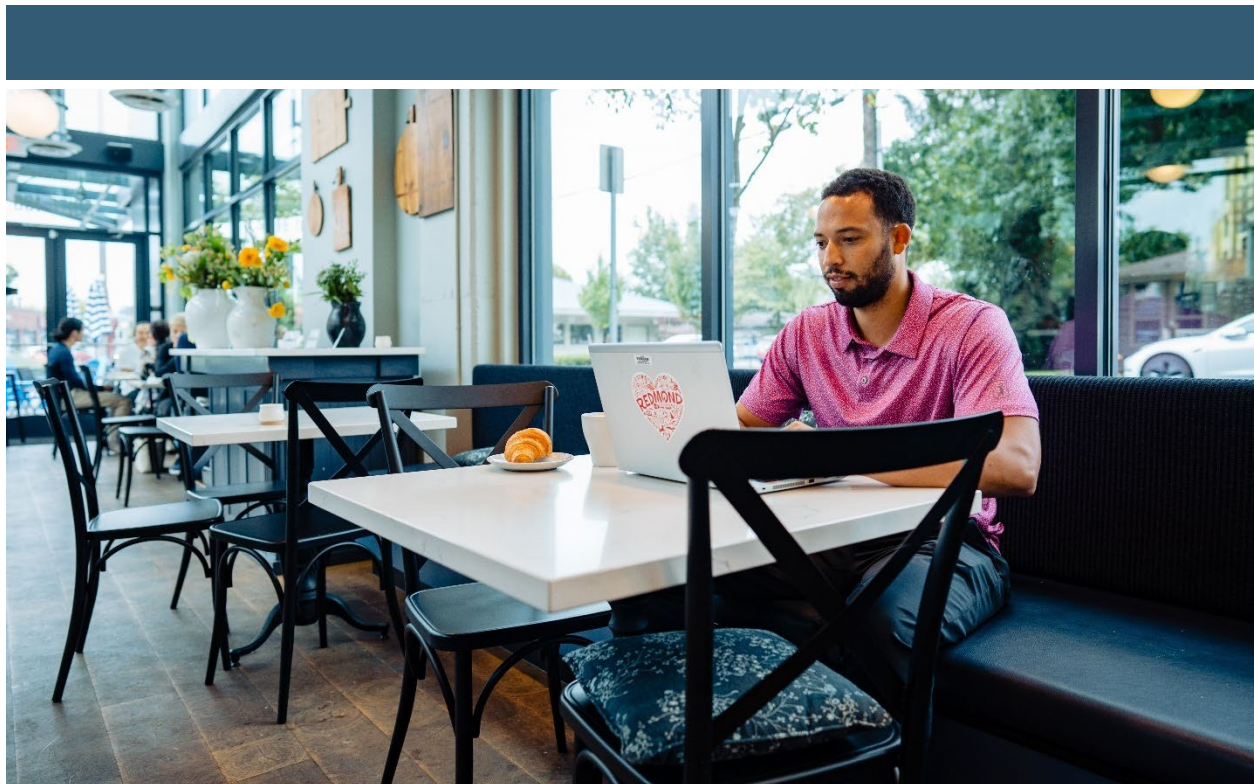
INTRODUCTION

Background and Purpose

The City of Redmond partnered with Community Attributes to develop its first Economic Development Strategic Plan (EDSP) to guide the City's economic development programs, policies, and allocation of resources for the next five years. The strategic plan is data-driven and reflects the current realities of Redmond, has been informed by extensive stakeholder engagement, and complements other Redmond and regional planning and economic development efforts.

This Economic Development Plan:

- Sets a vision for sustainable and equitable economic development in Redmond and proposes focus areas, strategies, and actions to achieve that vision.
- Facilitates implementation by recommending priority strategies and actions to realize within the next five years, as well as aspirational actions for future consideration beyond the lifespan of the plan.
- Recommends roles for the City and external partner organizations to implement the proposed strategies.



Strategic Planning Process

The creation of Redmond's Economic Development Strategic Plan relied on data collection and analysis and robust outreach to stakeholders. Key components of this process include the following:

- **Landscape Assessment and Data Analysis.** The first step in the strategic planning process was to assess the City's current market and economic conditions. The consultant team examined both quantitative and qualitative data to understand where Redmond is today and how it got here. Additionally, a review of existing and ongoing studies, plans, and engagement was conducted to provide some background on the economic development environment and challenges and opportunities in Redmond. These efforts have culminated in a report that includes findings on holistic elements of Redmond's economy, which are summarized in the Redmond in 2023 section of the Plan and included in full as *Appendix A*.
- **Stakeholder Outreach.** Engagement activities in support of this plan include an online business questionnaire available in six languages, four interviews with major employers in Redmond, one interview with OneRedmond staff, and six focus groups of businesses and organizations in retail and restaurant, creative economy, technology and interactive media, life sciences, space/aerospace, and manufacturing sectors. Engagement findings are included in the Summary of Engagement section of the plan and a full engagement report is included in *Appendix B*.
- **Economic Development Core Team and City Council Meetings.** The consultant team and the Economic Development Division staff met with a team of cross departmental city staff members whose programs would be most influenced and impacted by the plan and with City Council throughout the process to review interim findings, discuss strategic priorities, and solicit feedback and input.



Plan Organization

The Redmond Economic Development Strategic Plan is organized as follows:

- **Redmond in 2023.** A summary of economic and demographic trends in Redmond.
- **Strategic Themes Findings.** Summarizes insights from the landscape assessment, data analysis, and stakeholder engagement by strategic theme.
- **Economic Development Strategic Plan Framework.** Defines the elements of the Economic Development Strategic Plan framework.
- **Redmond's Vision for Economic Development.** Provides Redmond's vision for economic development, desired outcomes, and metrics for measuring success.
- **Foundational Strategies.** Identifies the foundational strategies for the plan.
- **Focus Areas and Strategies.** Provides recommended focus areas and economic development strategies organized by focus area for the City and its partners.
- **Implementation of the Economic Development Strategic Plan.** Summarizes considerations for successful implementation of the Plan.
- **Appendices.** Includes the Data Analysis & Landscape Assessment and Engagement Summary reports that were completed as part of the strategic planning process and provide supplemental information in support of the Plan.

REDMOND IN 2023

This chapter provides an overview of economic and demographic conditions in Redmond, presented in three major sections: people, economy, and place. The analysis includes comparisons to five benchmark cities with similar economic profiles and the Puget Sound region to help provide context on how the city is performing. The benchmark cities include Bellevue, WA; Bothell, WA; Mountain View, CA; Hillsboro, OR; and Raleigh, NC.

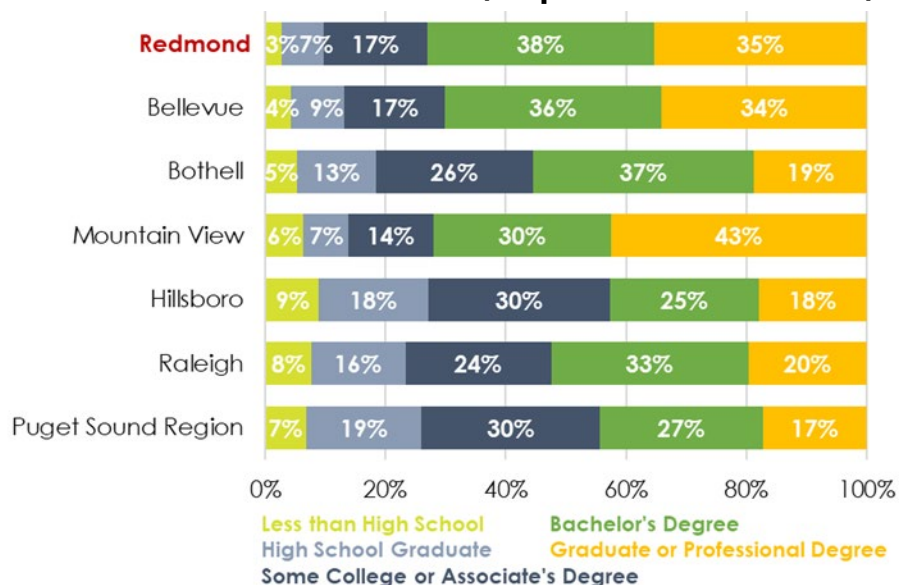
The following key findings are summarized from analysis that can be read in full in *Appendix A*.

People

Redmond's population is growing and is diverse, young, and highly educated.

At 75,300 in 2022, Redmond's population has doubled since 1990 and is expected to grow at a faster pace than the Puget Sound Region through 2050. The City is home to a younger population compared to the surrounding Puget Sound region. Those between the ages of 25 and 44 continue to be the most prevalent age group in Redmond and have seen the most growth in absolute terms since 1990. Redmond's share of people of color has increased from 10% in 1990 to 51% in 2021, with the highest increase in Asian population.

Exhibit 1. Educational Attainment, Population 25 and Older, 2021



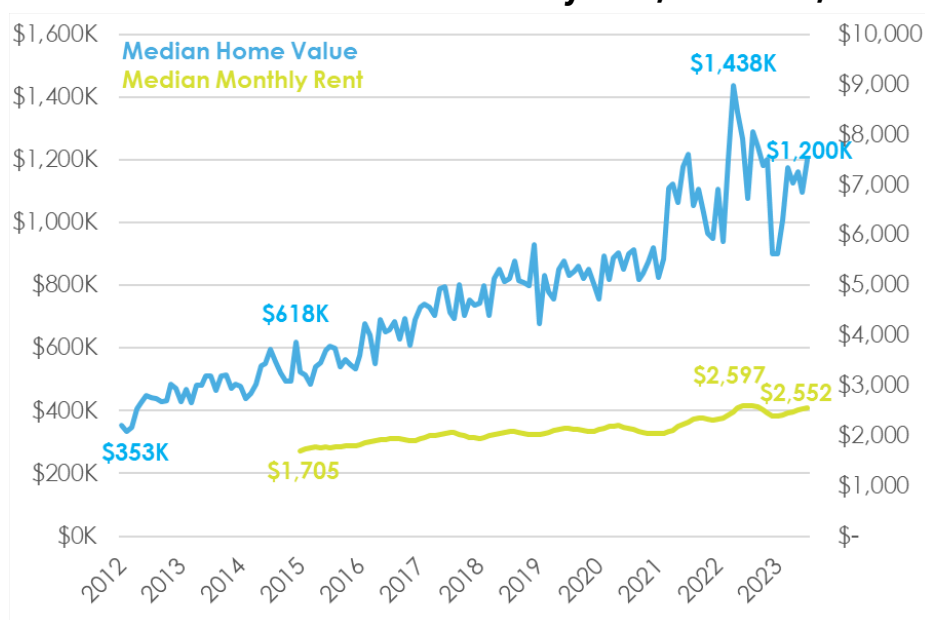
Source(s): U.S. Census ACS 5-Year estimates, 2021; CAI, 2023.

Redmond is the most educated community amongst all benchmark cities. In 2021, the proportion of residents aged 25 and older with a bachelor's degree or higher was approximately 73% in Redmond.

Increased demand and housing underproduction in Redmond have led to rising costs.

While Redmond has one of the highest shares of multifamily housing in the Eastside region, most of this housing comes in the form of apartments, and Redmond's housing market lacks a diverse range of housing types, including duplexes, multiplexes, townhomes, etc.

Exhibit 2. Median Sale Price and Median Monthly Rent, Redmond, 2012-2023



Source(s): Redfin, 2012 to 2023; CAI 2023.

The median sale price in Redmond, based on sales data from Redfin, increased by 166% between January 2012 and October 2023. This was lower than the Puget Sound region median sale price increase during this period and most benchmark jurisdictions except for Raleigh. Though not as dramatic, median monthly rent in Redmond has also risen significantly since 2015 – a 50% total increase from 2015 to 2023.

The rising cost of housing has led to issues with housing affordability which have had disproportionate impacts on certain populations. While 24% of Redmond's total

population experiences cost burden¹, it is more prevalent in Pacific Islander households (45%) and Hispanic households (33%).



¹ The Department of Housing and Urban Development defines cost burden as those households spending more than 30% of total income on housing.

