



Forward Together

An Economic Recovery Framework for Greater Seattle

May 2021

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Forward Together is a group of private, public sector and non-profit organizations who are committed to identifying and addressing barriers to economic prosperity in our region and throughout our communities. Our goal is for all stakeholders from across the region to be able to see themselves in our work. Forward Together will continue to work with our diverse communities to identify aspirational, innovative and transformational strategies that are unique opportunities for our region.

For inquiries about Forward Together or the Economic Recovery Framework please contact Greater Seattle Partners at info@greater-seattle.com or 206.389.8650.

Letter from the Recovery Task Force Committee Chairs

Over the course of this past year, we have been honored to join more than 200 of our fellow community leaders in academia, business, government and not-for-profit to develop an equitable and inclusive regional economic recovery framework. This framework puts forth a set of key initiatives designed to build our economy back stronger than before, not just for a select few, but for all of our diverse communities and neighborhoods across Greater Seattle.

This economic recovery work began during a global pandemic that upended lives and cast doubt on the dreams of many of our citizens. Fear and uncertainty were further compounded when civil unrest again laid bare the racism and inequities in our society. The Task Force started this journey with a unified consensus that our region cannot afford to return to the status quo.

While it is true our economy was growing before Covid-19, it did not work for everyone. Huge barriers to prosperity, especially for women and people of color, limited our potential. Inclusion is a massive growth opportunity for Greater Seattle. Closing racial disparities in employment and income has the potential to grow our regional GDP by more than \$30B per year. Better jobs and more diversity is not just a moral imperative – it is good for business.

We know that greater access to quality jobs, capital, education, childcare, transportation, affordable housing, and workforce training will fundamentally change an individual's potential to earn a living wage, take care of their loved ones, grow a business, and invest in their communities. But these opportunities remain out of reach for many. Fortunately, we have the will, the resources, and many of the basic mechanisms in place here in Greater Seattle to address these problems. But our work across the region has to be better integrated, more focused, and accelerated.

This Framework identifies specific initiatives that are measurable, evidence-based, focused on equity, regional in scope and backed by engaged public and private sector leaders. It is designed to elevate the best ideas in the region, align public and private sector resources behind those ideas, and build systems that operate at the scale and with the relentless focus on equity that this moment demands. If leaders commit to investing in these initiatives, Greater Seattle can be a national model for inclusive growth – a superstar region that is fueling its economy with homegrown talent and businesses.

We know the difficult work begins now, and we will only consider these efforts successful if they unleash the potential of those who have been most systematically excluded. But if we work together as one region, we can build the most equitable, innovative and resilient economy in the nation.

Thank you to all of you who challenged and pushed us through this process. Your voices were heard. And we will continue to listen as we move forward on this path together.

Sincerely,



Betsy Cadwallader
Market President
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Gary Locke
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Mayor Victoria Woodards
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ACKNOWLEDGMENTS

This Economic Recovery Framework reflects the contributions of 200 leaders from diverse backgrounds across public, private, and community organizations who volunteered their time and expertise during a one-year collaborative endeavor.

As we strive to build a more diverse and equitable economy that benefits everyone, we would like to specifically thank the following individuals for their contributions across four work groups.

- Ensuring people have access to good jobs.
- Connecting growing, inclusive businesses to diverse talent.
- Driving adoption of more inclusive business.
- Creating, growing, and attracting inclusive businesses.

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INTRODUCTION

In March 2020, the COVID-19 virus brought unprecedented economic disruptions to the United States and regional economies across the country.

Two realities were almost immediately apparent: Covid would profoundly reshape the economy in ways that outlasted the virus itself, and it would hugely magnify existing inequities by race, gender, and geography. This crisis demanded a bold, strategic, coordinated, and inclusive response.

That is why Greater Seattle Partners brought together a Task Force of public, private, and non-profit sector leaders from across the three-county region in May 2020. This Task Force, which ultimately grew to include over 200 leaders, worked together for nearly a year to develop a long-term economic recovery framework for the region. Motivated by a shared understanding of the challenge and opportunity, the Task Force decided on a specific and ambitious set of inclusive growth metrics and identified a portfolio of initiatives that will form the core of the region's long-term recovery efforts guided by Forward Together.

This framework does not compete with other strategies in the region. Rather, it draws from strategies across Greater Seattle and aggregates the most widely agreed-upon and actionable parts of those strategies. This framework is a way to elevate the best ideas in the region, align public and private sector resources behind those ideas, and build systems that operate at the scale that this moment demands.

If leaders in Greater Seattle commit to investing in these initiatives at the speed and scale envisioned in this framework, and with an unwavering commitment to equity, this region will not only emerge from Covid faster – it will emerge as a national model of inclusive growth, a superstar region fueled by homegrown talent and businesses.

THE PLANNING PROCESS

The work of the Task Force proceeded in two phases. In the exploration and analysis phase, from May through November, Task Force members reviewed initial data on the impact of Covid and provided input through individual interviews and small group meetings. These informed a survey that presented five strategic themes and thirty draft strategies. Subsequent meetings and interviews generated a set of over 150 specific “opportunities for action” related to these strategies. The outcomes of this phase, documented in Exploration & Analysis (page 19) served as the raw material for the development of this framework. In the initiative development phase, from December through April, the Task Force broke into four Work Groups and focused on three tasks: arriving at a shared understanding of the size and scope of the problem, developing a set of metrics to guide initiative selection, and then assembling a portfolio of 10 specific, measurable initiatives that are best-positioned to move the needle on those metrics. This document summarizes the conclusions of the Task Force in each of these three areas.



— More than —
200 leaders

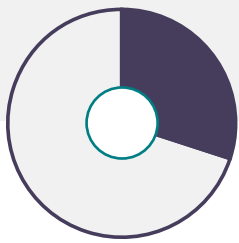
from many sectors within the greater Seattle region have contributed to this economic recovery framework.

THE ECONOMIC CHALLENGE

Covid created an economic crisis, but it also revealed an even deeper crisis. Even as Greater Seattle rose to superstar status in the decade pre-Covid, cracks were forming in the foundation of its economy:

Shortage of good jobs

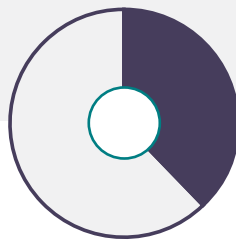
A 3% unemployment rate pre-Covid obscured the fact that nearly 900,000 people in Greater Seattle were out of work or stuck in low-wage jobs. The share of people out of work in Greater Seattle was 30% higher than in Minneapolis-St. Paul.¹ More than one in three employed people in Greater Seattle were in low-wage jobs that paid less than \$18 per hour, and many others were struggling to get by in a region where the living wage for most families is \$25 per hour or more.²



People out of work in Greater Seattle was **30% higher** than in Minneapolis, St. Paul

Huge race and gender disparities across the economy

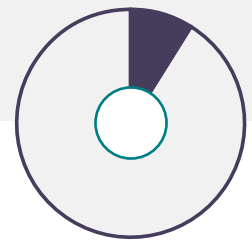
Race- and gender-based disparities were massive in terms of both income and business ownership. For example, just 38% of women of color with college degrees in Greater Seattle had a good job (\$25/hr + benefits), versus 65% of white men with college degrees.⁴ Greater Seattle ranked in the bottom third of large metro areas in terms of Black and Hispanic representation in tech jobs and management roles.⁵ In terms of business ownership, 35% of the workforce (and 30% of college degree holders) in Greater Seattle were people of color, but they only owned 8% of high-growth firms.⁶



38% of women of color with college degrees Compared to 65% of white men with college degrees

Too few successful new businesses

Amidst a booming tech economy, Greater Seattle's entrepreneurship ecosystem faltered. Between 2009 and 2019, the number of jobs in young firms (less than five years old) in Greater Seattle grew by less than 8%. In other high-growth and high-tech metro areas, young firms expanded rapidly – jobs in these businesses increased by 12% in Atlanta, nearly 25% in Denver, over 30% in Nashville, and over 47% in Austin.³



The number of jobs in young firms in Greater Seattle **grew less than 8%** Compared to 47% in Austin

In short, Covid hit a Greater Seattle economy that – contrary to appearances – was already under-performing, largely because it was failing to develop and elevate the immense talents of its diverse population. PolicyLink has tallied up the costs of this status quo: the region's economy would be \$33 billion larger every year if racial disparities in income and employment were eliminated.⁷ The cost of exclusion would surely top \$50 billion if gender disparities were included. If Greater Seattle's economy grew by \$50 billion, it would vault past Philadelphia and Boston, becoming the 8th-largest economy in the country.

¹ Martha Ross and Natalie Holmes, "Meet the Out of Work", Brookings, 2017; Ross and Holmes, "Meet the Millions of Young Adults Who Are Out of Work", Brookings, 2019.

² Martha Ross and Nicole Bateman, "Meet the Low-Wage Workforce", Brookings, 2019.

³ Alan Berube et al., "MetroMonitor 2021", Brookings, 2021.

⁴ Chad Shearer and Isha Shah, "Opportunity Industries", Brookings, 2018.

⁵ Amy Liu and Reniya Dinkins, "From Commitments to Action: How CEOs can Advance Racial Equity in Their Regional Economies", Brookings, 2021.

⁶ Analysis of data from the Annual Survey of Entrepreneurs, Census Bureau.

⁷ Abbie Langston, Justin Scoggins, and Matthew Walsh, "Advancing Workforce Equity in Seattle: A Blueprint for Action", PolicyLink and USC Equity Research Institute, 2021.

