



**MEMO TO:** Planning and Public Works Committee of the Whole

**FROM:** Jill Smith, Economic Development & TDM Manager

**DATE:** December 11, 2018

**SUBJECT:** Approval of an Interlocal Agreement (ILA) between the cities of Redmond, Bellevue, Kirkland, Issaquah and Renton for the Startup 425 partnership program.

**I. PURPOSE** ☐ For Info Only ☐ Potential Agenda Item ☒ Scheduled for Council Action

**II. RECOMMENDATION**

Authorize Redmond to participate in an Interlocal Agreement (ILA) between the cities of Redmond, Bellevue, Kirkland, Issaquah and Renton to implement the Startup 425 partnership program.

**III. DEPARTMENT CONTACTS**

Erika Vandenbrande, Director of Planning & Community Development, 425-556-2457  
Jill Smith, Economic Development & TDM Manager, 425-556-2448

**IV. DESCRIPTION/BACKGROUND**

In 2017, the cities of Redmond, Bellevue, Kirkland, Issaquah and Renton embarked on an experiment, called Startup 425, to support entrepreneurs and the creation and expansion of startup businesses on the Eastside. The partner cities share a common goal to support the growth of local small businesses as a means to advance job creation and create new opportunities for residents. Developing and maintaining a resilient startup ecosystem is a long-term economic development strategy that helps add jobs and additional tax revenue to City budgets, which in turn supports robust service delivery to residents, visitors, and businesses.

A focus of the Startup 425 program has been to bring free to low cost education and resources to entrepreneurs and startup businesses. Over the past 18-months, over 1,000 people have attended educational workshops on topics such as ideation, business plans, financing, structure & licensing, marketing plans, networking & mentoring, and exporting. Many of the attendees have gone on to work with SCORE mentors to further their business plans.

Moving forward, the partners have an interest in developing additional programming, doing more in-depth community engagement, and long-term strategic planning.

Under this new interlocal agreement (ILA), Redmond will engage in a long-range planning effort with the parties in 2019 to chart a future course for Startup 425 that will ensure its growth and success, including convening a Business Advisory Committee to identify unmet needs, revenue generating activities and a sustainable operations model.

This ILA would formalize and document the working relationship that began 18-months ago, and has since grown into a successful partnership and valuable program for entrepreneurs on the Eastside. The purpose of this agreement is to acknowledge the parties' mutual interest to jointly participate in the administration, operation, and strategy setting for Startup 425, and to recognize Kirkland as the lead in administering the budget and management of the activities of the work program.

**A. Analysis**

(Please include process to-date and any service delivery or fiscal considerations.)

Analysis: The staff from Redmond, Bellevue and Kirkland briefed their three Mayors on August 30, 2018. The Mayors directed staff to brief each City Council and then formalize an agreement moving forward. Redmond City Council was briefed through a staff report on October 16, 2018 by Jill Smith.

Service Delivery: The five cities are each bringing the Interlocal Agreement to their City Councils for consideration by January 31, 2019.

Fiscal Considerations: Redmond would contribute \$15,000 annually to a joint dedicated fund where City of Kirkland will execute the budget and management of the work program. The 2019 funds would be reimbursed to Redmond by the Port of Seattle Economic Development partnership grant and are included in the 2019/2020 economic development budget approved by City Council on December 4, 2018.

<b>Date</b>	<b>Action/Committee Presentation</b>
October 16, 2018	Council Meeting Staff Report
December 11, 2018	Planning and Public Works Committee
January 15, 2019	Council Consent Agenda

**V. TIME CONSTRAINTS**

If City Council chooses not to participate in this partnership program, Redmond would not provide resources to entrepreneurs and startup businesses.

**VI. LIST OF ATTACHMENTS**

ATTACHMENT A: Startup 425 Interlocal Agreement