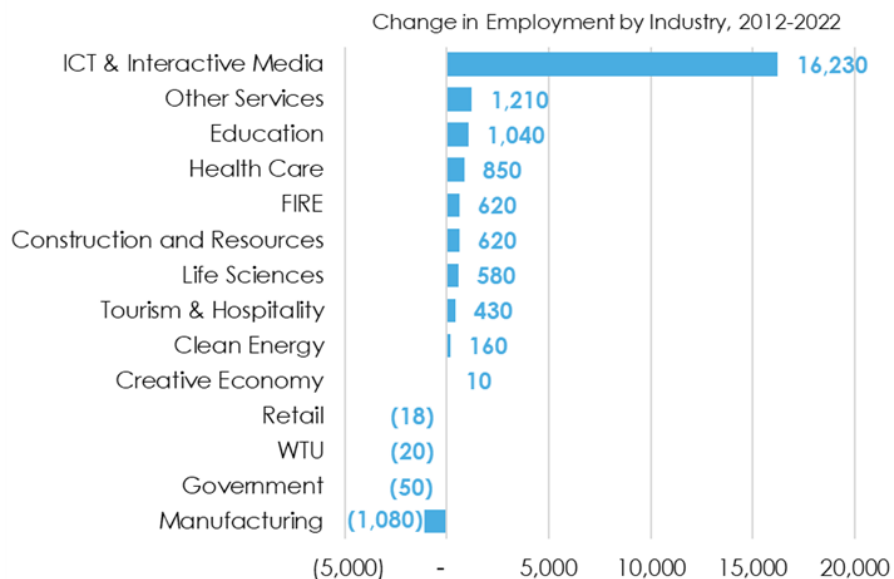
Economy

Over the past ten years, employment in Redmond grew by 22%, driven by the technology sector, but manufacturing jobs declined.

From 2011 to 2021, employment growth in Redmond of 2% per year on average outpaced the Puget Sound region's average of 1.7% per year and ranked third among all benchmark communities, after Bellevue (1.7%) and Raleigh (1.2%).

Job growth in the past ten years was led by the Information Communication and Technology (ICT) & Interactive Media industry which accounted for 76% of the 21,000 jobs added between 2012 and 2022. Over the same period, the manufacturing sector lost over 1,000 jobs.

Exhibit 3. Employment Change by Industry, Redmond, 2012-2022



Source(s): Puget Sound Regional Council, Preliminary Estimates, 2023; Community Attributes, 2023.

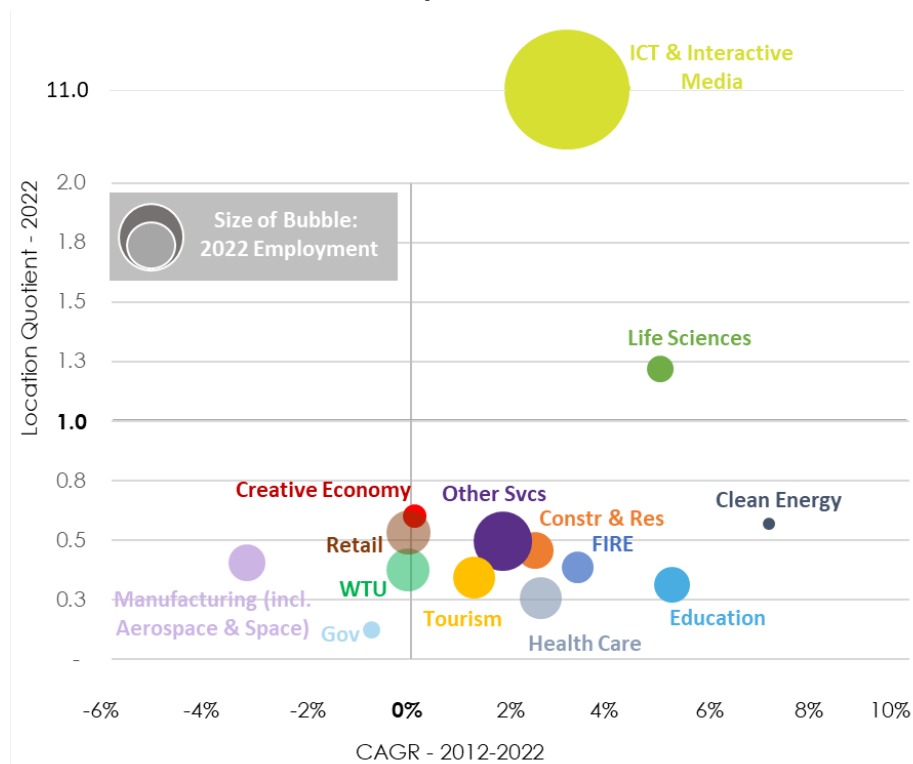
Note: ICT stands for Information and Communication Technology; WTU stands for Wholesale, Transportation, and Utilities; FIRE stands for Finance, Insurance and Real Estate.

Information and Communication Technology & Interactive Media is by far the most concentrated industry in Redmond.

Information and Communication Technology (ICT) & Interactive Media have a location quotient (LQ) of 11, which means that on a per job basis, the industry is 11 times more concentrated in Redmond than the US average. Microsoft is the leading ICT and Interactive Media presence in Redmond, with a 502-acre campus employing more than 47,000 workers and an employment multiplier of 5.9.

Life Sciences is the only other industry with a location quotient higher than 1. The fastest growing clusters in Redmond from 2012 to 2022 were Clean Energy (7.2%), Education (5.2%), and Life Sciences (5%).

Exhibit 4. Industry Clusters by Size, Employment Change and Concentration relative to US, Redmond



Source(s): Puget Sound Regional Council, Preliminary Estimates, 2023; Community Attributes, 2023.grow

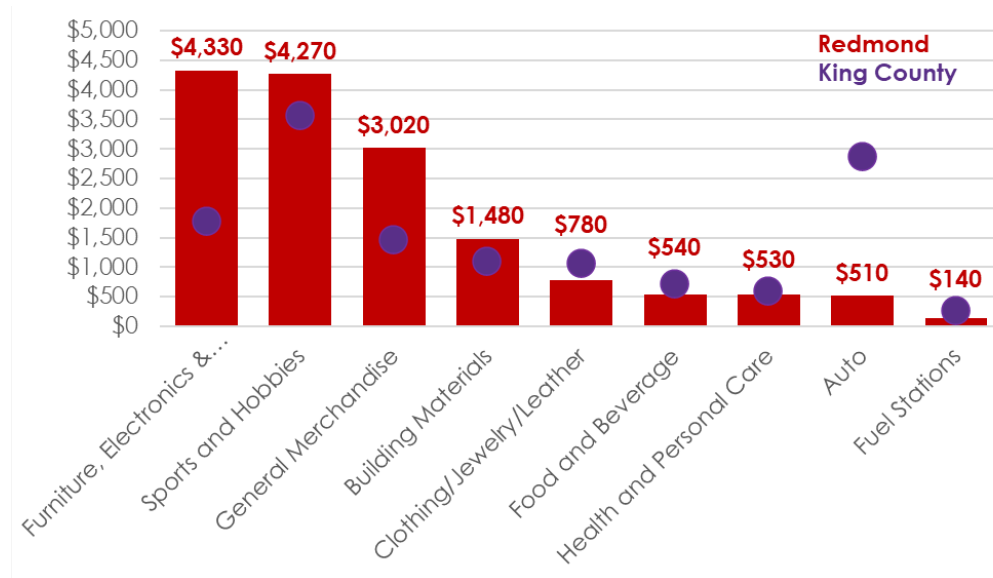
Note: ICT stands for Information and Communication Technology; WTU stands for Wholesale, Transportation, and Utilities; FIRE stands for Finance, Insurance and Real Estate.

Retail sales in Redmond increased at a slower pace than in King County. Auto retail, food and beverage, and clothing / jewelry / leather may represent retail sectors with opportunity for further growth in Redmond.

Retail sales in Redmond fluctuated more than the totals for King County and increased at a slower pace -1.2% per year on average compared to 2.2% for King County between 2005 and 2022.

Per capita retail sales in Redmond exceeded the King County figure for four industries: furniture, electronics and appliances, sports and hobbies, general merchandise, and building materials. In 2022, Redmond's per capita furniture, electronics and appliances retail sales were nearly \$2,600 higher than the King County figure. Redmond underperforms in a few industries, with the largest difference in auto retail sales, followed by clothing/jewelry/leather, food and beverage, and health and personal care.

Exhibit 5. Per Capita Retail Sales by Industry, 2022



Source(s): Washington State Department of Revenue, 2023; Community Attributes, 2023.

Compared to regional benchmark cities, Redmond has the lowest share of residents working outside the City.

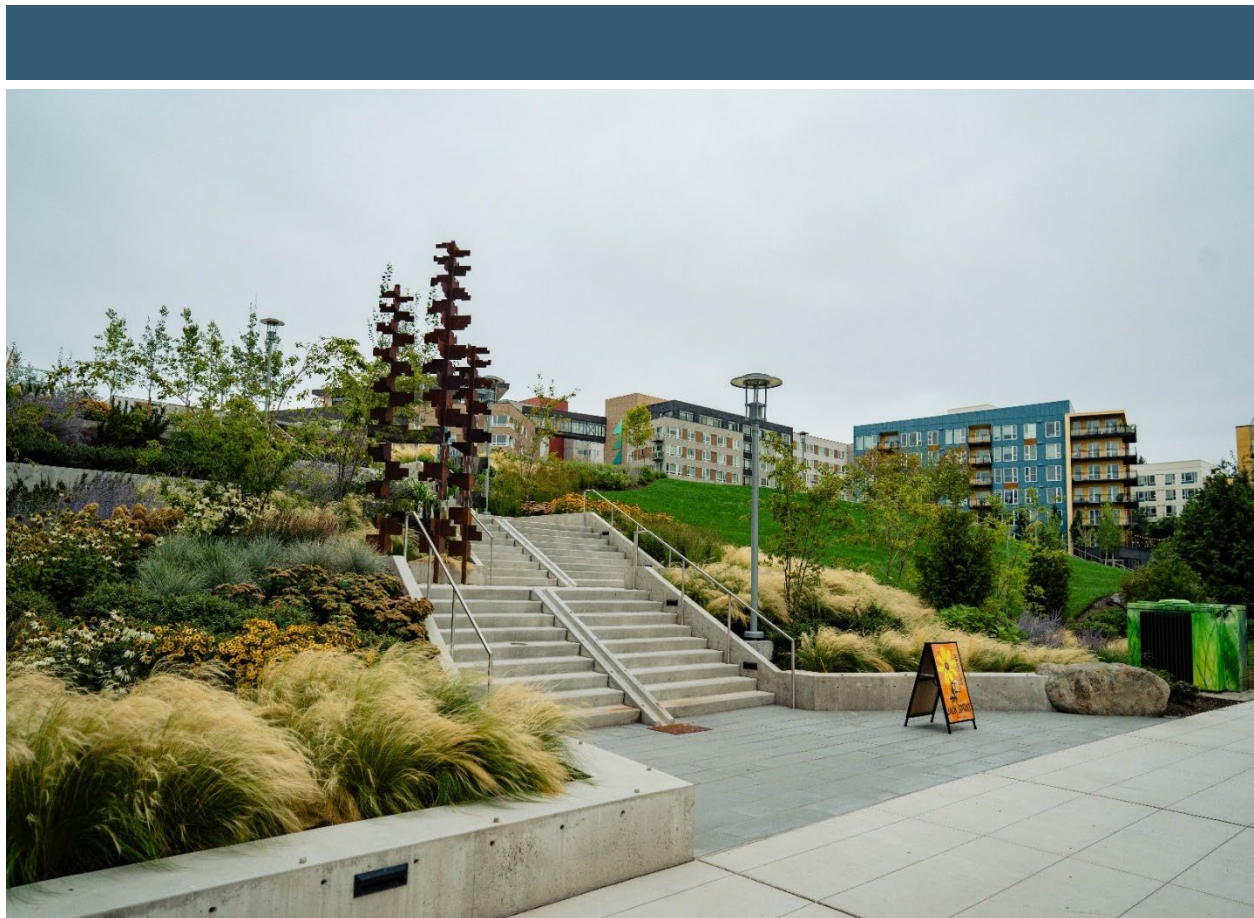
Roughly 68% of residents work outside Redmond and commute for work to Seattle (25%), Bellevue (16%), Kirkland (5%), and other cities on the Eastside and in the region. This is the lowest share among other Eastside cities like Bellevue, Sammamish, Issaquah, and Kirkland. In the same year, 89% of all Redmond workers commuted into the City for work from nearby communities, very similar to other Eastside cities.