The long-term economic impacts of Covid are not yet clear – it is still uncertain how quickly lost jobs will return, how downtowns will fare, and which industries will emerge strongest. What is clear, however, is that Covid has hugely increased the importance of investing in economic inclusion:

- Women were disproportionately impacted by Covid: women were forced out of the labor market at three to four times the rate of men in the midst of Covid, with women of color and mothers of young children bearing the brunt of the downturn.⁸ The Greater Seattle economy cannot recover, much less thrive, if half of the population continues to face massive barriers to working, developing their skills, or creating new businesses.
- The workforce of the future was derailed: The current workforce in Greater Seattle is 66% white, but the under-25 population – the workforce of the future – is only 54% white.⁹ The young workers of color that make up nearly half of Greater Seattle's emerging workforce were among the hardest-hit, and there is evidence that permanent "scarring" occurs for young people whose entry into the workforce is derailed by a recession. The barriers that people of color face today already diminish the economy's potential by \$33 billion. The costs of inaction will balloon as the workforce rapidly diversifies.
- Covid could accelerate the decline of quality jobs: companies are investing in automation in response to Covid.¹⁰ This will force people in at-risk jobs to quickly gain new skills and change careers. People of color are over-represented in the most automation-exposed jobs, and are the least likely to have the resources to navigate this challenging transition.¹¹



Photo courtesy of Port of Seattle

The Takeaway

Greater Seattle cannot truly recover from the Covid-19 crisis by re-connecting people to their old jobs and re-opening businesses. It can only truly recover by creating more good future-proof jobs, building the richest pipeline of diverse talent in the country, and empowering people to grow more resilient and innovative businesses. And it must do so with a relentless focus on unleashing the talents and entrepreneurial potential of people of color and women.

8 Rakesh Kochhar and Jesse Bennet, "U.S. labor market inches back from the Covid-19 shock, but recovery is far from complete", Pew Research Center, 2021.

9 Abbie Langston, Justin Scoggins, and Matthew Walsh, "Advancing Workforce Equity in Seattle: A Blueprint for Action", PolicyLink and USC Equity Research Institute, 2021.

10 "After Years of Dithering Companies Are Embracing Automation", The Economist, January 16 2021.

11 Abbie Langston, Justin Scoggins, and Matthew Walsh, "Advancing Workforce Equity in Seattle: A Blueprint for Action", PolicyLink and USC Equity Research Institute, 2021.

THE OPPORTUNITY

THE BUSINESS CASE FOR INCLUSION

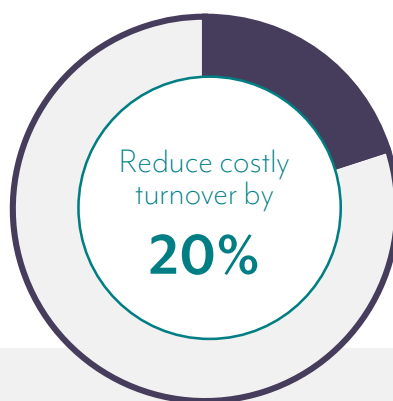
The good news is that creating better jobs and investing in diverse talent is not just good for people or good for the regional economy overall – it is good for business.

Investing in workers is good for business

Gallup research shows that business units in the top quartile in terms of job quality, as measured by employee engagement, are 21% more profitable, 20% more productive, and have 10% higher customer loyalty than business units in the bottom quartile.¹² Higher pay and more benefits for workers can pay for itself through improved engagement and productivity.

Inclusive hiring practices cut costs

Evidence-based hiring processes, which aim to reduce reliance on unnecessary credentials and remove unconscious biases, have been shown in case studies to reduce costly turnover by over 20% and time-to-hire by over 15%.¹³



Diverse leadership is good for innovation

Boston Consulting Group found that management teams with above-average diversity are almost twice as innovative as those with below-average diversity: 46% of their revenue comes from products launched in the last three years, compared to 26% for firms with less-diverse leadership. More diverse firms are also 9% more profitable.¹⁴

This means that governments and nonprofits do not have to work alone –

Greater Seattle's recovery can, and must, harness the energy of businesses that are investing in their workers and in inclusion because they know that it is the only way to become more productive, profitable, and innovative.



¹² James K Harter et al., "The Relationship Between Engagement at Work and Organizational Outcomes", Gallup, October 2020.

¹³ Analysis of program outcomes by HireReach, available at: hirereach.org

¹⁴ Rocio Lorenzo et al., "How Diverse Leadership Teams Boost Innovation", Boston Consulting Group, 2018.

METRICS

The metrics for this framework recognize that there are inequities throughout the economy. Clearly in the wake of Covid there are too many people out of work – but there are also too many people treading water in low-wage jobs, and too many people who are just getting by but should be innovating, leading organizations in the industries defining Greater Seattle’s future, and starting businesses.

To set goals, the Task Force looked across four categories – out of work, low-wage, underemployed, and missing entrepreneurs – and asked two questions. First, “what would it take for Greater Seattle to emerge from the Covid crisis as the most opportunity-rich economy in the country?” In other words, how could Greater Seattle emerge post-Covid in as good a position as the top metro areas in each of these categories pre-Covid? The answer is captured in the “horizon goals.” Accomplishing these will take time and large-scale systems and policy change. That’s why the Task Force then asked: “what intermediate metrics should we use to design a portfolio of high-impact initiatives?” These metrics focus on connecting those hardest-hit – women of color – to opportunity.



These metrics do not mean that Greater Seattle will build initiatives that only serve women of color. Rather, these metrics represent a commitment that the design of every initiative will revolve around the question: “what investments do we need to make to ensure that this system works for those who face the biggest barriers to economic opportunity?” These metrics are a commitment that, regardless of how quickly the economy rebounds, Greater Seattle will only consider its efforts successful if they create systems that unleash the potential of those who have been most systematically excluded.

See Appendix on page 17 for details on the method by which these metrics were determined.

INITIATIVES

With an eye towards meeting these initiative metrics in the next five years, the Task Force assembled a portfolio of ten initiatives. These were drawn from over 150 “opportunities for action” identified in the exploration and analysis phase of the Task Force’s work. This portfolio of initiatives spans four inter-related areas of activity:

- **Job creation and business growth:** creating more good jobs and growing businesses owned by people of color and women
- **Talent development:** equipping people of color and women with skills for the jobs of the future and high-quality internships and apprenticeships in key sectors
- **Business practices:** improving the quality of jobs and diversity of the workforce in key sectors by shaping employer practices
- **Access to opportunity:** connecting people to jobs by ensuring that there are good jobs and childcare resources across the region

These initiatives are all similar in that they met the Task Force’s criteria: they are discrete, measurable, evidence-based, focused on equity, regional in scope, and backed by engaged public and private sector leaders. Yet each is at a different level of development: some are based on established best practices, while some are promising but untested concepts that need to be further defined. Each initiative will go through further design work in Q2-Q3 of 2021, which will involve new organizations and leaders from the communities that are the focus of the initiatives. Each of these groups will produce a detailed implementation plan by the end of Q3 2021.

	Initiative	Initiative	Initiative
1 Job Creation and Business Growth	Minority Business Accelerator \$10M	Equity Loan Fund for Scale-Up Firms \$15M (loan)	Business Attraction for Emerging Industry Clusters \$1M
2 Talent Development	Shared Supportive Services for Earn and Learn Programs \$10M + \$2M loan	Expand Pre-Apprenticeship Training \$4M	
3 Business Practices	Corporate Racial Equity Coalitions \$6M	Apprenticeship Development for Mid-Sized Firms \$2.5M	Evidence Based Hiring Academy \$3.5M
4 Access to Opportunity	Job Hubs \$0.4M + \$8M loan	Childcare Expansion \$7.5M	

Note: all cost figures are preliminary estimates, to be refined during initiative design process. Not all costs represent net new funds to be raised; some has already been committed, some is in the form of loans, some could be offset by fees for businesses.

Initiatives Will Evolve During Design Process

Some key components of these initiatives will change during the design process (e.g., name, approach, implementers). The estimated funding and impact may change considerably as a result. The funding and impact estimates provided here are for illustration only. Also note that estimated funding should not be interpreted as entirely new funding that needs to be raised – it includes existing spending that could be re-directed to these initiatives, new funding that needs to be raised (including via federal sources), and loans that would be repaid. Some initiatives could offset costs by operating on a fee-for-service basis.

Job Creation and Business Growth

These initiatives are motivated by two key ideas. First, addressing racial wealth gaps requires not just starting or stabilizing BIPOC- and women-owned businesses, but growing those that already exist. Race and gender disparities in business ownership are largest among potentially high-growth firms: people of color are 35% of the Greater Seattle workforce and own 24% of businesses overall, but only 8% of potentially high-growth businesses. Second, Greater Seattle needs tens of thousands of new good jobs, which for most families means wages of at least \$25 per hour. These jobs are concentrated in innovative, traded sector businesses. Greater Seattle therefore needs focused, strategic, regional efforts to compete for investment in sectors with the greatest post-Covid growth potential.

Initiative: Minority Business Accelerator

This initiative will connect existing BIPOC- and women-owned scale-up businesses (at least \$500,000 in revenue and growth potential) to consulting services and corporate partners. This draws inspiration from the Cincinnati Minority Business Accelerator (MBA), which increases the supply of minority-owned businesses that are prepared to supply large clients and increases demand by working with corporations to set specific diversity goals and redesign their procurement practices. Despite the “accelerator” name, this would not be a short-term, light-touch high-volume effort. This initiative would surround a portfolio of high-potential firms with long-term, high-quality resources to help them scale. The Cincinnati MBA, for example, has worked with just 65 firms in its 15 years – but on average these firms have grown by \$30 million each. This initiative would also formalize a network like the Cincinnati Minority Business Collaborative, which includes organizations like the Urban League and African American Chamber that work together to prepare smaller firms for the MBA.