Commercial Real Estate

From 2007 to 2023, Redmond's industrial inventory declined by 2% and vacancy rates have been very low since 2020. Redmond's industrial vacancy rate experienced an all-time low of .1% in Q3 of 2022 but has since risen to 2.9% - still a too-low rate for the health of the market that may be impeding locations or expansions in the City.

Redmond's inventory of office space has not increased significantly for many years and vacancy rates at 5% in Q3 of 2023 are extremely low by regional standards and relative to most benchmark cities.

From 2010 to 2022, Redmond's retail square feet per capita declined by 31%, the most of all benchmark cities, and retail vacancies at 1% are extremely low.



STRATEGIC THEMES FINDINGS

This section of the plan brings together insights from the landscape assessment, data analysis, and stakeholder engagement summarized by strategic theme.

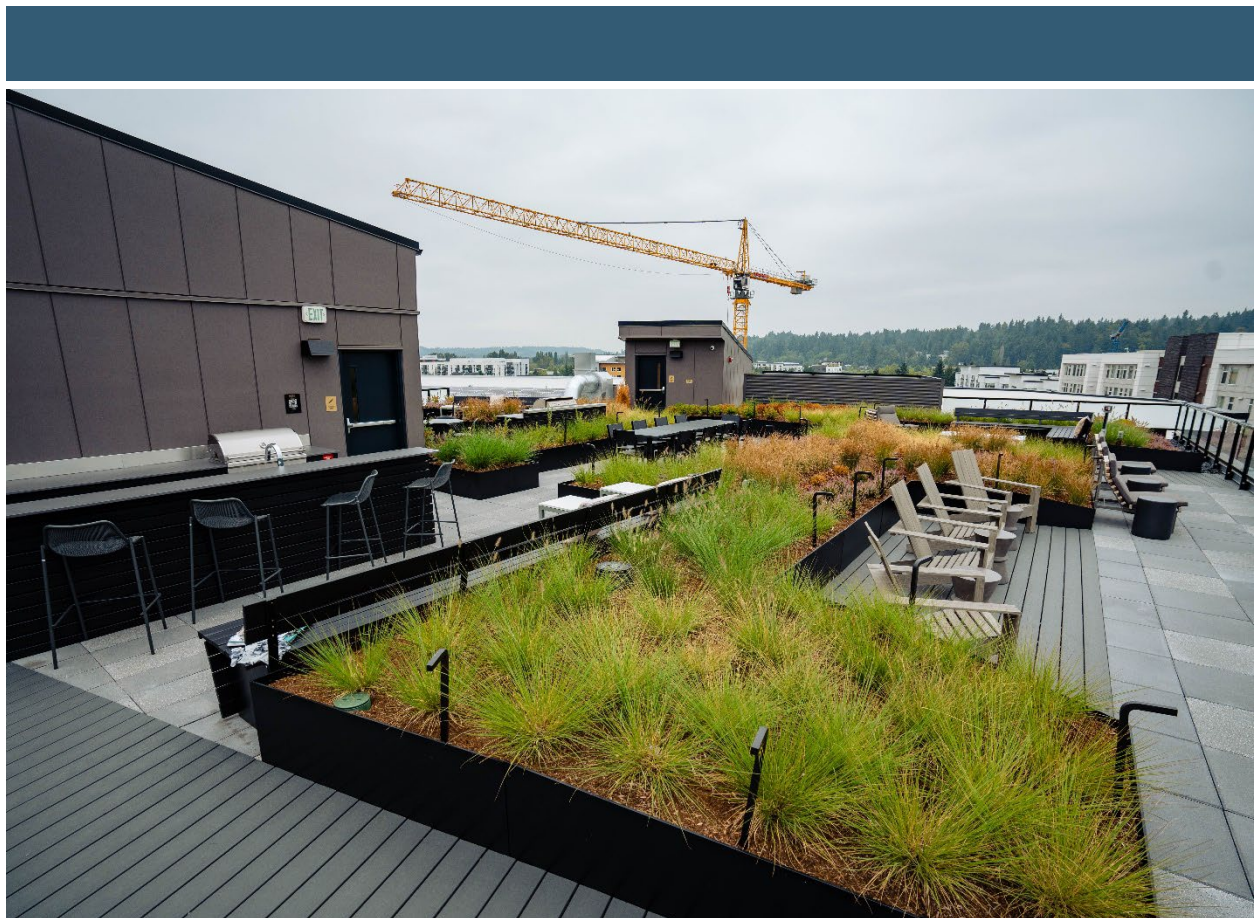


Business Retention and Expansion

- Existing businesses throughout the City are facing the risk of displacement due to recent growth, property sales, and redevelopment. Results from the business questionnaire conducted for the Plan found that only 18% of respondents felt their businesses were secure from relocation risk, with rising rents, lack of appropriate space, and redevelopment pressure identified as primary risk factors.
- A limited supply of appropriate, affordable space in Redmond constrains the real estate market for many uses, but especially for micro businesses, retail businesses, food and beverage manufacturing businesses, small scale manufacturing and prototype development, creative spaces, child-based spaces, recreational spaces, health related facilities, and automotive services. Newly developed spaces or redeveloped spaces come with higher rental costs, and the types of spaces

constructed often lack compatibility with businesses in need, due to first-floor height requirements, prioritization of other incentives, or the investment demands of chain retail tenants.

- From 2010 to 2022, Redmond's retail square feet per capita declined by 31%, the most of all benchmark cities, and retail vacancies at 1% are extremely low. The lack of retail space in Redmond is driving up lease rates and likely impacting the viability of smaller and independently owned businesses in Redmond (*Appendix A. Data Analysis and Landscape Assessment*).
- Co-located production, fabrication, and Research and Development (R&D) space may be essential for supporting industries such as space/aerospace, life sciences, ICT and interactive media, and clean energy / clean tech. However, limited industrial inventory may be impeding locations or expansions in the city.
- The strategic planning process has revealed challenges with using the City's business license data for outreach efforts or analysis to support and inform economic development initiatives. The outreach efforts for the plan also revealed the need for the City to continue to grow and build relationships with the business community in the service of economic development focus areas.



Equitable Small Business and Entrepreneurship Support

- Small businesses represent a significant share of the City of Redmond's economy - 93% of businesses in Redmond have less than 50 employees and employ just over 18% of all workers in the City of Redmond.
- Several recent studies of small businesses in King County and Redmond have identified challenges, gaps, and needs for small businesses. These include limited access to capital, cultural and linguistic barriers, inadequate marketing of existing resources and services, limited capacity of nonprofit organizations and Community-Based Organizations (CBOs) and others (for full list refer to *Appendix A. Data Analysis & Landscape Assessment*).
- There is an opportunity for CBO trusted messengers to foster equitable small business support and work with the Overlake Village Small Business Hub.
- Small businesses in the Redmond 2050 Overlake Small Business Roundtable discussions identified additional needs for small businesses, such as space for future expansion of operations, family-friendly environment to attract families to the area, affordable and accessible housing options for employees and others (for full list refer to *Appendix A. Data Analysis & Landscape Assessment*).
- Small business respondents to the business questionnaire conducted for the Plan ranked space location/lease negotiation, networking opportunities, and marketing support as the top three most important small business services. They also ranked unaffordable commercial rents, parking access, and the increased cost of labor most frequently among the top three challenges they are facing in Redmond today.
- Due to lack of information in business license data, it is difficult to track trends in business ownership demographics.

Cluster Diversification and Expansion

Information Communication and Technology (ICT)

- The City's ICT / digital media cluster is responsible for more than half (63%) of all Redmond employment, with Microsoft alone accounting for over 47% of jobs. Technology workers may be vulnerable to industry consolidation, re-location / spinoffs, and contraction. Outreach for the Redmond 2050 Comprehensive Plan update suggested that continued reliance on the technology industry could result in economic and cultural homogeneity, a loss of small businesses, and housing affordability challenges for people working in other sectors, such as education, restaurants, and public service.
- Diversification of economic activity - including attracting new or expanded companies in underrepresented industries to Redmond - would increase the range of opportunities available to the 68% of residents that currently commute outside the City.

Space

- Institutional support, large anchor employers, and principles of agglomeration suggest strong opportunities for up- and down-stream suppliers in Redmond's emergent space cluster.
- The space and aerospace sector sees an opportunity to increase awareness of their industry in Redmond and the region. Industry support and momentum around the Redmond Space District should be supported and branded for community pride and cluster growth.

Life Sciences

- With 52 facilities in Redmond (third amongst 136 cities in the state), a location quotient of 1.2, and growth of nearly 600 jobs over the past decade, the City's life sciences cluster is situated amongst one of the fastest growing industries in the state (33.6% growth from 2015 to 2021) and benefits from adjacent technology and manufacturing capabilities in developing cancer therapies, drug production, and testing technologies, among other activities.

Tourism and Retail

- By diversifying Redmond's retail, hospitality, and recreation industries and activities, Redmond invests in a unique sense of place and provides experiential offerings that are attractive to prospective businesses and talent.

Creative Economy

- Creatives believe that the City of Redmond would benefit from a revival of the commitment to the arts and culture. They suggested that a strategy would be useful to define who Redmond wants to be with respect to arts and culture and how the City can achieve that vision.

Other

- As Redmond's economic development program continues to mature, sector specific efforts, including targeted stakeholder engagement and strategic development should be further invested in, such as the efforts in the Tourism Destination Development Plan.



Business Attraction and Recruitment

- Redmond faces several challenges in business attraction and recruitment, including high development costs, constrained land availability, talent recruitment and retention difficulties, and a scarcity of affordable workforce housing.
- The heightened cost of housing poses challenges in talent recruitment by leading many local employees to reside outside of Redmond and preventing new talent from moving in. Many local businesses have to hire remote talent to fill the gaps.
- Permitting for development is a contentious issue among participants, and businesses cite challenges, such as delays and lack of technical expertise.
- Promoting a distinctive identity and addressing quality of life issues, such as childcare availability, supporting local arts and culture, and providing recreation opportunities, may help to attract and retain a skilled talent pool in Redmond.
- There is confusion in Redmond around the roles of the different economic development agencies and a need to rebrand, but preserve existing partnerships.

Workforce Development

- Recent studies conducted by Western Washington University have identified several challenges for Redmond's workforce; a marked skill gap in several occupation fields, fewer qualified workers with relevant degrees than there are job positions across most industries in Redmond, and finally, the workforce development ecosystem in Redmond lacks the programming presence of a regional workforce development council.
- Many residents and businesses in Redmond are unaware of available workforce development resources and opportunities.
- Engagement efforts show that Redmond's community members desire for workforce development efforts to be aligned with the needs of underserved communities and prioritize income self-sufficiency for workers in Redmond at a range of skill and education levels.
- Partnerships with employers in Redmond and data collection is needed to further understand the City of Redmond's workforce needs and regional skills that would support cluster diversification and expansion.
- Educational institutions and workforce development agencies may be effective at reducing skills gaps by providing in-demand skills training through informed curriculum.
- Inadequate access to childcare and adult dependent care were cited as challenges that impact working families and labor force participation in general.



District Development and Placemaking

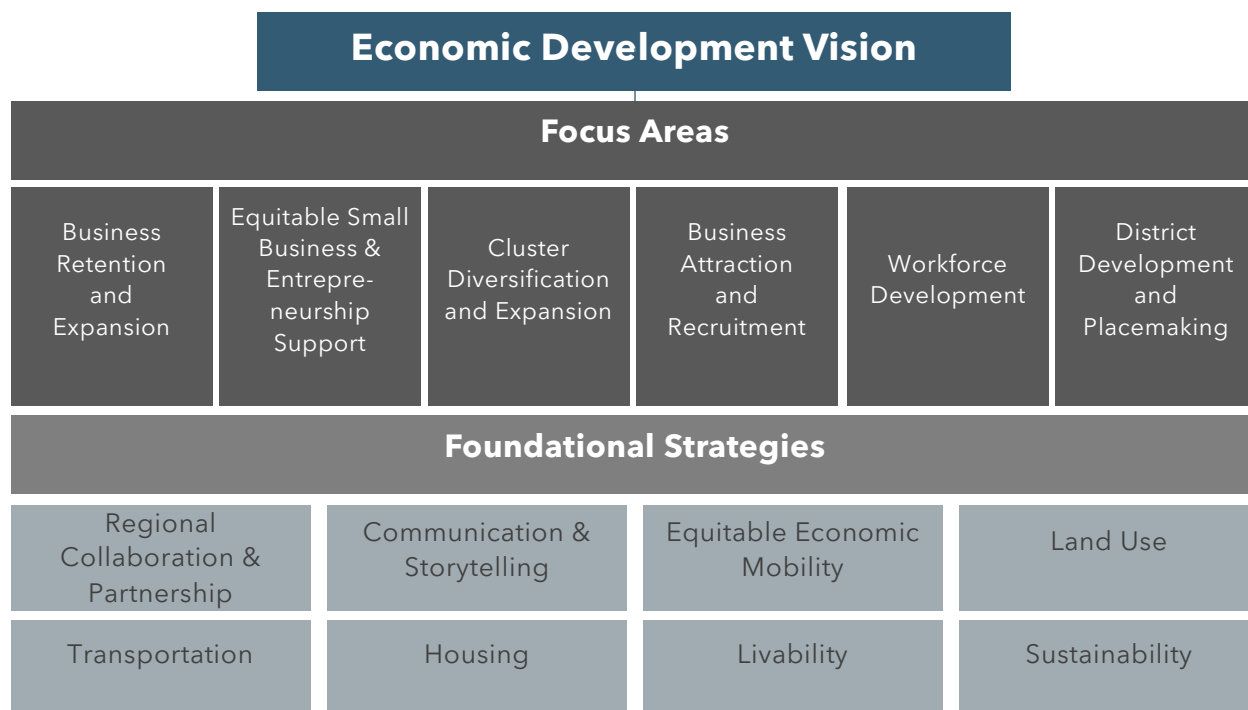
- With two designated Regional Growth Centers - Downtown Redmond and Overlake - forecast to accommodate 64% of Redmond's job growth through 2050, and Marymoor transitioning to a Countywide Growth Center, careful planning will be especially crucial to the economic success and sustainability of these areas.
- Livability in Redmond's centers and neighborhoods will depend on placemaking that prioritizes multi-modal travel, an appropriate mix of land uses, strong urban design, access to amenities - and enhancing the City's unique sense of place.
- It is increasingly vital for cities to differentiate themselves in terms of quality of life and amenities from other places to compete for top-tier talent - especially in industries with highly skilled and mobile workforces, such as tech, space / aerospace, life sciences, and clean tech.
- Planning for Downtown Redmond, as well as for Overlake and Marymoor, is focused on leveraging the game-changing potential of new light rail stations, including implementing dense, mixed-use, transit-oriented development, and increasing connectivity to the City's other commercial and neighborhood centers.
- Engagement found that district development in Overlake, the third-largest jobs center in the Puget Sound region, must match increased density with measures to address traffic congestion and improve walkability and pedestrian safety, as well as support for minority-owned businesses such as a dedicated liaison.
- Redmond currently lacks district-based organizations that are essential to help foster district-based branding and placemaking activities such as marketing campaigns and events.



ECONOMIC DEVELOPMENT STRATEGIC PLAN FRAMEWORK

This Economic Development Strategic Plan includes the following elements:

- **Economic Development Vision.** Reflects the values and priorities for economic development in the City of Redmond for the next five years. Provides a signpost to guide focus areas and strategies and should act as a reference point when making future decisions about prioritizing investments and development programs.
- **Foundational Strategies.** A broad array of critical citywide issues and aims that underpin Redmond's long-term success in achieving sustainable, equitable economic development. Essential to economic growth and vitality and a high quality of life in Redmond.
- **Focus Areas.** Broad thematic groupings that serve to organize the detailed strategies and actions at the heart of this plan. Identified in collaboration with the City of Redmond and validated through research, analysis, and stakeholder engagement. Each focus area has a goal which establishes desired outcomes for that area.
- **Economic Development Strategies.** Individual, coherent approaches to achieving the plan's focus areas. These have a short to medium term implementation timeline and are primarily led by the City's Economic Development Division in collaboration with other city departments and external partners. Each strategy includes a set of **actions** - tactical or place-based to provide specific interventions, recommendations, or guidance.



REDMOND'S VISION FOR ECONOMIC DEVELOPMENT

For the City of Redmond, economic development uses policies, strategies, and actions to grow and sustain Redmond's economy, build personal wealth, support businesses, generate investment, and strengthen the local tax base needed to fund services and community infrastructure.

Vision Statement

The vision statement below incorporates diverse voices, aspirations, and possibilities identified during the planning process.

Redmond is a diverse, resilient, and growing economy, based on a foundation of innovation, inclusion, collaboration, and sustainability. The City has a welcoming and positive business climate with a highly educated, skilled, and international workforce. Redmond is a desirable destination with an exceptional quality of life, and vibrant amenities including recreation, culture, retail, and dining.

This vision supports the three economic vitality goals in the Redmond 2050 Economic Vitality Element. These are:

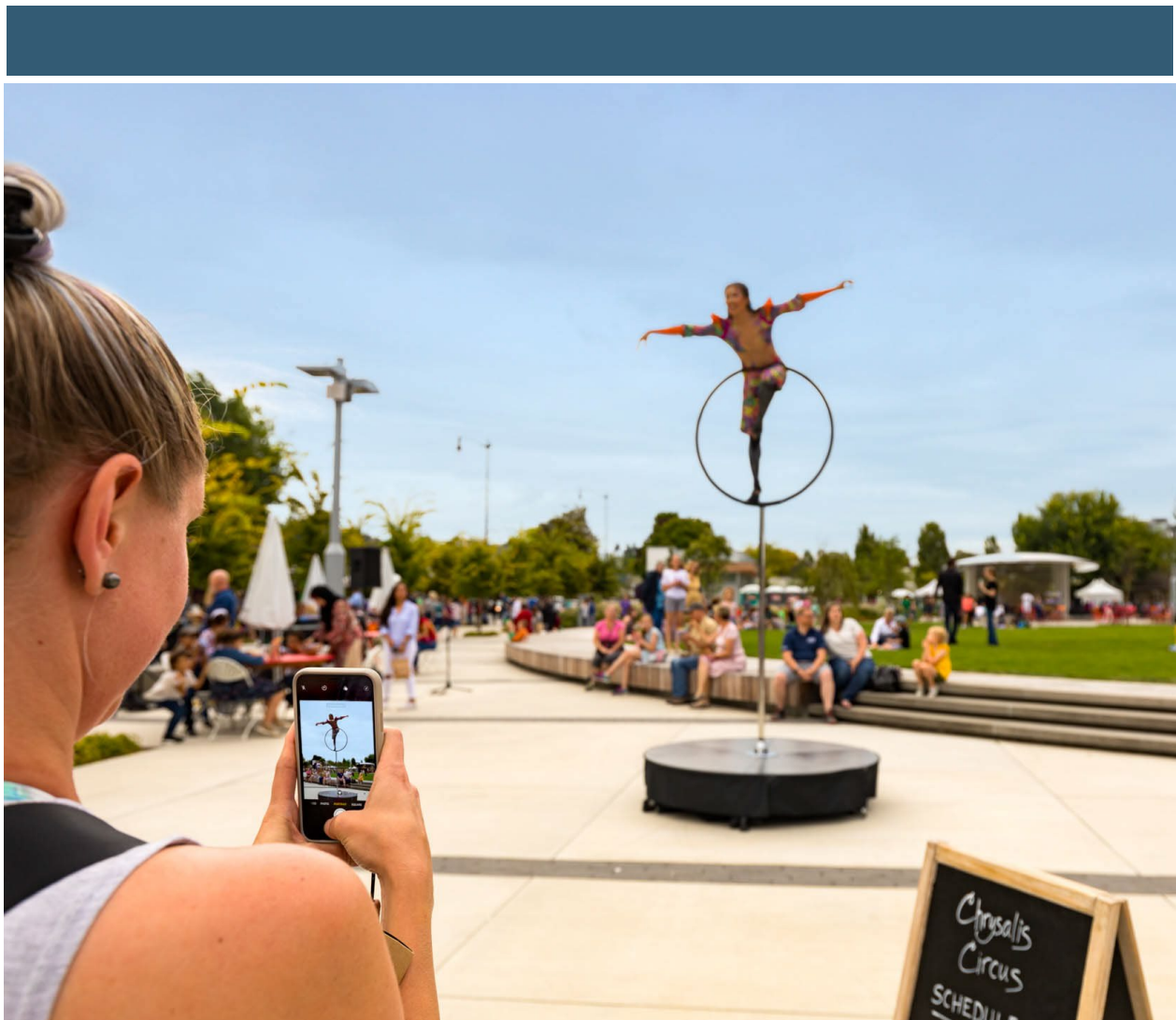
1. *A sustainable and resilient economy*
2. *A high quality of life*
3. *A diverse workforce and business community*

Economic Development Outcomes

The vision statement describes several potential economic outcomes for the City of Redmond in the future:

- **Diverse, resilient, and growing economy.** Redmond has many of the needed assets to support a growing, more diverse economy: a strong and growing technology sector, institutional support, a diverse and highly educated population, and high quality of life. The City's existing industry strengths in technology, space, and manufacturing could lead to further growth in the emerging clusters of life sciences and clean tech. There are also opportunities for growth of the creative economy sector and retail that can strengthen and differentiate Redmond's sense of place and experiential offerings. All these opportunities can make Redmond's economy more resilient, growing the number and value of commercial and industrial properties to help diversify the tax base. Diversification can also make high-paying career opportunities available at different levels of education and experience.

- **An attractive place to do business.** Businesses are attracted to Redmond's well-educated, skilled, and culturally diverse workforce. Small businesses thrive with the support of market opportunities presented by major employers, the purchasing power of an affluent workforce, and the growing culture of innovation. Building on existing strengths, this plan's recommended strategies and actions support a positive business climate, the provision of suitable and affordable commercial space, and a culture of entrepreneurship and innovation.
- **Desirable destination to live, work, and visit.** Redmond aims to be recognized for its exceptional amenities and quality of life and celebrated as a top visitor destination on the Eastside. The strategies and actions proposed in this plan will continue to enhance the character and culture of the community.



FOUNDATIONAL STRATEGIES

Wherever possible, the Economic Development Division and program should seek to support efforts to strengthen the City's fundamental livability, and, thereby, Redmond's economic foundations. Foundational Strategies are a broad array of critical citywide issues and aims that underpin Redmond's long-term success in achieving sustainable, equitable economic development. Essential to economic growth and vitality and a high quality of life in Redmond.

- **Strategy F1. Regional Collaboration and Partnerships:** Leverage partners across the region for organizational strengths and economies of scale in achieving aligned outcomes. Work in close collaboration with industry groups and organizations on legislative priorities pertaining to economic development programs.
- **Strategy F2. Communication and Storytelling:** Leverage citywide business engagement for relationship-building and storytelling. Amplify a compelling narrative illuminating the impact and benefit of Redmond economic development via strategic communications.
- **Strategy F3. Equitable Economic Mobility:** Support and engage in city efforts that foster equitable economic security and wealth generation.
- **Strategy F4. Land Use:** Track and support the preservation and growth of needed business spaces in Redmond with particular attention to retail, manufacturing, and R&D spaces linked to key clusters in Redmond.
- **Strategy F5. Transportation:** Encourage multimodal transportation infrastructure improvements that support employee travel, foster business development and expansion, and support business districts.
- **Strategy F6. Housing:** Monitor and support policies that contribute to housing affordability and supply for workers at all skill and income levels to increase the workforce both living and working in Redmond.
- **Strategy F7. Livability:** Support investment in quality-of-life amenities to attract and retain businesses and a diverse workforce.
- **Strategy F8. Sustainability:** Embed the City's sustainability goals within Economic Development business outreach and programming.