Potential Implementers: Business Impact Northwest, Seattle Metropolitan Chamber, Urban League, Ascend Seattle (UW Foster), Impact Washington

Funding and Impact: based on the MBA model, this initiative could serve a portfolio of 100 businesses per year for \$2 million (\$10 million over five years). Over five years this initiative could serve approximately 200 businesses total (assuming 20% turnover in the portfolio each year).

Initiative: Equity Loan Fund for Scale-Up Firms

This initiative will complement the Minority Business Accelerator by providing a source of funding tailored to the needs of scale-up firms and focused on BIPOC- and women-owned businesses. This initiative will create a CDFI equity loan fund for businesses whose needs exceed typical small business financial resources (e.g., CDFI term loans and lines of credit) but are not interested in or ready for venture capital. Greater Seattle needs tailored, targeted forms of capital if it is going to grow a robust base of mid-sized BIPOC- and women-owned firms.

Potential Implementers: Business Impact Northwest, Craft 3

Funding and Impact: a \$150,000 investment would cover the staff or consultant capacity to design, create, and manage this fund. A \$15 million equity fund could serve at least 300 businesses in five years.

Initiative: Business Attraction for Emerging Industry Clusters

This initiative will create targeted, data-driven marketing materials for three emerging sectors that meet three criteria: (1) they have considerable growth potential post-Covid, (2) they offer opportunities to create middle-wage jobs across the region, and (3) they span traditional industry verticals and therefore may not be fully served by existing industry organizations. Examples of these sectors might include: digital health (spans life sciences, healthcare, technology), clean technology (spans manufacturing, maritime, and technology), space (spans aerospace and technology), and interactive media (spans arts and technology). These materials should not just involve branding, but in-depth, industry-relevant research that defines the industry, captures recent trends in the Greater Seattle region, inventories key assets in the industry ecosystem, and profiles leading companies and innovators.

Potential Implementers: Greater Seattle Partners, industry organizations (e.g. Technology Alliance, Maritime Blue, Cambia Grove, Aerospace Futures Alliance)

Initial Funding and Impact: a \$1 million investment would cover the research, convening, and creation of these marketing materials and development of targeted attraction strategies.



Greater Seattle needs tailored, targeted forms of capital if it is going to grow a robust base of mid-sized BIPOC- and women-owned firms.

Talent Development

An inclusive recovery will require connecting diverse talent to good jobs in high-growth industries in businesses with inclusive practices. These initiatives are designed to ensure that people who are under-represented in these industries, especially women of color, have opportunities to gain the skills and experience required to get good, future-proof jobs. The research is clear on what works: apprenticeships and high-quality internships (“earn and learn” models) that are industry-aligned, focused on digital skills, and paired with comprehensive services and coaching. These initiatives are designed to systematize and scale ongoing efforts in these areas in Greater Seattle.

Initiative: Shared Support Services for Earn and Learn Programs

Greater Seattle has numerous “earn and learn” programs that provide high-quality apprenticeships and internships in high-growth sectors and have an intentional focus on racial and gender equity. In the tech sector, for example, these include Ada Developers Academy, Apprenti, and Year Up. The impact of these programs is clear: an independent assessment of Year Up found that, relative to a peer group, it produced “earnings gains of 30-40%, sustained over five years, for low-income, mainly minority young adults.” If Greater Seattle is to diversify the industries that are defining its future, it needs to grow and diversify these and similar programs. Yet while these programs are free, and dependably vault participants into high-wage jobs, many people may nevertheless find them cost-prohibitive. For example, Year Up offers a stipend, but it may not be enough to cover living expenses, especially for those with children. Further, many people who are out of work or in low-wage jobs face instability and trauma and may need additional supports to complete these intensive, year-long programs. This initiative will create a shared set of financial, childcare, and other supports for participants in these types of programs. Ada Developers Academy has worked with Craft 3 and Community Credit Lab to offer zero-interest or low-interest loans to participants; this model could be extended to other programs. Ada Developers Academy has also partnered with Weekdays to provide subsidized childcare for participants; this partnership could also be extended. And a shared team of navigators and therapists will provide additional supports to ensure that these programs are able to serve the most diverse and disadvantaged populations in the region.

Potential Implementers: network of “earn and learn” programs (e.g., Ada, Apprenti, Year Up), lenders (e.g., Community Credit Labs, Craft 3), neutral project manager, host organization for navigators and therapists

Funding and Impact: a \$2 million loan fund could provide zero- or low-interest loans to at least 200 students, an investment of \$1.5 million per year (\$7.5 million over five years) could cover a 50% subsidy for childcare for at least 200 students per year, and an investment of \$500,000 per year (or \$2.5 million over five years) could cover the costs of a team of four navigators and therapists. The total cost over five years including the loan fund is \$12 million.

Initiative: Expand Pre-Apprenticeship Training

This initiative would provide support for existing and new pre-apprenticeship programs, which are a top priority of workforce development organizations across the region. Apprenticeships will only live up to their widely recognized promise as engines of economic opportunity if they improve in terms of diversity and equity. In 2019, nearly 9 in 10 new apprentices nationwide were male, and Black people who completed registered apprenticeships earned about half as much as their white counterparts. According to Jobs for the Future, “many people, especially women and people of color, have limited opportunities to work and receive training as apprentices because they don’t have clear pathways to learn about, prepare for, or successfully apply to programs built on this relatively unknown, and rigorous, earn-and-learn model... A pre-apprenticeship program can offer that foundational experience. These programs provide training, support services, and career navigation assistance to help people gain the skills and awareness they need to enter and succeed in apprenticeships and, ultimately, careers.” Workforce development organizations in Seattle have recognized the promise of pre-apprenticeships. The WDC of Seattle-King County, for example, invested in at least three separate pre-apprenticeship programs in 2020 and affirmed the importance of bolstering these programs and expanding pre-apprenticeship options in new sectors (IT and Healthcare) in its 2021 regional strategic plan.

Potential Implementers: WDCs, Computing for All, AJAC

Funding and Impact: A flexible \$800,000 fund per year (\$4 million over 5 years) shared by several pre-apprenticeship programs would allow these programs to directly cover training costs for participants, rather than having to rely on a complex network of external funding sources, thus alleviating administrative burdens and allowing programs to scale to several times their current size.



Business Practices

These initiatives are a response to the fact that the success of most initiatives in this portfolio depend on employers adopting more inclusive practices, in terms of hiring, training, pay, procurement, and more. Employers in Greater Seattle are making commitments on these issues, notably those that have signed on to the Washington Employers for Racial Equity Commitment (WERE) and the WTIA Anti-Racism in Tech Pact. These are important steps, but to generate lasting change Greater Seattle needs to expand these efforts and provide dedicated staff capacity. What does this involve? First, racial equity coalitions need to be formalized in other major sectors. Second, these coalitions need to be staffed by full-time employees that can convene employers, identify specific areas that businesses are falling short, and facilitate knowledge exchange. Third, these coalitions need to set metrics that they commit to working towards as a group – and create systems to report on progress. And fourth, many of these employers will need access to outside consultants that can help them make real, permanent operational changes.

Initiative: Corporate Racial Equity Coalitions

This initiative will ensure that existing racial equity coalitions – convened by WERE and WTIA – have the dedicated staff capacity they need to succeed and support other key industries as they create similar coalitions. The WTIA model is likely most directly applicable to other industries, as it is focused on supporting small- and mid-sized companies that constitute most employers in every sector. This initiative will enable two additional industry organizations (or industry leadership tables) to use the WTIA platform and modify it for their industry. By the end of 2021, Greater Seattle will have four employer-led racial equity coalitions covering at least 250 businesses, managed by dedicated staff, organized around specific metrics, and equipped with a roadmap for achieving those metrics.

Potential Implementers: WTIA, WERE, industry organizations and industry leadership tables

Funding and Impact: an investment of \$300,000 annually per coalition (\$1.2 million total per year, or \$6 million over five years, including funding WTIA and WERE have already dedicated) would cover 1.5 FTEs per coalition, plus funding for research, convenings, etc. If these efforts inspire 250 businesses to hire 10 people they otherwise would not have, increase the wages of 10 low-wage employees, and promote 10 employees they otherwise would not have, this initiative would create 2,500 new jobs for target populations, move 2,500 people from low-wage jobs to good jobs, and move 2,500 underemployed people to high-wage jobs.

Initiative: Apprenticeship Development for Mid-Sized Firms

Apprenticeships are broadly prioritized across the region for good reason: they are a pathway to quality jobs for people hit hardest by the Covid recession (such as low-wage service sector workers), and they pay off

for businesses. The talent development initiatives of this framework (pg. 17) focus on the supply side: growing and diversifying apprenticeships and other high-quality “earn and learn” programs. This initiative works on the demand side: enabling more small and mid-sized businesses to create apprenticeship programs and hire apprentices. Many firms are convinced of the business case for apprenticeships but lack the time, resources, or knowledge required to create programs. This initiative will invest in staff capacity to proactively identify the right businesses and help them with curriculum design, documentation, recruiting, revising HR policies, preparing supervisors, and other up-front requirements. It will also create a pool of funding to incentivize employers to create (and hire from) apprenticeship programs. While the long-term business case for doing so is clear, many small- and mid-sized firms may need to have the initial costs offset. This initiative could draw on examples such as CareerWise, which provides this type of support to employers of youth apprentices in Colorado, and the Workforce Intelligence Network in Michigan, which has a team that helps employers set up apprenticeship programs in one day.

Potential Implementers: AJAC, Apprenti, WDCs

Funding and Impact: an investment of \$500,000 per year (\$2.5 million over five years) could cover the costs of a team of four apprenticeship consultants. If each worked with 20 businesses per year and each of those businesses hired 10 apprentices that they otherwise would not have, this initiative would connect 1,000 people to living-wage jobs.

Initiative: Evidence-Based Hiring Academy

This initiative will provide cohorts of mid-sized, high-growth companies (at least 50 employees) with a structured process and consulting services to help them institute evidence-based hiring processes that are designed to eliminate bias in hiring. Most net new job creation is driven by young, high-growth firms that may have limited HR capacity or strategy. These businesses may not have the knowledge or capacity to institute best-in-class inclusive hiring practices without intensive outside support. The model for this initiative is HireReach, a project in West Michigan that has helped more than 25 of the region’s top employers adopt evidence-based hiring processes developed by a large local health system – in that system, these practices reduced first-year turnover by over 20%, reduced time-to-hire by over 15%, and doubled the diversity of new hires.

Potential Implementers: TBD

Funding and Impact: based on the HireReach model, an investment of \$700,000 per year (\$3.5 million over five years) would cover the costs for two cohorts of 20 businesses each (200 businesses over five years). If each of these businesses hires 10 employees they otherwise would not have and promote 10 employees they otherwise would not have, this initiative would create 2,000 new jobs for target populations and move 2,000 people from low-wage jobs to good jobs.

Access to Opportunity

Persistent geographic disparities are one of Greater Seattle's biggest economic challenges. Despite very high rankings for growth and prosperity from 2009-2019, Greater Seattle ranked 49th out of 53 large metro areas in terms of geographic inclusion. Gaps in employment, income, and poverty rates between the top 20% and bottom 20% of census tracts have worsened or barely budged during the past decade. The region's response needs to do two things: bring jobs to people and connect people to jobs. That means ensuring that there are hubs of innovative industries and clusters of good jobs across the region, not just in a few downtowns, and it means addressing the region's severe shortage of accessible childcare options.

Initiative: Job Hubs

This initiative will combat Greater Seattle's profound and persistent geographic disparities by aligning economic development, infrastructure and planning, and community development organizations around strategies to (1) grow, attract, and retain high-quality, traded-sector jobs in three "hubs" in the region selected according to transparent and equity-oriented criteria, and (2) create community ownership models in each hub to ensure that local residents benefit directly as growth takes off in these hubs. This initiative will first take a data-driven approach to identifying hubs that have undervalued assets, nascent market momentum, and provide employers with access to a diverse workforce. It will then create concrete strategies and resources to enable economic development organizations and partners to more effectively target these geographies – for example, customized marketing profiles, detailed inventories of available sites, intensive outreach to existing firms, and targeted investment in shared infrastructure (including shared R&D facilities, etc.). In parallel, it will empower community organizations to create community investment funds in these geographies, like the Portland Community Investment Trust, which will allow local residents to buy assets in these neighborhoods (and support local small businesses).

Potential Implementers: PSRC, local economic development and workforce development entities in identified hubs, community organizations and CDFIs

Funding and Impact: a \$400,000 investment would cover the staff/consultant capacity required (two FTEs) to manage the 18-month planning and strategy phase of this initiative. Based on the Community Investment Trust model, a loan fund of \$6-8 million would allow community investment funds to purchase assets worth approximately \$2.5 million in each hub (to be repaid by individual investors in the community).

Initiative: Childcare Expansion

This initiative will provide a full suite of services, loans, and grants to fuel the creation and expansion of childcare centers in childcare deserts across the region. This initiative will not only create new businesses, it will strengthen existing businesses, improve the wages of workers within them, and enable women to re-enter the labor market. All of these benefits will disproportionately accrue to women of color. The initiative will launch a project that is being developed by Workforce Central and its partners on the Pierce County Childcare Strategies Working Group, and replicate this model in other counties or jurisdictions across the region. The Pierce County model aims to bring together cohorts of aspiring childcare providers, former providers who were forced to shut down due to Covid, and existing providers who could expand their capacity. It will surround these entrepreneurs with a suite of services: business planning and feasibility studies, licensure and training via technical colleges, assistance identifying facilities, staffing support, enrollment outreach, marketing and branding, and shared HR and payroll services. It will then provide mini-grants to offset up-front costs related to rent, maintenance and remodeling, and staff wages. A similar, complementary model that could be scaled via public-private partnerships is Weekdays, a Seattle-based business that helps entrepreneurs create at-home daycares and "micro-schools." Weekdays providers are paid 20-25% more than employees at daycare centers, and Weekdays can create new micro-schools in a matter of days or weeks.

Potential Implementers: Pierce County Childcare Strategies Working Group, Child Care Resources, Weekdays

Funding and Impact: a four-year version of the Pierce County model with two iterations (currently designed as a two-year effort with one iteration) would require \$250,000 in annual staff costs to cover 3.5 FTEs (\$1 million over four years) and \$600,000 in mini-grants per iteration (\$1.2 million in mini-grants total). The entire cost of the Pierce County model would be \$2.2 million, and could create 20 new childcare centers and expand 20 existing centers, yielding 300 new enrollments total. Replicating at a roughly similar scale in King and Snohomish counties would at least triple the overall cost and impact. The overall three-county cost would be approximately \$7.5 million over four years and could yield approximately 75-100 new businesses and at least 1,000-1,200 new enrollments.

IMPLEMENTATION

Each of these initiatives will be designed and implemented by a team of implementers led by a project manager. These project managers will be neutral, credible, regional organizations that will commit to continue to come together regularly with key leaders from the Task Force (and other leaders from communities across the region) to serve as a backbone that guides the overall strategy by staying apprised of emerging trends, tracking metrics, helping to secure and align funding, and identifying opportunities for collaboration across initiatives.

METRICS APPENDIX

The metrics for this framework span four categories at two levels of depth. This appendix defines these categories and details the method by which these metrics were determined.

The metrics categories were defined as follows:

Out of Work

This includes people aged 18-64 who are formally unemployed as well as people who are not in the labor force but likely would work if the right job were available (this includes people who are not formally unemployed except for most students, people receiving Social Security or disability benefits, and married stay-at-home parents in stable financial situations). For details see the Brookings reports “Meet the Out of Work” and “Meet the Millions of Young Adults Who Are Out of Work.”

Low-Wage

This includes people aged 18-64 who are currently employed or worked at some point in the last year and who earned wages less than two-thirds the median wage earned by men who worked full-time year-round. In Greater Seattle, that wage threshold is approximately \$18/hr. For details see the Brookings report “Meet the Low-Wage Workforce.”

Underemployed

This includes people aged 25-64 who have a four-year degree but who do not have a “good job” as defined by Brookings in its Opportunity Industries report. In Greater Seattle, a good job is approximately \$25/hr with benefits.

Missing Entrepreneurs

This is a measure of how many more businesses would exist if business ownership in Greater Seattle were equitable. It includes businesses with at least 5 employees in traded-sector industries owned at least 50% by a woman or a person of color. Traded sector is defined as the following 2-digit NAICS codes: manufacturing (31-33), information (51), finance and insurance (52), professional services (54), and management of companies (55). The emphasis on firms with at least 5 employees is because disparities are largest in this group of firms, and they represent firms that are most likely to generate wealth for their owners. The emphasis on traded sector industries is for two reasons: firms in these industries pay higher wages on average, and Greater Seattle could create thousands more traded sector businesses without that growth coming at the expense of existing Greater Seattle businesses; the same is not true in non-traded sectors.



The approach to setting the two levels of metrics for the first two categories (out of work and low-wage) was as follows:

Horizon Goals

Calculate what it would take for Greater Seattle to emerge from Covid in as good a position as the best of Greater Seattle's peer metro areas pre-Covid in each of these four areas. This is a realistic but ambitious near-term goal: realistic because other metro areas that are generally similar to Greater Seattle achieved these benchmarks, but ambitious because in each case Greater Seattle was well behind the top performing metro area pre-Covid.

Initiative Metrics

Calculate what it would take for Greater Seattle to “double down” on priority populations as it pursues horizon goals. In each metrics category, the full gap or disparity in Greater Seattle is even larger than the horizon goal. For example, pre-Covid there were nearly 300,000 people out of work in Greater Seattle, but to achieve the horizon goal (matching the 10% out of work share in Minneapolis-St. Paul), Greater Seattle needs to connect approximately 70,000 people to jobs. This means that it would be possible for Greater Seattle to achieve the horizon goal without making meaningful progress towards closing racial and gender disparities in employment. In other words, there is a large enough pool of out-of-work people that this 70,000-person goal could theoretically be achieved by only connecting white people or men to jobs.

Initiative metrics, therefore, are designed to push the designers and implementers of initiatives to explicitly focus on race and gender equity. They do so by declaring that if young women of color were, hypothetically, 5% of the out-of-work population, Greater Seattle should ensure that they are 10% of those who benefit from initiatives as Greater Seattle pursues its horizon goal of connecting 70,000 people to jobs. In this hypothetical scenario, a race- and gender-neutral approach would result in young women of color being 5% of the beneficiaries (3,500 people). The initiative metric pushes implementers to ensure that young women of color are instead 10% of the beneficiaries (7,000 people).

The approach for the other two categories – underemployed and missing entrepreneurs – was different.

For underemployed, the horizon goal was set in a similar way as the above two categories. It represents the number of people who would have good jobs if 60% of employed people with a college degree in the following race and gender groups had a good job: Black men, Hispanic men, white women, Black women, Hispanic women.

The 60% benchmark was chosen because for each of those groups (except Hispanic women), at least one of Greater Seattle's peer metro areas came close to achieving that benchmark pre-Covid. (For example, 57% of Black women with college degrees in Los Angeles had good jobs pre-Covid, 59% of white women in Tampa, 60% of Hispanic men in Raleigh, and so forth.) Thus, if Greater Seattle met this 60% benchmark for all of the above race and gender groups, it would be the most inclusive of its peer metro areas in this category. The initiative metric is to achieve the 60% benchmark for Black and Hispanic women in Greater Seattle.