FOCUS AREAS AND STRATEGIES

This section includes strategies and actions under each focus area. These are primarily led by the City's Economic Development Division in collaboration with other city departments and external partners. Each strategy includes a set of **actions** - tactical or place-based to provide specific interventions, recommendations, or guidance.

Actions denoted with a (*) are longer-term actions that may not be feasibly achieved in the five-year period without investment in staffing or programmatic budget.

The **six focus areas and associated goals** are as follows:

Focus Area 1: Business Retention and Expansion

Continue to build relationships and engage with existing and emerging businesses in Redmond to accurately assess their needs, as well as address displacement risk and other challenges to support expansion of business operations in Redmond.

Focus Area 2: Equitable Small Business and Entrepreneurship Support

Provide small businesses in Redmond with the right tools to start, stay, grow, adapt, and flourish by working in partnership with technical assistance partners and trusted messengers to preserve and increase the number of local establishments.

Focus Area 3: Cluster Diversification and Expansion

Expand established and growing clusters to strengthen competitive advantages and attract businesses that diversify Redmond's economy and enhance economic resilience and increase tax revenue.

Focus Area 4: Business Attraction and Recruitment

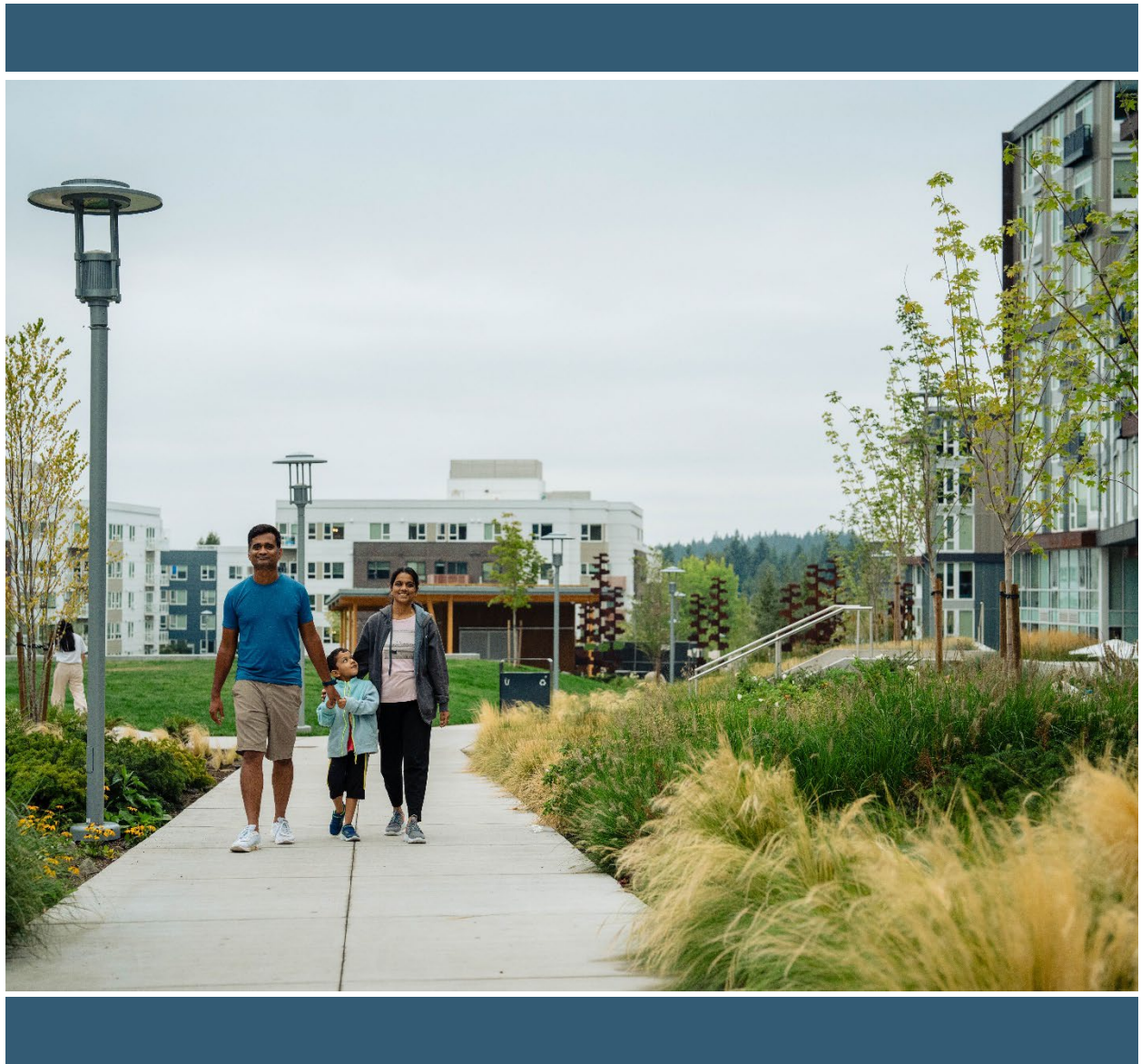
Promote the attractiveness of doing business in Redmond and improve the business climate and opportunity for continued investment.

Focus Area 5: Workforce Development

Work with partners to attract, retain, and develop a broad base of creative and diverse talent in Redmond and increase access for Redmond residents to greater economic mobility.

Focus Area 6: District Development and Placemaking

Create and evolve district identities and branding to leverage district marketing power in support of inclusive and equitable growth and economic impact.



Focus Area 1: Business Retention and Expansion (BRE)

Goal 1: Continue to build relationships and engage with existing and emerging businesses in Redmond to accurately assess their needs, address displacement risk and other challenges, to support expansion of business operations in Redmond.

Strategy 1A. Cultivate relationships with Redmond’s business community through robust, ongoing communication and invitations for Redmond’s businesses to be engaged in city efforts.

- **Action 1A.1.** Invest in staff time to develop a robust and sustainable business contacts database and utilize it to track, schedule, and monitor engagement and trends with Redmond businesses and entrepreneurs.
- **Action 1A.2.** Partner and communicate with other city departments engaged in business relations such as commute trip reduction (CTR), Parks and Recreation, waste reduction, pollution prevention, Public Works projects, and others.
- **Action 1A.3.** Create and send an annual welcome letter to Redmond businesses through the business license system.
- ***Action 1A.4.** Encourage business licensing audit to ensure business license compliance for accurate data reporting and revenue generation.
- ***Action 1A.5.** Facilitate networking opportunities between the City and local businesses, such as the development of an ongoing Business Roundtable program and/or a Business Recognition program.
- ***Action 1A.6.** Foster and explore partnerships with Redmond's business community to implement shared goals and advance priorities for citywide economic development.

Strategy 1B. Collaborate with Long Range Planning and Development Services to incentivize the creation of needed flexible spaces for retail, manufacturing, creative uses, and recreation uses.

- **Action 1B.1.** Consider development standards and other incentives to produce functional commercial and flexible spaces for industries that report a shortage of space opportunities or are facing displacement risk.
- **Action 1B.2.** Explore creative ways to utilize or dedicate existing spaces in Redmond to fill the spatial gaps reported by Redmond's industries and businesses.
- **Action 1B.3.** Serve as a liaison to advocate for local business needs to the City of Redmond internal departments and regional partners.
- ***Action 1B.4.** Coordinate with building owners, developers, architects, and those involved in code and design review to advocate and to share best practices for improving the creation of affordable commercial spaces.
- ***Action 1B.5.** Conduct an inventory of vacant or underutilized property and provide recommendations to mitigate barriers to utilization.



Strategy 1C. Work to proactively understand and predict the threats and opportunities for existing businesses in Redmond, including displacement.

- **Action 1C.1.** Strive to minimize the impacts of involuntary relocation or disruption of existing businesses.
- **Action 1C.2.** Work with Development Services to monitor the demolition and development pipeline.
- **Action 1C.3.** Monitor and encourage street level businesses openings, mitigating for closures due to redevelopment, by promoting adequate retail space provision in new development.
- **Action 1C.4.** Work proactively with Development Services, property owners, and developers to connect businesses being displaced with new developments or existing properties in Redmond.
- **Action 1C.5.** Continue to explore flexibility and creative solutions, such as limited lease agreements and other site-specific solutions, in use of existing spaces to mitigate displacement.
- **Action 1C.6.** Coordinate with business assistance providers to create and promote business consulting services related to business operations, lease negotiation, and space planning assistance, including options for cooperative ownership and succession strategies.

Strategy 1D. Work with public and private partners to foster affordable small business space solutions.

- **Action 1D.1.** Encourage commercial affordability and commercial condominium incentives for developments.
- ***Action 1D.2.** Partner or foster the creation of an entity focused on commercial affordability, such as a Public Development Authority (PDA), non-profit, or private entity to provide real estate support for small businesses and small-scale building owners.
- ***Action 1D.3.** Encourage and incentivize developments to finance flexibility in retail tenancy.
- ***Action 1D.4.** Work with private sector on tenant improvement funds and revolving loan funds (RLFs) within the limitations of Washington state's lending of credit/gift of public funds doctrine.

Spotlight: City of Tacoma's Small Business Revolving Loan Fund. The City of Tacoma's Revolving Loan Fund (RLF) program started in 1979, to assist small and moderately sized businesses located or locating to Tacoma. The RLF can provide gap financing over \$25,000 and up to \$500,000 where private financing is unavailable. The funds provided are available to fill a financing gap that exists between a project's total cost and the sum of owner equity and a loan from a senior lender. The Small Business RLF funds typically do not exceed 33% of a project's total cost. To be eligible, a small business must be operating within the City of Tacoma limits with all licenses and permits required and can show that most of its operations take place in Tacoma. A RLF applicant must show that it lacks collateral or attempted to access funds from a bank and the request was partially funded or rejected.

- ***Action 1D.5.** Work with the private sector on researching the feasibility of Land Trusts or Land Banks for commercial development in Redmond.
- ***Action 1D.6.** Explore options to support long-term affordability through agreements that run with the land (as in restrictive covenants) in the event of new development.

Focus Area 2: Equitable Small Business and Entrepreneurship Support

Goal 2: Provide small businesses in Redmond with the right tools to start, stay, grow, adapt, and flourish by working in partnership with technical assistance partners and trusted messengers to preserve and increase the number of local establishments.

Strategy 2A. Monitor the existing and emerging needs of small businesses in Redmond.

- **Action 2A.1.** Expand small business engagement to further develop and communicate policies and programs aimed at assisting small- and mid-sized businesses in Redmond.
- ***Action 2A.2.** Invest in and work with Community-Based Organizations (CBOs) to address gaps in trust among diverse businesses - especially disadvantaged, women- and minority-owned businesses - and ensure needs are tracked to inform program development.
- ***Action 2A.3.** Tailor economic development policies and programs to meet the needs of Redmond's small businesses including translated materials.
- ***Action 2A.4.** Conduct a routine business survey to receive statistically significant data to inform economic development and business assistance programs.



Strategy 2B. Collaborate with partners to develop programs that provide culturally trusted small business support across industries in Redmond.

- **Action 2B.1.** Invest in and support partner, community-based organizations (CBOs), and other organizations to enhance outreach, education, and training opportunities to existing micro and small businesses.
- **Action 2B.2.** Develop industry specific support programs, for priority industries, such as childcare, retail, and hospitality.
- **Action 2B.3.** Engage and partner with regional and state entities and programs to address capital access challenges for small minority owned businesses.
- **Action 2B.4.** Develop a multilingual small business toolkit, including handbooks on starting a business and associated tax, legal, and permit requirements in Redmond and King County.
- **Action 2B.5.** Encourage partner programs to provide small business owners with guidance on leasing or purchasing commercial property and lease negotiations.
- **Action 2B.6.** Consider additional partnerships to establish incentives and funding for condominium-style ownership of small businesses within separately owned and managed places, such as multifamily development.
- **Action 2B.7.** Promote business success stories using a variety of communication tools to provide example and inspiration for local businesses.

Strategy 2C. Foster entrepreneurship across industries and work with partners to ensure support for a diverse community of entrepreneurs.

- **Action 2C.1.** Invest in entrepreneurship programing to foster new business starts in Redmond.
- **Action 2C.2.** Engage with self-employed business owners in Redmond to learn about the challenges and barriers impacting these businesses.
- ***Action 2C.3.** Explore opportunities and encourage partners to provide free or affordable space for temporary or long-term local micro-business incubation including pop-ups and markets.
- ***Action 2C.4.** Work with partners to create a one-stop resource for entrepreneurs to learn about business assistance resources and programs including advising on access to financial support.

Spotlight: Eastside Small Business Support Hub: In 2023, Bellwether Housing was selected to develop a transit-oriented, mixed-use, affordable housing project adjacent to the new Overlake Village light rail station, near the Microsoft campus in Redmond. Included in their proposal is nearly 10,000 square feet of ground floor space dedicated to a coalition of partners serving businesses in East King County, including One Redmond-One Eastside SPARK, Indian American Community Services (IACS), Eastside for All, and other regional community-based organizations. This space will provide the opportunity for a multicultural business center and business assistance hub to support the Eastside area's diverse population. In 2023, the City of Redmond won a \$15,000 grant, along with five months' coaching, from the National League of Cities to support the project. The Advancing Economic

Mobility Rapid Grant funds, to be matched by the City, supported the hiring of a consultant to work with the coalition to maximize the opportunities related to the development of a multicultural Eastside small business hub and shared commercial kitchen facility within the project. Phase I of this support includes an [analysis of needs and opportunities](#) completed in February 2024.

Strategy 2D. Increase outreach to and understanding of Redmond home-based businesses to help them grow and connect to market opportunities.

- **Action 2D.1.** Conduct a home-based business questionnaire to better connect and understand the needs and barriers facing Redmond's home-based businesses.
- **Action 2D.2.** In conjunction with Redmond 2050 policy, consider additional uses and activities for home-based businesses and create programs to support growth.
- ***Action 2D.3.** Invest in programing that supports home-based business commerce needs and barriers, as well as promotes opportunities, such as market participation and e-commerce assistance.



Strategy 2E. Encourage development of co-working, maker spaces, commercial kitchens, and other small business and entrepreneurial space needs in Redmond.

- ***Action 2E.1.** Support the creation of a multicultural Eastside small business hub and shared commercial kitchen facility.
- ***Action 2E.2.** Foster existing maker spaces in Redmond to support expanded operations and additional incubator concepts.
- ***Action 2E.3.** Leverage Redmond's supply of Class B & C office space to engage regional and national co-working firms for recruitment and development of co-working spaces.
- ***Action 2E.4.** Explore partnering with private developers to reserve ground floor spaces for small and local businesses or community workspaces.
- ***Action 2E.5.** Explore opportunities for pop-up business retail spaces through city-owned facilities, such as community centers and parks.
- ***Action 2E.6.** Consider the creation of additional concept-based hubs and micro-districts.

Spotlight: Redmond STEM Center and the Centro Cultural Mexicano Makerspace. *The Redmond STEM Center, in collaboration with the Centro Cultural Mexicano of Redmond, operates a makerspace open to high school students that is free of charge. The makerspace features resources for 3D printing, laser cutting, robotics, t-shirt printing, embroidery, CAD, woodworking, web development, and more. The makerspace also includes classes in how to operate the machinery and related design. The makerspace hosts fabrication competitions and other events in conjunction with the STEM Center, such as a recent event where participants are given the materials and assembling instructions for mechanically powered airplanes (High Flying with Redmond STEM Center). The STEM Center itself functions as a hub for students to work, learn, and interact with industry mentors and professionals and hosts respected STEM organizations such as teams from FIRST Robotics, Vex Robotics, Rocketry Clubs, and various other interdisciplinary programs.*

Strategy 2F. Encourage an equity in contracting program to expand contracting, procurement, and consulting opportunities for small and minority-owned businesses.

- **Action 2F.1.** Commit to socially responsible procurement that promotes equity through city contracts by tracking percentage of consulting and purchasing dollars spent on Women and Minority Owned Businesses (WMBE).
- **Action 2F.2.** Consider a city-led “Equity in Contracting Program,” to offer access to contracting and procurement opportunities, as well as guidance and technical assistance, to historically underutilized businesses interested in providing supplies, services, and public works support to the City of Redmond.



Focus Area 3: Cluster Diversification and Expansion

Goal 3: Expand established and growing clusters to strengthen competitive advantages and attract businesses that diversify Redmond's economy, enhance economic resilience, and increase tax revenue.

Strategy 3A. Invest in tools to collect and maintain data for tracking economic impact, monitoring business cluster trends, and identifying opportunities to expand industries.

- **Action 3A.1.** Optimize the tracking of business licensing data collected and maintained.
- **Action 3A.2.** Gather, analyze, and track key Redmond business trends, including new business starts, expansions, relocations, improvements, investments, and displacement.
- **Action 3A.3.** Invest in tools and studies to measure economic and fiscal impacts, including tax revenues, of Redmond's industry clusters and disseminate findings to improve awareness in the community.
- **Action 3A.4.** Maintain close collaboration with state (Department of Commerce) and regional (Puget Sound Regional Council, Greater Seattle Partners) agencies to analyze and understand regional trends, opportunities, and threats for clusters and emerging businesses.
- **Action 3A.5.** Work to understand, identify, and grow activities and businesses (such as certain categories of retail, including auto sales) with potential to boost municipal revenue streams and enable other economic development activities.

Strategy 3B. Continue to support Redmond's highest-employing and highest-growth cluster of Information Communication and Technology (ICT) and Interactive Media companies while pursuing growth in other technology related sectors.

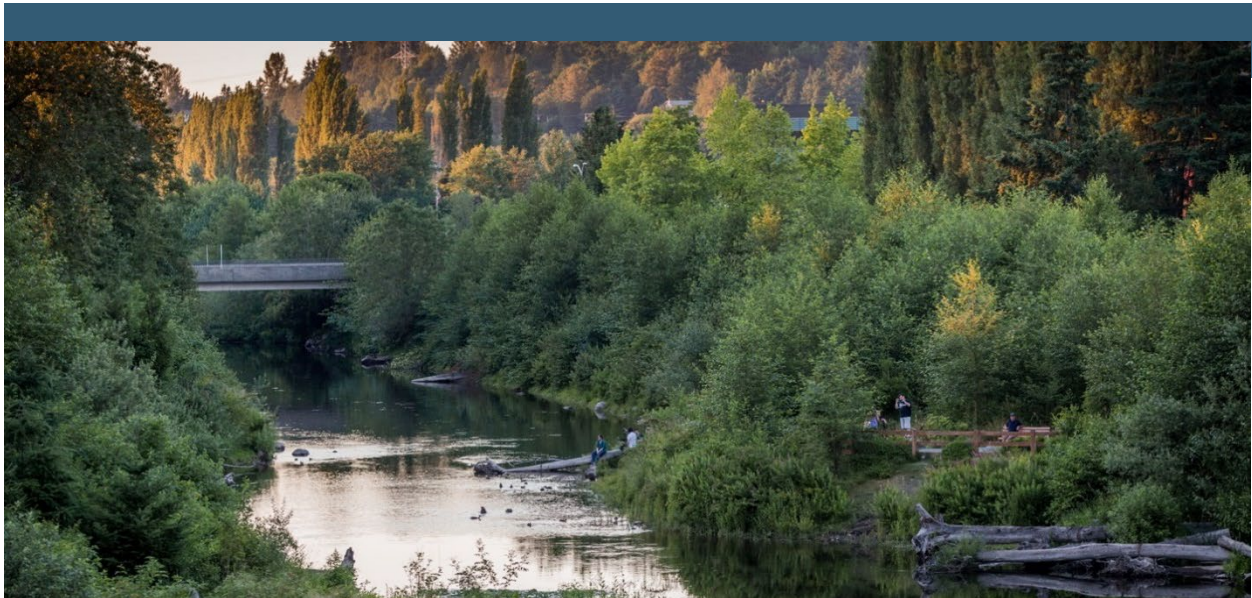
- **Action 3B.1.** Regularly engage with major employers on needs and opportunities for partnership.
- **Action 3B.2.** Explore development of a gaming brand strategy for Redmond Interactive Media companies and facilitate gaming industry events, conferences, and district branding.
- **Action 3B.3.** Engage with technology employers to support emerging subsectors, such as artificial intelligence and satellite broadband, that are supportive of other key industries, such as Space and Life Sciences in Redmond.
- ***Action 3B.4.** Facilitate stronger feedback loops from Technology and Interactive Media companies to educational and training institutions in STEM and other critical skills required by unfilled positions in these industries.

Strategy 3C. Boost Redmond's Commercial Space and Aerospace cluster by leveraging regional and local competitive advantages, concentration, and multi-jurisdictional supports.

- **Action 3C.1.** Maintain close coordination with local and regional entities to boost Redmond's Commercial Space and Aerospace cluster, including leveraging regional and local competitive advantages, concentration, and multi-jurisdictional supports.
- **Action 3C.2.** Build on the momentum of the Redmond Space District efforts by investing in the development and implementation of a Space cluster promotional campaign.
- **Action 3C.3.** Work with partners to highlight Space cluster achievements through other city initiatives and placemaking.

Strategy 3D. Monitor and support expansion in high-growth, emerging clusters of the Life Sciences and Clean Technology industries.

- **Action 3D.1.** Coordinate with state and regional agencies to explore the designation of a Southeast Redmond Industrial Growth Center to support life sciences, clean tech, and other industries in this important district.
- **Action 3D.2.** Spur cleantech industry growth in Redmond by leveraging the City's commitment to environmental sustainability in branding for business attraction.
- **Action 3D.3.** Consider partnering with Life Sciences Washington to identify opportunities for entrepreneurship and start-up mentoring programs in the Life Sciences industry.
- **Action 3D.4.** Monitor Redmond's business, tax, and regulatory policies to identify barriers to companies investing in long-term, high-risk R&D programs in the City.
- ***Action 3D.5.** Identify opportunities to partner with the private sector to leverage investment in Life Sciences laboratory infrastructure and research facilities in Redmond.



Strategy 3E. Retain and grow independent retail activities that strengthen and differentiate Redmond's sense of place and experiential offerings.

- **Action 3E.1.** Strive to create active use retail definitions and requirements to support street level retail conducive to placemaking and tax generation.
- **Action 3E.2.** Monitor and support retail that is reflective of Redmond's community demographics and ensure Redmond residents have access to necessary goods, services, and activities.
- **Action 3E.3.** Conduct a retail demand and leakage study to inform targeted strategies for recruiting and retaining desired businesses and optimizing tax revenue.
- **Action 3E.4.** Consider development standards or flexible zoning to permit electric vehicle (EV) sales activities in select commercial or mixed-use zones.
- **Action 3E.5.** Support businesses that provide the services and amenities that attract resident, employee, and visitor spending.
- **Action 3E.6.** Increase the number of spaces dedicated for active retail use and create retail incubation tools, including space sharing and pop-up opportunities.





Strategy 3F. Support initiatives to highlight and grow the Creative Economy.

- **Action 3F.1.** Work closely with the Redmond Arts and Culture program and commission to connect and convene Redmond's creative community and support their continued growth.
- **Action 3F.2.** Work with partners to develop a comprehensive marketing strategy to leverage the community's arts, culture, and innovation sectors and promote Redmond locally and nationally with a focus on showcasing the creative community.
- ***Action 3F.3.** Engage the creative community to better understand the support and space needs of arts and culture organizations and individual artists in Redmond.
- ***Action 3F.4.** Cultivate projects and partnerships that foster collaboration and business support between the creative community, arts and cultural organizations, and local technology companies.
- ***Action 3F.5.** Collaborate with community partners to plan for and support the creation of a dedicated sizable indoor cultural and arts venue in Redmond.

Strategy 3G. Leverage and support tourism assets and initiatives in alignment with the Tourism Strategic Plan for continued cluster awareness and growth.