For missing entrepreneurs, the horizon goal (creating or starting 4,000 high-potential firms with at least 5 employees owned by women and people of color) represents what it would take to completely close race and gender disparities in ownership of those types of firms. The initiative metric (1,000 firms) represents what it would take to match the performance of Greater Seattle's best peer metro area pre-Covid.

Interpreting the Metrics

These metrics are a commitment that, regardless of how quickly the economy rebounds or how many people overall are served by these initiatives, this Task Force will only consider its efforts successful if they create systems that unleash the potential of those who have been most systematically excluded from opportunity. These metrics were designed to push leaders who are designing and implementing initiatives to constantly ask themselves: “is this initiative working for those who face the most systemic barriers?” It is clear where the impacts of Covid-19 were most severe: young people, women, and people of color. That is why the metrics focus on young women of color (where adequate data exists).

This does not mean that the initiatives in this framework will only serve young women of color. While this population is a priority across the portfolio of initiatives, none of the initiatives are limited to this population. These metrics are a statement of strategic priorities, and they are also intended to serve as indicators of broader impact: if initiatives are meeting the needs of young women of color at the scale envisioned in this framework, that strongly suggests that the initiatives are working for other groups of people that face systemic barriers. The Partners for Prosperity will not rely solely on these indicators – they are committed to tracking progress for people of all races, genders, and ages, and adjusting initiatives as needed.

EXPLORATION & ANALYSIS

The exploration and analysis summarizes the work that the Task Force completed during the first phase of work groups. This information provided key inputs in the creation of the initiatives in this framework. This section is included to provide transparency around what ideas were considered at different stages of the process. These goals, strategies, and indicators, and opportunities for action are provided to document the evolution of this framework over time and acknowledge the extent of the Task Force's collective work.

COVID IMPACTS TO GREATER SEATTLE

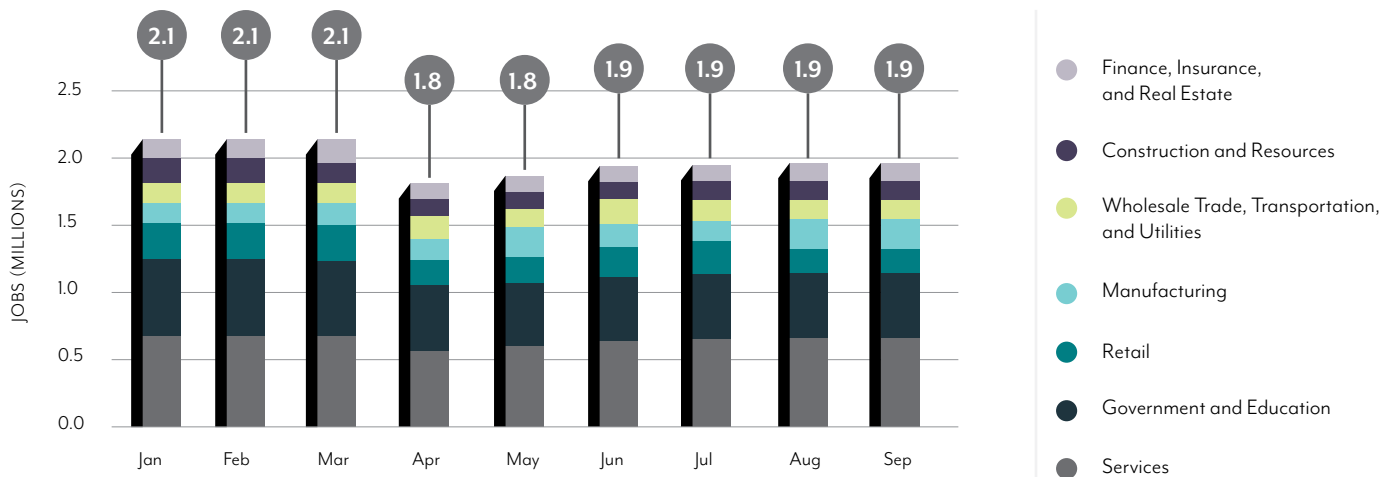
The first economic impacts of COVID-19 were disruptions to the global supply chain. In late 2019, the virus forced factory closures and economy-wide lockdowns in China, leading to reduced production and movement of goods to the rest of the world. This supply shock affected manufacturers in Washington state and across the United States.

By March 2020, the Seattle region was suffering from a major outbreak, leading the state government to institute a stay-at-home order. Residents were encouraged to practice social distancing and consumer-facing businesses had to shut down operations. Other virus containment policies included border closures, business and school closures, and prohibitions on large gatherings. These measures resulted in a steep reduction in economic activity and a surge in unemployment in the greater Seattle region.

Between March and April, total employment in the greater Seattle region fell by nearly 312,000 jobs (15%). This reduction was most significant in Construction and Resources, which lost more than a third of jobs largely due to project delays. When Washington state's stay-at-home order took effect on March 26, only construction related to essential activities could continue.¹ The Services sector was also disproportionately impacted, having lost nearly a fifth of employment in March. Consumer-facing firms in this industry, such as restaurants and hotels, were severely restricted by mandatory business closures (Exhibit 1).

Between March and April, **total employment** in the greater Seattle region **fell by nearly 312,000 jobs (15%)**.

EXHIBIT 1. EMPLOYMENT BY INDUSTRY, MONTHLY, GREATER SEATTLE REGION, 2020



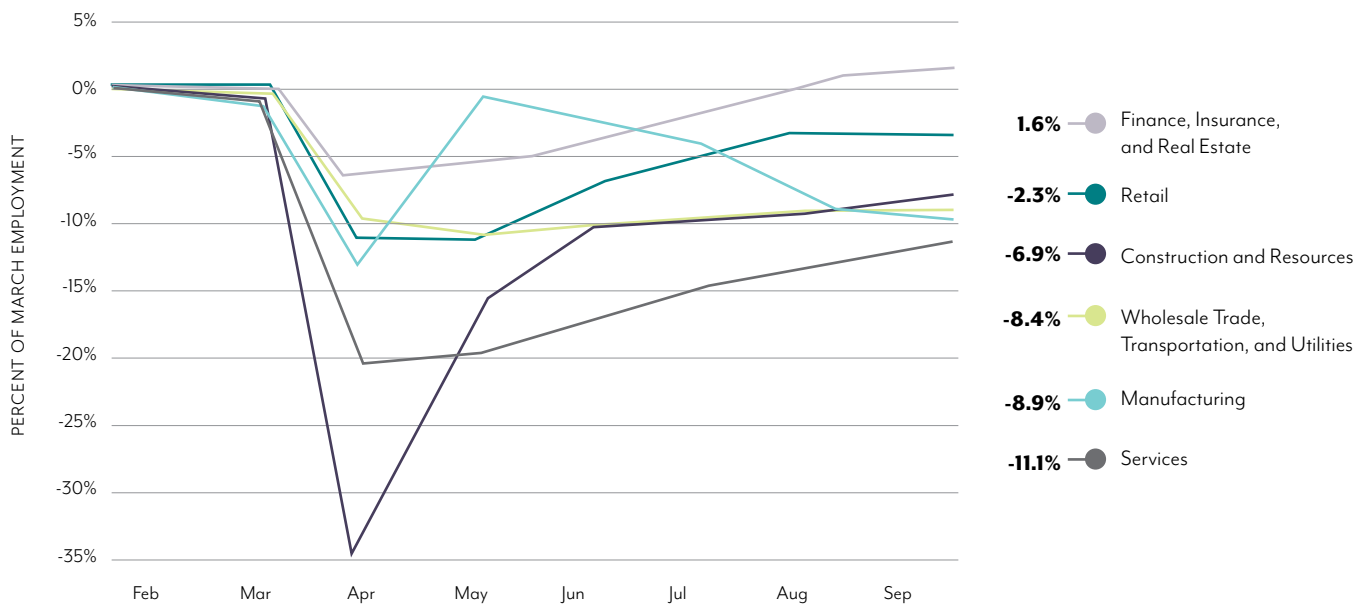
Source: Washington State Employment Security Department, 2020; Community Attributes Inc., 2020.

As of September, employment recovery has been stronger in some industries than in others. Finance, Insurance, and Real Estate has fared the best, having fully recovered February employment levels and expanded by 1.6%. All other major sectors have not yet recovered, but Retail has bounced back to only 2.3% below February employment. Construction and Resources, which lost more than a third of jobs in April, is now only 6.9% below February levels (Exhibit 2).

Of all major industries in the greater Seattle region, the Services sector has experienced the slowest recovery. As of September, jobs in this sector continue to lag 11.1% below February employment levels. Social distancing practices and limited indoor capacity will continue to weigh on service-providing businesses into the future, reducing demand and creating additional costs. Additionally, while jobs in the Manufacturing sector had a comeback in May that spiked above February employment levels, the sector has since been declining.

¹ Gov. Jay Inslee's Construction Working Group, Phase I Construction Restart COVID-19 Job Site Requirements (April 23, 2020). [Link](#).

EXHIBIT 2. INDUSTRIES BY EMPLOYMENT AS A PERCENTAGE OF FEBRUARY EMPLOYMENT, MONTHLY, GREATER SEATTLE REGION, 2020



Source: Washington State Employment Security Department, 2020; Community Attributes Inc., 2020.

Manufacturing companies impacted by the pandemic include aerospace manufacturers, which have had to react to a significant decline in demand for passenger aircraft. Boeing is slowing production of jets built in Everett and Renton, and it has announced that the 787 line will be consolidated in South Carolina.² Food and beverage processing companies are also dealing with reduced demand from restaurants and events with catering. Other manufacturers such as seafood processors have had to grapple with social distancing guidelines to prevent virus spread in their facilities.