- **Action 3G.1.** Continue efforts to develop and offer diverse and inclusive arts, recreational, and cultural programming that draws visitors to Redmond.
- **Action 3G.2.** Support Redmond's Tourism Program and the Tourism Strategic Plan to align the City's tourism efforts for economic impact.
- **Action 3G.3.** Leverage and promote Redmond and the surrounding area amenities to attract increased visitation (including Marymoor Park, Woodinville Wine Country, Sammamish Valley, and Lake Sammamish).
- ***Action 3G.4.** Leverage corporate tourism visits for future business investment in Redmond.



Focus Area 4: Business Attraction and Recruitment

Goal 4: Promote the attractiveness of doing business in Redmond and improve the business climate and opportunity for continued investment.

Strategy 4A. Work with regional, state, and city partners to proactively promote Redmond as an attractive place to do business.

- **Action 4A.1.** Invest in long-term marketing efforts to identify, brand, and promote Redmond's leading and target clusters to foster continued growth.
- **Action 4A.2.** Invest in partnerships that promote business attraction in Redmond, such as Washington State Commerce Department, Puget Sound Regional Council, Greater Seattle Partners, and the Innovation Triangle.
- **Action 4A.3.** Continue developing and hosting a web-based inventory of shovel-ready development sites for new business locations or expansion in Redmond's business districts.
- **Action 4A.4.** Invest in and conduct a Southeast Redmond market study to identify and target business attraction efforts.

Strategy 4B. Support internal efforts to reduce the cost and time of doing business for Redmond's business and development communities.

- **Action 4B.1.** Continue to work with Development Services, as well as other city departments to provide a consistent and predictable regulatory environment and customer-focused approach to permitting, licensing, certification, and development processes.
- **Action 4B.2.** Consider public-private partnerships to advance, support, and construct future public infrastructure.

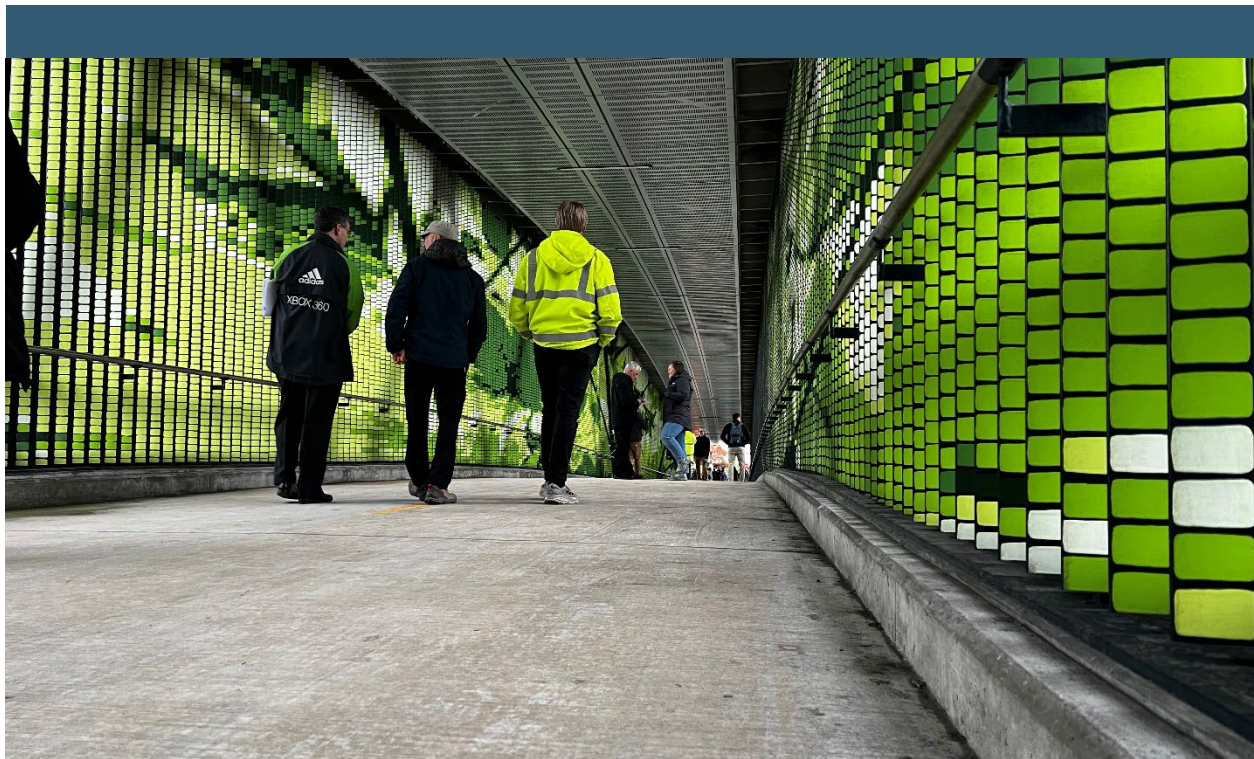
Strategy 4C. Target recruitment of businesses that strengthen the City's commercial, cultural, and district identities.

- **Action 4C.1.** Support and partner with regional business attraction entities and real estate brokers to create and distribute Redmond-specific marketing information.
- **Action 4C.2.** Focus efforts to attract corporate responsible companies that prioritize city values of inclusion and sustainability.
- **Action 4C.3.** Identify and develop profiles of companies and activities that are mutually supportive of Redmond's district identities in Overlake, Marymoor Park, Downtown, and Southeast Redmond.
- **Action 4C.4.** Leverage the unique assets present in Redmond's commercial districts for targeted recruitment.
- **Action 4C.5.** Regularly monitor properties for sale or rent and engage in direct recruitment of small businesses, aligning business models and needs with specific neighborhood identities and active retail gaps.

- ***Action 4C.6.** Monitor gaps in needed goods and services to tailor business recruitment efforts.

Strategy 4D. Support infrastructure investments, zoning, and development that is conducive for business attraction targets.

- ***Action 4D.1.** Monitor the City of Redmond Capital Investment Program (CIP) and advocate to add the extent to which projects support the City's economic development focus areas as a criterion.
- ***Action 4D.2.** Participate in land use conversations to ensure that future land use and zoning designations support target cluster land, space, infrastructure, and co-location needs.
- ***Action 4D.3.** Work with Puget Sound Energy (PSE) and other utility and infrastructure providers to ensure business support and necessary expansion capacity.



Focus Area 5: Workforce Development

Goal 5: Work with partners to attract, retain, and develop a broad base of creative and diverse talent in Redmond and increase access for Redmond residents to greater economic mobility.

Strategy 5A. Collaborate with regional partners and service providers to improve awareness and access to education, training, and jobs for Redmond residents, including youth, tribe members, immigrants, and those returning to the workforce.

- **Action 5A.1.** Dedicate staff time to participate in workforce development and network with workforce partners.
- **Action 5A.2.** Collaborate with Human Services, CBOs, and regional cities to find new ways to increase access to workforce development resources.
- **Action 5A.3.** Track employment and wage trends in Redmond to facilitate enhancements for educational, training, and other employment capacity improvements.
- ***Action 5A.4.** Identify, inventory, and engage associations attached to target sectors, such as Life Science Washington and Technology Alliance, to maintain a cutting edge understanding of available workforce resources.
- ***Action 5A.5.** Create partnerships with programs that provide immigrant job navigation and degree transfer assistance.
- ***Action 5A.6.** Identify ways to support trailing or struggling family members and connect them to the workforce.
- ***Action 5A.7.** Create opportunities to outreach to new employees in Redmond and invite them to engage in city efforts.

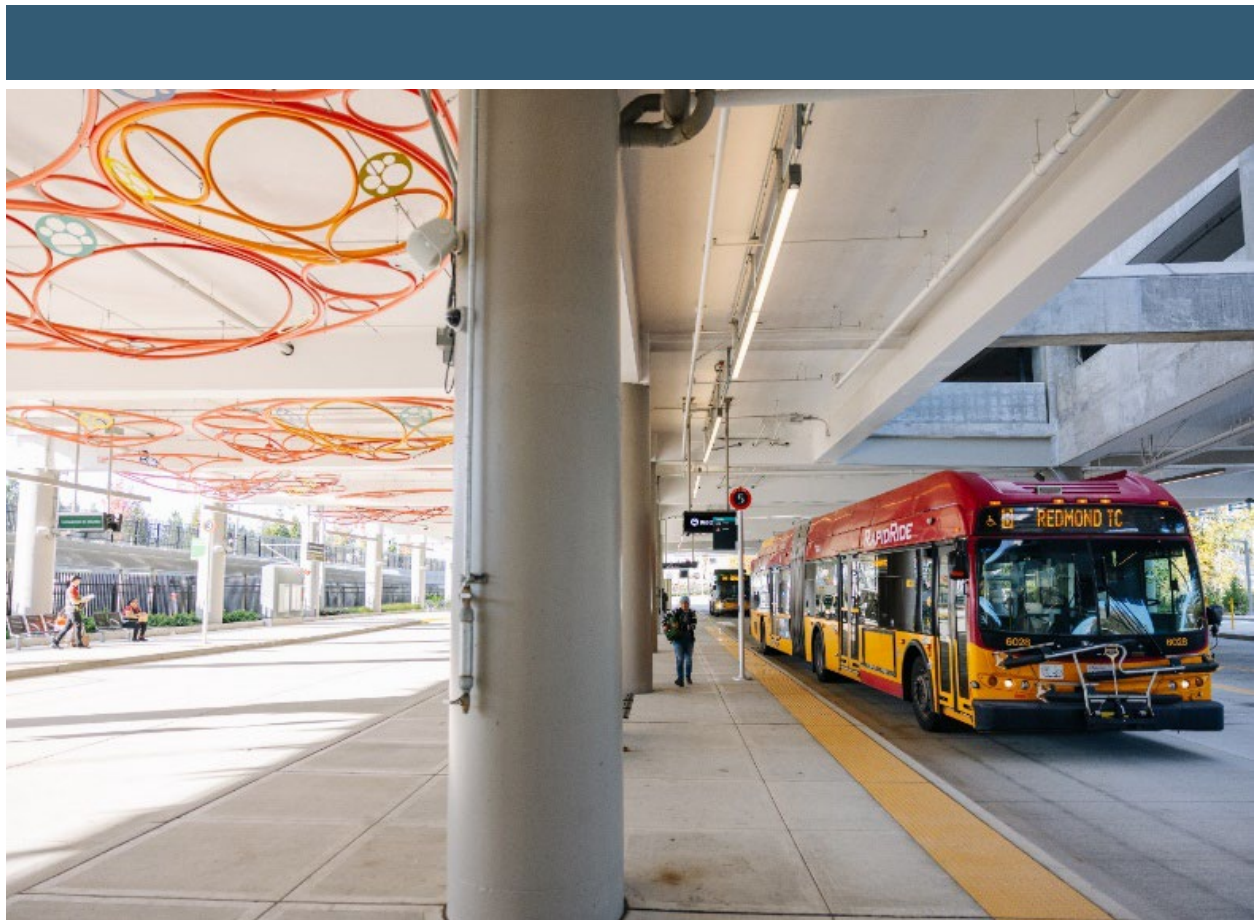
Strategy 5B. Facilitate connections between employers and education and workforce development institutions to increase employer access to qualified workforce.

- **Action 5B.1.** Connect businesses with workforce development resources that may address skill gaps and serve employers' current and future needs.
- ***Action 5B.2.** Collaborate with employers to understand their current and future workforce needs, identify skill gaps, and identify approaches to addressing them.
- ***Action 5B.3.** Support employer-based approaches to addressing skill gaps and upskill underserved residents.
- ***Action 5B.4.** Partner with educational institutions on the broader Eastside and throughout the County to connect with employers and to inform curriculum with in-demand skills training.

- ***Action 5B.5.** Consider a city pilot, along with thought leadership, in employment support programs that serve those with disabilities, language barriers, and skill gaps.

Strategy 5C. Identify and support opportunities to increase affordable dependent care and other supportive services to facilitate workforce attraction and retention.

- **Action 5C.1.** Monitor and work with partners to increase access to affordable dependent care for Redmond's workers.
- ***Action 5C.2.** Encourage employer facilitation for cooperative employee services, such as childcare, upskilling, commute trip reduction, and language training.
- ***Action 5C.3.** Work with local employers to identify supportive services most in need by Redmond's diverse workforce and to tailor city assistance.