Job growth in the greater Seattle region is beginning to plateau across all major industries, a trend which may persist until a COVID-19 vaccine is developed and distributed. Economic recovery will require confronting multiple challenges. These include damages incurred to the economy from a period of prolonged closure, such as the permanent shuttering of businesses, reduced fiscal resources available to local governments, strains on the public health system, and the slow recovery of global supply chains.

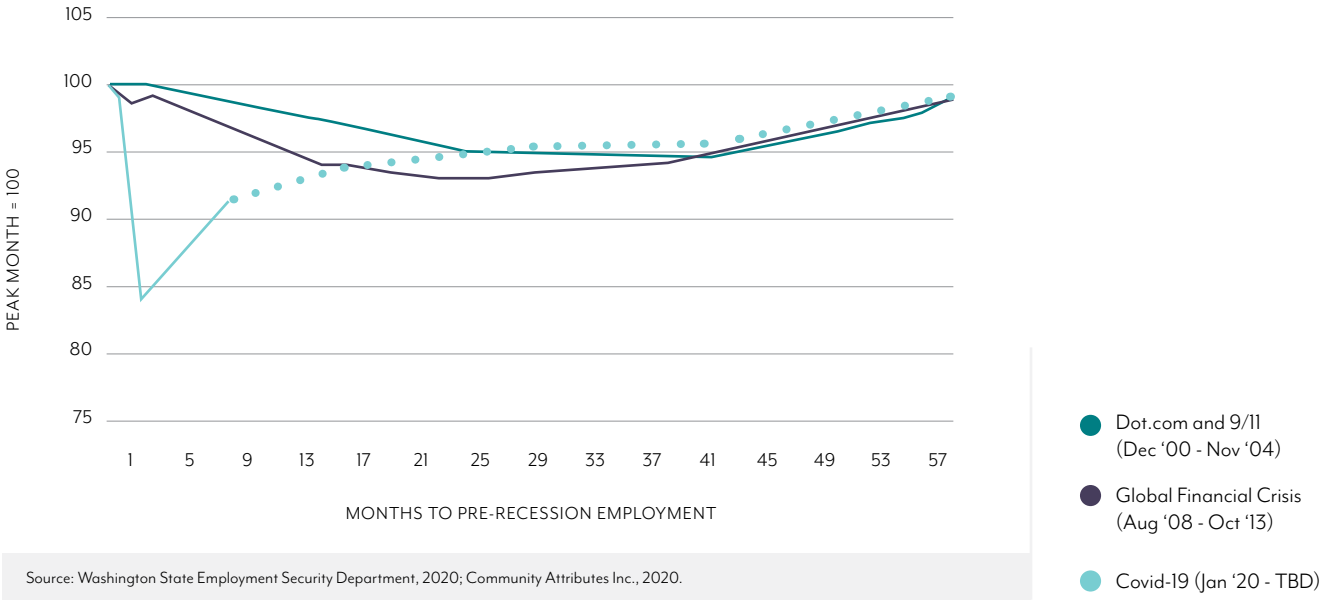
² The Boeing Company, "Boeing to Consolidate 787 Production in South Carolina in 2021" (Oct. 1, 2018), [Link](#).

Job growth in the greater Seattle region is beginning to plateau across all major industries



To a certain extent, the economic recovery will follow a pattern of other recent recessions. Starting in December 2000, the economic effects of the Dot.com bust and, later, 9/11 caused the region to remain below its prior peak employment level for 60 months. After August 2008, it similarly took 60 months for employment to reach its pre-recession level. The current crisis caused a deeper dive in regional employment than these recessions, and the recovery ahead will be long. However, the distribution of a vaccine starting in 2021 may spur a faster employment growth rate than in past recoveries (Exhibit 3).

EXHIBIT 3. EMPLOYMENT RECOVERY FOLLOWING RECESSION, MONTHLY, GREATER SEATTLE REGION



To a certain extent, the economic recovery will follow a pattern of other recent recessions. Starting in December 2000, the economic effects of the Dot.com bust and, later, 9/11 caused the region to remain below its prior peak employment level for 60 months. After August 2008, it similarly took 60 months for employment to reach its pre-recession level. The current crisis caused a deeper dive in regional employment than these recessions, and the recovery ahead will be long. However, the distribution of a vaccine starting in 2021 may spur a faster employment growth rate than in past recoveries (Exhibit 3).

Remote work

WebEx, Teams, Zoom, Slack, and various other online video conference and meeting platforms have emerged in recent years, introducing flexibility in workplace environments. With many indoor office spaces closed or at limited capacity due to social distancing guidelines, even more people are working from home. In the next few years, many workers will continue to engage in remote work even as a vaccine is distributed. Employees will classify as fully remote, hybrid remote, or fully on-site.

Office space

The rise of remote work is compelling employers to reexamine their office footprint. As this transformation continues, it will involve several solutions: owned space, standard leases, flexible leases, co-working space, and remote work. Rent and real estate costs comprise the largest expense for many organizations outside of employee compensation, so these changes may allow businesses to save money. However, they will lead to reduced demand for office space, especially in expensive urban centers like Downtown Seattle.

Office nodes and networks

Reduced demand for centralized office space will have secondary effects for smaller neighboring businesses. Large employers serve as nodes for restaurants, cafes, retail shops, and other firms that provide services to commuters and their employees. If these large employers move to less dense campuses or continue to work from home, the smaller firms will be forced to close. To mitigate this problem, Amazon established a relief fund for small businesses near its headquarters in

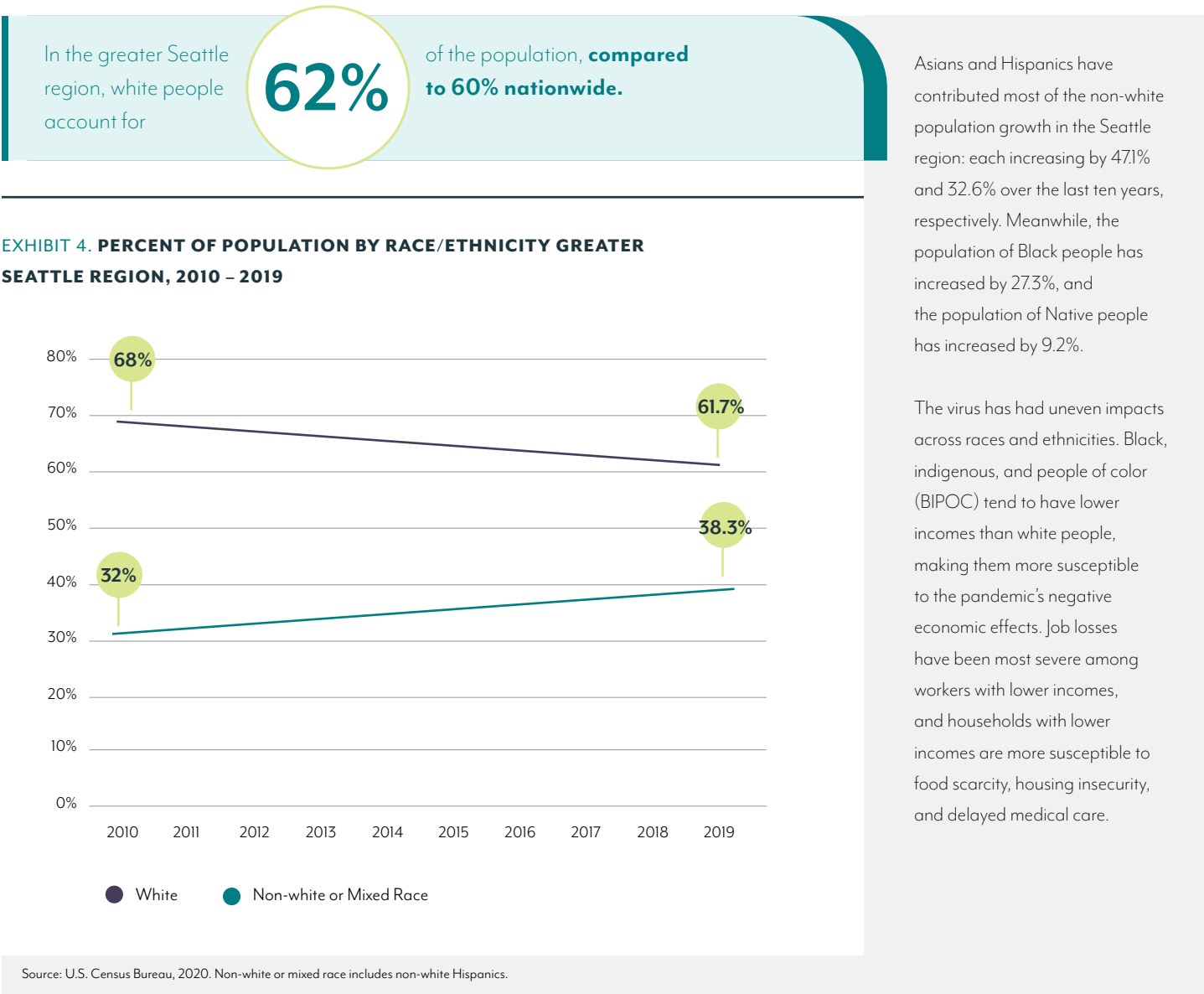
South Lake Union.³ However, this solution is temporary and is not possible for all office nodes and networks in the greater Seattle region.



³ Meg Coyle, "Amazon provides first batch of grants to neighbors losing business due to COVID-19," Amazon (Mar. 17, 2020), [Link](#).

Equity Considerations

As COVID-19 has disrupted business activity and people’s livelihoods, it is important to recognize that the pandemic has impacted some communities more than others. The murder of George Floyd in May heightened concerns across the United States and the world about how to address long-standing inequities. These inequities persist in the greater Seattle region, which has a much smaller share of black residents (5.9%) than the U.S. (13.4%) and is more white than the rest of the nation. In the greater Seattle region, white people account for 62% of the population, compared to 60% nationwide.⁴ However, non-white and mixed-race people comprise an increasingly large share of the regional population, growing from 32.0% in 2010 to 38.3% in 2019 (Exhibit 4).



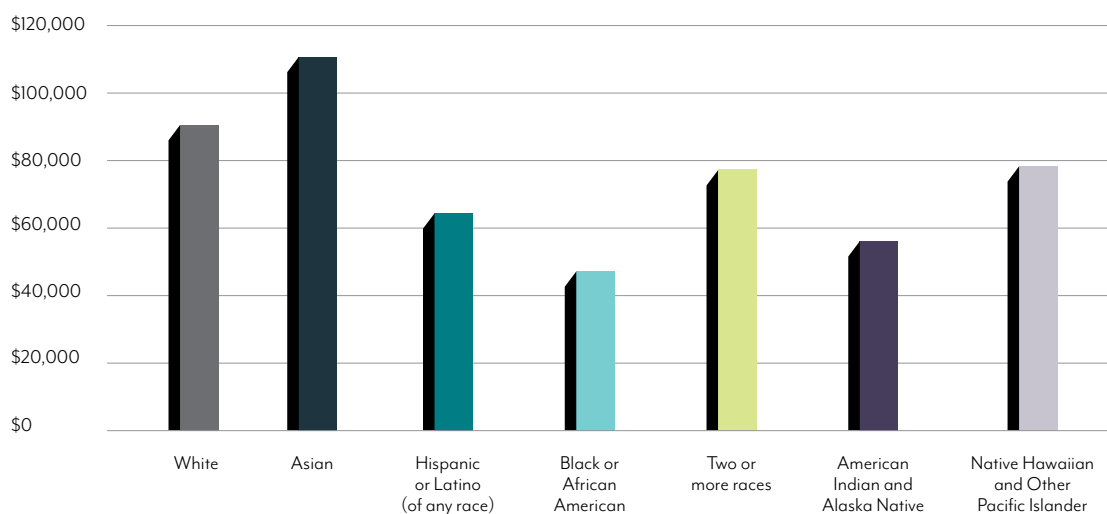
4 U.S. Census Bureau, *Vintage 2019 Population Estimates Program*, [Link](#).

Exhibit 5 shows that deep disparities in income already exist across races and ethnicities within King County in particular but also across the three-county region. In 2019, the median Black household in King county earned \$52,500, which is barely half of the median income of \$102,600 for all households. Additionally, American Indian and Alaska Native households earned an income of only \$40,300, or 39.3% of the overall median household income.

EXHIBIT 5. MEDIAN HOUSEHOLD INCOME BY RACE/ETHNICITY, KING COUNTY, 2019

Race/Ethnicity	Number of Households	Median Household Income
White	588,800	\$109,100
Asian	156,400	\$122,700
Hispanic or Latino (of any race)	63,400	\$78,200
Black or African American	55,200	\$52,500
Two or more races	40,800	\$85,300
Native Hawaiian and Other Pacific Islander	*	\$85,300
American Indian and Alaska Native	*	\$40,300
All Households	904,600	\$102,600

MEDIAN HOUSEHOLD INCOME BY RACE/ETHNICITY, GREATER SEATTLE MSA, 2019



Source: U.S. Census Bureau, 2020.

Income inequality across races and ethnicities is the product of many systemic factors, all of which affect communities in the greater Seattle region. In summary, BIPOC have less access to education, less access to healthcare, less access to capital, more indebtedness, and lower rates of homeownership and generational wealth. They also experience discrimination, including in hiring processes. These circumstances lead to variations in the workforce, with proportionately more BIPOC workers in both lower-paying industries and occupations.

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GOALS & STRATEGIES

The following sections present working draft goals and strategies. All strategies are presented below, followed by detailed explanations and potential actions for implementation.

Goal 1. Promote the Region's Economic Competitiveness

- 1.1 **Promote** the opportunity to thrive in Greater Seattle.
- 1.2 Invest in readiness to respond to **corporate expansions** and inbound business recruitment.
- 1.3 Demonstrate the connection between business economic contributions and **community benefits**.
- 1.4 Create a **unified global identity and vision** to unite **stakeholders** and build our **global reputation and competitiveness**.
- 1.5 Accelerate the recovery of **regional tourism, travel and hospitality**.
- 1.6 Promote the region's **start-up economy** and **entrepreneurial spirit**.
- 1.7 Advance a **unified regional policy agenda** focused on **economic development programs and incentives** to attract and retain jobs and investment and promote a business friendly climate.

Goal 2. Realign Economic and Workforce Development Programs Equitably to Create a Broadly Inclusive Economy

- 2.1 Connect **workforce development systems** with BIPOC and immigrant communities, with particular focus on hiring prospects.
- 2.2 Increase **business ownership and executive leadership** for BIPOC and immigrant communities and women.
- 2.3 Expand **business retention and expansion programs** for BIPOC, immigrant, and women-owned businesses and microenterprises.
- 2.4 Expand assistance for **government contracting to BIPOC**, immigrant, and women-owned businesses and increase percentages of contracting requirements for government entities.
- 2.5 **Elevate stories of BIPOC**, immigrant and women-owned businesses in the region to recruit entrepreneurs to start new businesses in the greater Seattle area.
- 2.6 Build a **regional coalition** that strengthens our collective capacity to **dismantle institutional racism** and advance an inclusive economy.

Goal 3. Ensure Regionwide Participation in Investments and Prosperity

- 3.1 Promote **distributed office centers** to respond to permanent changes in office needs, and to prioritize **business and workforce mobility needs**.
- 3.2 Create an approach to **identify places** throughout the region where **inequities** are evident and address those inequities.
- 3.3 **Address infrastructure gaps** throughout the region including transportation, broadband and more.
- 3.4 Include **proactive and substantive community engagement** for policy and strategy decisions.
- 3.5 Invest in **displaced workers and decrease unemployment** across the region.
- 3.6 Leverage and invest in higher education to **connect graduates to employment** in the regional economy.

Goal 4. Support Traditional and Emerging Industries with Post-Pandemic Opportunities

- 4.1 **Assess post-pandemic growth prospects** for emerging and evolving industries, such as clean energy, food systems and life sciences, and **align regional BRE efforts** accordingly.
- 4.2 **Support traditionally strong industry clusters**, such as aerospace, maritime, military & defense, and healthcare, to **return to and build on pre-pandemic competitiveness** and prosperity.
- 4.3 Leverage the region's **strong technology foundation** to compete globally and pioneer **new frontiers in tech industry innovation**.
- 4.4 Support **entrepreneurs, local small businesses and microenterprises** to ensure that the region's entrepreneurial spirit can **adapt** to thrive.
- 4.5 **Support county workforce partners** to provide broad coverage of existing and prospective **workforce development** needs.
- 4.6 Prepare the region to respond quickly to **business location RFPs, corporate expansions**, including **R&D centers**, and other industry trends.
- 4.7 Focus **talent attraction** around critical business needs.

Goal 5. Promote Sustainable Economic Growth to Address Resiliency Needs

- 5.1 Support regional efforts to **address the housing affordability crisis** across greater Seattle.
- 5.2 Collaborate with regional transportation leadership to **prioritize business and workforce mobility** needs.
- 5.3 **Expand relief programs** and pilot innovative approaches to **reducing poverty**.
- 5.4 Work with corporate partners and citizen leaders to further advance **clean energy use, clean tech development, and policies** that combat climate change.

GOALS & STRATEGIES

GOAL 1

Promote the Region's Economic Competitiveness

Regions compete globally and fiercely with one another for talent, capital, companies and innovative ideas.

The greater Seattle region's strengths include its powerful and exceptional sense of place, culture, outdoor beauty, and world-class businesses that change the world. The region's leaders and organizations must collaborate to tell the world that the greater Seattle region is the place for business growth and opportunity. Strategies in this section promote our economic competitiveness to the world.

Strategies At-A-Glance

- 1.1 **Promote** the opportunity to thrive in Greater Seattle.
- 1.2 Invest in readiness to respond to **corporate expansions** and inbound business recruitment.
- 1.3 Demonstrate the connection between business economic contributions and **community benefits**.
- 1.4 Create a **unified global identity and vision** to unite **stakeholders** and build our **global reputation and competitiveness**.
- 1.5 Accelerate the recovery of **regional tourism, travel and hospitality**.
- 1.6 Promote the region's **start-up economy** and **entrepreneurial spirit**.
- 1.7 Advance a **unified regional policy agenda** focused on **economic development programs and incentives** to attract and retain jobs and investment and promote a business friendly climate.



Goal 1 Indicators

Key indicators describe working draft metrics that align with the goal and describe overall economic conditions in the region. The Action Plan provides outcome metrics specific to each action.

Foreign Direct Investment (FDI)

New business creation

Total jobs and investment

Advertising and promotional metrics

Enplanements

Hotel occupancy

Visitors and visitor spending

Employment in hospitality and retail

Promote the opportunity to thrive in Greater Seattle

Greater Seattle's environment, culture, and economy provide a high quality of life and should offer everyone a chance to thrive. Promoting the region is a critical part of promoting local businesses, attracting global talent and drawing investment. The region enjoys tremendous access to the outdoors, accessible professional and amateur sports, world-class arts, culture, entertainment and restaurants, beautiful neighborhoods, and quality schools. Strong industries provide a wealth of family-wage jobs that offer opportunities for advancement and contribute to a vibrant economy. Greater Seattle offers all this in the midst of stunning natural beauty.