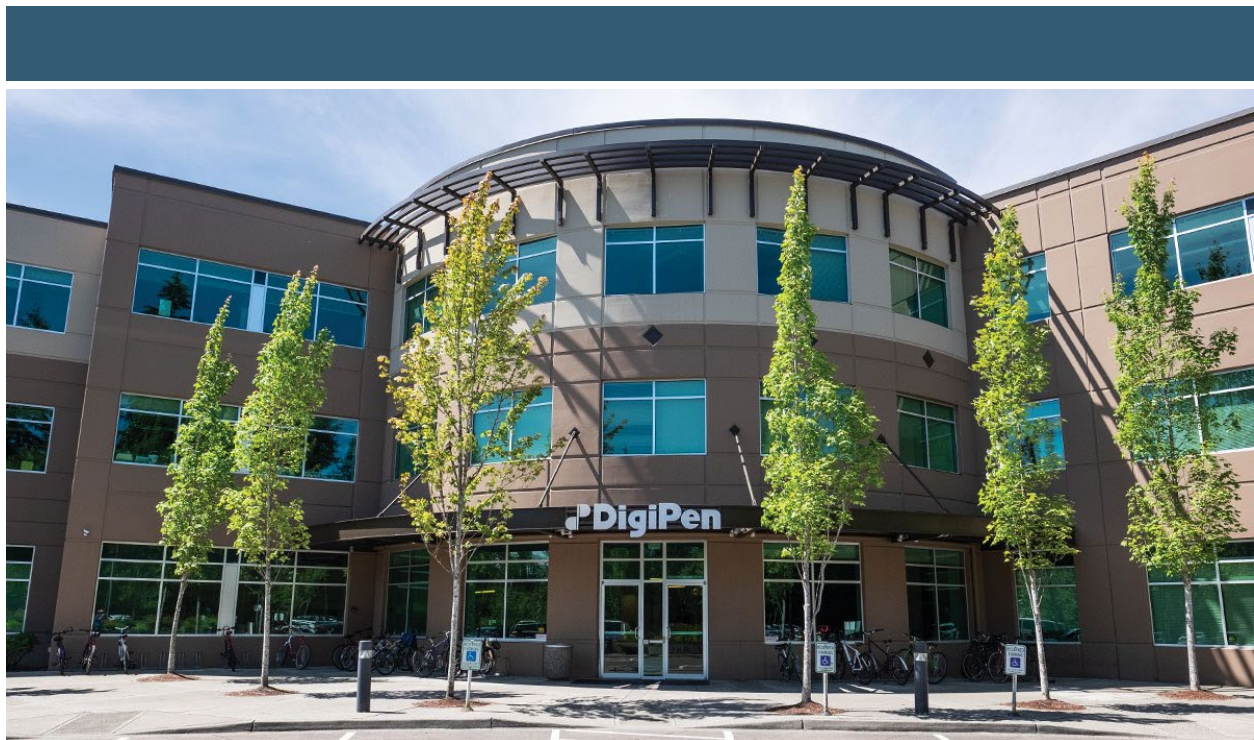


Strategy 5D. Build connections with public and private educational institutions within the region and monitor opportunities to attract programs or campuses to Redmond.

- ***Action 5D.1.** Monitor opportunities to bring or develop a local campus of an institution of higher learning, especially one that aligns with Redmond’s target cluster economic base.

Strategy 5E. Collaborate with regional and subregional workforce development partners to track workforce development trends.

- **Action 5E.1.** Create and maintain an online directory of organizations and services in Redmond providing workforce development, internship and apprenticeship opportunities, and employment assistance.
- **Action 5E.2.** Promote and increase awareness of the available employment services and programs in the workforce development ecosystem directly to Redmond residents.
- ***Action 5E.3.** Engage with workforce development partners to identify potential opportunities for the City to support innovative workforce development assets.



Focus Area 6: District Development and Placemaking

Goal 6: Create and evolve district identities and branding to leverage district marketing power in support of inclusive and equitable growth and economic impact.

Strategy 6A. Foster the creation of district organizations that can convene, brand, program and promote Redmond's unique business districts.

- **Action 6A.1.** Research models for successful business districts, including business improvement districts and provide recommendations on how to facilitate their successful creation and operation.
- ***Action 6A.2.** Consider facilitation of business improvement districts to increase effectiveness and funding for district branding and improvements.
- ***Action 6A.3.** Evaluate and facilitate creation of a Washington Creative District and Main Street designation.
- ***Action 6A.4.** Foster public private partnerships that build capacity of business districts to attract consumers, increase tax revenue, and generate jobs while enhancing placemaking.



Strategy 6B. Develop and disseminate a unique, strongly branded identity for Redmond's business districts and pair with programming to grow visitation and business attraction.

- **Action 6B.1.** Foster development and branding of unique destinations that celebrate heritage, culture, and diversity, and help to retain current residents and draw new residents, visitors, and investment.
- **Action 6B.2.** Actively market the unique assets and brands of Redmond's business districts starting with Downtown, Marymoor, and Overlake, but also consider Southeast Redmond and the Willows corridor.
- **Action 6B.3.** Support the development of district design guidelines, including signage, wayfinding, banners, lighting, and other urban design elements to reinforce visual district identity.
- ***Action 6B.4.** Strengthen economic development communication support by partnering with the City's Communications Division and/or creating additional staff capacity.
- ***Action 6B.5.** Inventory and solicit ideas from local businesses and property owners regarding temporary utilization for activities such as food or retail pop-ups, art / media projections, and advertising.

Strategy 6C. Leverage light rail and continue to prioritize planning and resources for key investments in growth centers to reinforce unique identities as vibrant cultural and commercial centers.

- **Action 6C.1.** Monitor retail spending and revenue leakage levels near the new light rail stations.
- **Action 6C.2.** Create more active retail spaces that encourage an 18-hour Downtown and vibrant nightlife.
- **Action 6C.3.** Work with the Planning and Community Development Department and zoning code to further define and promote active retail uses, including cafes, restaurants, bars, and other uses that energize the street level public space.
- **Action 6C.4.** Explore and support Downtown Redmond shuttle options, shared parking configurations, and wayfinding initiatives.
- **Action 6C.5.** Leverage large regional events, such as the World Cup to attract visitors to Redmond for economic impact.
- **Action 6C.6.** Explore the feasibility of Tax Increment Finance (TIF) districts, and/or other public-private partnership tools and funding streams, as options for funding neighborhood and district improvements and leveraging private development activity.

Strategy 6D. Preserve and promote the arts, entertainment, events, cultural assets, and sciences in Redmond to attract new firms, industries, residents, and visitors.

- **Action 6D.1.** Celebrate Redmond's diverse community through programming, enhancement of the built environment, new public art, and expanded retail offerings.
- **Action 6D.2.** Evaluate the historic and Main Street potential of Redmond for district development and promotion.
- **Action 6D.3.** Evaluate the state of Washington's creative district program and its potential for applicability in Redmond.
- **Action 6D.4.** Support events and other forms of activation that encourage the branding and placemaking envisioned for Redmond.
- **Action 6D.5.** Support the growing Overlake Intercultural District.
- **Action 6D.6.** Respectably acknowledge, celebrate, and support Native peoples, their history and cultural traditions, Tribal enterprises, and ancestral land rights.
- ***Action 6D.7.** Explore public-private partnership options and explore the feasibility of the development of an indoor events space in Redmond.



Strategy 6E. Evaluate opportunities to create and enhance functional industry cluster sub-districts or identities such as an Ecodistrict or Makers District.

- ***Action 6E.1.** Explore opportunities to facilitate and brand a Redmond ecodistrict in support of Redmond’s sustainability goals.
- ***Action 6E.2.** Understand and optimize support for Southeast Redmond industrial use patterns and needs for activities with high potential value including life sciences, clean tech, and space cluster related fabrication, assembly, testing, R&D, and/or distribution.
- ***Action 6E.3.** Study and consider the development of a Redmond Makers District, a business incubation zone that encourages and boosts collaboration and entrepreneurship, and offers large companies the opportunity to experiment with new products and processes.

Spotlight: Ecodistricts. The concept of an ecodistrict encompasses ideas around an urban area organized to manage energy consumption, reduce emissions and pollution, and manage water in a cooperative, maximally sustainable way, and can also include prioritizing public transport and other green mobility, such as bicycling and walking. The Bullitt Center in Seattle is located within the [Capitol Hill EcoDistrict](#), which defines itself as “sustainability applied at the neighborhood scale.” Ecodistricts provide a framework for realizing advanced sustainability through behavior change, building design, and infrastructure investments. In cities around the world, ecodistricts are being developed to improve environmental and social performance at a scale that extends beyond the building site alone. In addition to the Capitol Hill EcoDistrict, Seattle is home to the Seattle 2030 District. Other Ecodistricts can also be found in Austin, TX, Portland, OR, San Francisco, CA, Washington, D.C., London, and Stockholm, among a growing number of other examples.

IMPLEMENTATION OF THE ECONOMIC DEVELOPMENT STRATEGIC PLAN

As the first comprehensive Economic Development Strategic Plan undertaken by the City of Redmond, this document paints the broad strokes of a strategic framework for action focused on attaining the City's vision for economic development. With subsequent iterations, this Plan will be further refined with more specificity around individual actions to achieve the focus areas outlined herein. The focus areas are appropriate for current conditions in 2024, and the strategies in the preceding section were identified as the most suitable and effective approaches to attain them at this time. Going forward, city staff and partners will monitor implementation of this plan closely for efficacy and efficiency and fine-tune their economic development tactics and tools in future updates.

Several considerations have been identified regarding successful, holistic, and timely implementation of the strategies and actions herein.

- **Staff Capacity.** The Redmond Economic Development Division is currently limited to only one full-time manager and one part-time staff that also leads the City's Tourism Program. Several actions highlighted herein may be feasibly accomplished within five years in collaboration with other city staff and external partners. However, given limited staff capacity, other actions are aspirational in nature.
- **Budget Opportunities.** Implementation will also be heavily dependent on funding for specific interventions, including city general fund and tourism program budget, state and federal grants, partner in-kind support, and private sector contributions.
- **Partner Program Development.** The City will be reliant on its close collaboration and coordination with partners to implement the strategies in this plan. It will be critically important for the City and close partners, such as OneRedmond, to evolve clearly-defined respective roles in order to maximize the potential of collaboration for aligned optimization and efficiency in implementation, co-implementation, and progress.
- **Agility.** One key challenge for city departments may relate to the speed and ease with which the public sector has historically been able to react to changes in the economy and its ability to adapt and respond quickly. Policy makers and leaders, as well as day-to-day staff, must recognize and strive to take advantage of new opportunities to enact the spirit of these strategies as they come. When economic fundamentals, community dynamics, or assets change, the City must reassess and pivot as needed to optimize outcomes.



Measuring Success

As the City of Redmond makes progress on the implementation of the Economic Development Strategic Plan, it is important to regularly assess success towards meeting the vision and focus areas. Traditionally, economic development plans often attempt to measure the results of policies and programs aimed at supporting economic growth in terms of direct, quantitative metrics like new jobs, new companies, new investment, revenue growth, sales tax growth, and other such factors. However, jobs and private investment do not tell the whole story about the impact of the strategic plan. Therefore, the City should consider a combination of traditional and non-traditional performance measures, such as the ones listed below.

Reporting

Throughout implementation of this Plan the Economic Development division will routinely report to Council on program development, implementation of actions, and key performance metrics of strategic implementation as well as receive insights and feedback on direction for continued implementation.

Traditional Performance Measures

- Target industry employment growth, new full-time equivalent (FTE) jobs
- New business starts (licenses) and tax revenues
- Reduced numbers of displaced businesses / business closures
- Roundtable / event attendance
- Number of visits to website or number of times local businesses have been contacted
- Real estate sales numbers for the area, building permits
- Unemployment rate or population change
- Leads generated in target industry companies and number of customized proposals produced

Non-Traditional Performance Measures

- Number of program participants served by workforce development initiatives
- Qualitative feedback from business community
- Touches or instances of direct engagement with businesses
- Testimonials or endorsements
- Inquiries received