Business and civic leaders are united toward progress in diversity, equity and inclusion. Residents are committed to social justice and the mission of creating an inclusive economy. These progressive values are a hallmark of our region, and we must actively promote our assets and values to continue to attract investment and global talent, and build committed and vibrant communities.

Opportunities for Action

1.1a

Utilize storytelling and thought leadership to build a platform of content and assets for targeted marketing campaigns.

1.1b

Develop and host a centralized website with resources for talent and business attraction, including community profiles to highlight the many cities in the central Puget Sound region.

1.1c

Partner with in-market and industry publications, both domestic and global, to reach established audiences of businesses and consumers.

1.1d

Work with leading employers to develop and deploy place-based advertisements; promote the value of their location to prospective workers through company advertising; and active and passive employee recruitment efforts.

1.1e

Develop focused marketing campaigns with the support of community partners to promote social justice and attract and retain BIPOC talent.

1.1f

Create a greater Seattle multi-channel marketing campaign for economic development targeted to key decision makers in specific geographic markets, both domestic and global.



Photo courtesy of Port of Seattle

Invest in readiness to respond to corporate expansions and improve inbound business recruitment.

Global business and the regional economy are dynamic. Companies seek opportunities to expand within and into the Greater Seattle region. Regional leaders must understand the global competition and realize that regions across the U.S. are ready to compete for the greater Seattle region's companies. Moreover, as the pandemic forces major companies to rethink where and how they work, there is an opportunity to be proactive in positioning greater Seattle to capture growth spurred by this reshuffling. As distributed work becomes more common, even post-pandemic, greater Seattle must be ready to make the case for HQ2s and satellite offices.

Opportunities for Action

1.2a

Formally liaise with industry associations to bolster support for partner strategies and align data needs.

1.2b

Develop a regional certified sites program with consistent criteria across cities and counties.

1.2c

Create a shared regional data and business intelligence platform for use across economic development organizations.

1.2d

Aggregate public and private data to produce a comprehensive, regional site selection inventory to serve business expansion and attraction.



There is an opportunity to **be proactive in positioning greater Seattle to capture growth** spurred by reshuffling.

Demonstrate the connection between business economic contributions and community benefits.

The greater Seattle region is home to large and tremendously successful companies, and these companies contribute greatly to our communities. To engender support for local companies, and attract like-minded businesses, the region should highlight and ensure awareness of corporate contributions. Similarly, the region should ask that companies in the region participate fully and take advantage of opportunities to partner to create opportunity, ensure inclusion and enhance livability.

Opportunities for Action

1.3a

Create a collaborative community stewardship group to engage leaders at major companies to assess and address impacts to local communities.

1.3b

Develop and disseminate materials, and discuss issues around local tax structure, business contributions and sponsorships.

1.3c

Create and promote profiles of businesses engaged in community issues.

Create a unified global identity and vision to unite stakeholders and build our global reputation and competitiveness.

Communicating the region's value proposition for companies is important. The region's leaders need to develop the tools to make sure the message about who greater Seattle is, and what it offers, is broadly distributed and readily apparent. Branding is a long-term project. First, the region must focus on defining its identity rather than a formal "brand" – it should be self-evident based on what the region is, does and stands for. Concerted and consistent action creates a narrative that the region can harness to communicate its value proposition.

Once this regional identity coalesces, we can draw on it to create a regional brand. There are challenges—such as limited national and global awareness of defining assets like Puget Sound - but these are surmountable. Developing a brand and associated assets and ensuring that organizations throughout the region have access to them, can be a force multiplier for other economic recovery and development efforts.

Opportunities for Action

1.4a

Launch a formal brand ambassador program to designate regional brand ambassadors and collaborate with existing leaders across tourism, commerce, and trade.

1.4b

Conduct a Global Identity Exercise (including visibility, reputation, brand and identity) and a regional marketing audit to align and improve current efforts and inform subsequent regional branding conversations.

1.4c

Use broad-based focused groups to deliver a regional identity statement and manifesto and create a regional Brandbox with messaging and assets accessible to all regional partners.



Communicating the region's value proposition for companies is important.



Photo courtesy of Port of Seattle

Accelerate the recovery of regional tourism, travel and hospitality.

Visitors are critical to economic recovery. Traveling to and enjoying time in greater Seattle needs to feel safe – from air travel to public safety and perceptions of crime. Restoring confidence in safety allows our hospitality and retail partners to bring visitors and improve sales. Regional tourism assets - gastronomy, craft beer, local wines - allow us to compete with leading regions around the world, while prime access to the outdoors distinguishes greater Seattle from peer regions.

Tourism also serves to attract new companies to the region. When business leaders visit, whether for a convention, business meetings or vacation, they like what they see and may choose to relocate or expand their company. Our tourism industry is one of our best marketing opportunities.

Our regional partners in travel and visitation give the region a chance to showcase communities throughout the region. We must invest in where people arrive and how they travel throughout the area, ensuring a high-quality experience throughout.

Opportunities for Action

1.5a

Develop a strategic blueprint for inclusive and collaborative tourism that highlights the unique characteristics, assets and rich cultural attributes throughout the region.

1.5b

Leverage restored access to the Washington State Convention Center to resume business travel and begin hosting events; build on the Convention Center's experience to provide technical assistance in pursuing and attaining Global Biorisk Advisory Council (GBAC) STAR accreditation at venues throughout the region.

1.5c

Promote the region's aggressive response to the pandemic and clear focus on public health safety to improve visitor confidence in travel.

1.5d

Address vagrancy, homelessness, drug use and other issues detrimental to the street scene and visitor experience.

1.5e

Ensure support for hospitality workers that remain unemployed or do not qualify for unemployment insurance.

1.5f

Look for specific means of assistance for especially vulnerable small businesses in the tourism and hospitality industries.

Promote the region's start-up economy and entrepreneurial spirit.

The world's greatest companies were born in the greater Seattle region. New companies form and spin off our established companies to create new investment and employment. Start-ups and entrepreneurs need to see a path to success with access to funding and low barriers to entry to grow new businesses.

Opportunities for Action

1.6a

Solicit interviews with founders and other successful entrepreneurs in our region to tell the creation story of their businesses and highlight the locational advantages that spurred their success with an emphasis on representation of BIPOC founders and entrepreneurs.

1.6b

Create a clearinghouse for the region's entrepreneurial resources and small business support.

1.6c

Create or scale a mentorship program that matches young founders and emerging entrepreneurs with experienced business leaders and tech industry veterans.

Advance a unified regional policy agenda focused on economic development programs and incentives to attract and retain jobs and investment and promote a business-friendly climate.

Recognize that global perception of doing business in greater Seattle includes how civic leaders address social challenges. Public-private partnerships are critical to the region's success and image. Elected officials and civic leaders must collaborate with local businesses at the outset of policy discussion to ensure support for significant measures to address social challenges and civic improvements.

To attract outside investment and new employment opportunities, businesses must see cities that welcome employers and prosperity. Cities must work with businesses for businesses to prominently lead on civic stewardship and establish a highly visible cooperative relationship amongst business leaders and elected officials.

Opportunities for Action

1.7a

Support Local Redevelopment/Revitalization Financing, and tax increment financing that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects.

1.7b

Allow lending of public funds and credit to support RLFs and other programs to fund small business and entrepreneurship.

1.7c

Restore the Economic Development Strategic Reserve Fund

1.7d

Protect and expand targeted incentives.

1.7f

Further policies to increase investment in distressed communities.

1.7g

Re-establish R&D tax credits.

1.7e

Expand Sales & Use Tax

GOALS & STRATEGIES

GOAL 2

Realign Economic and Workforce Development Programs Equitably to Create a Broadly Inclusive Economy



The Puget Sound Region is becoming increasingly more diverse.

Black, Indigenous, and People of Color (BIPOC) comprised 19% of the region's population in 2000 compared to 29% in 2019⁵. At the same time, patterns of racial and demographic inequities affecting BIPOC and immigrant communities are more apparent now than ever. Systemic barriers to economic security, low capacity to utilize available resources and support, environmental injustice conditions and lack of access to civic influence are leading factors. The pandemic has also exacerbated inequities facing the region and disproportionately impacted BIPOC and immigrant communities.

The strategies under this goal aim to advance equity in the region by investing in efforts that ensure access to opportunities for everyone; driving both individual- and systems-level change; and transforming culture to see and address disparities.

Strategies At-A-Glance

- 2.1 Connect **workforce development systems** with BIPOC and immigrant communities with particular focus on hiring prospects.
- 2.2 Increase **business ownership and executive leadership** for BIPOC and immigrant communities and women.
- 2.3 Expand **business retention and expansion programs** for BIPOC, immigrant, and women-owned businesses and microenterprises.
- 2.4 Expand assistance for **government contracting** to BIPOC, immigrant, and women-owned businesses and increase percentages of contracting requirements for government entities.
- 2.5 **Elevate stories of BIPOC**, immigrant and women-owned businesses in the region to recruit entrepreneurs to start new businesses in the greater Seattle area.
- 2.6 Build a **regional coalition** that strengthens our collective capacity to **dismantle institutional racism** and advance an inclusive economy.

Goal 2 Indicators

Goal 2 indicators include BIPOC, immigrant, and women participation in the following:

Workforce participation

Business ownership

Government contracting

Corporate and civic leadership representation

⁵ Washington State Office of Financial Management, 2000 and 2019 estimates.

Connect workforce development systems with BIPOC and immigrant communities with particular focus on hiring prospects.

The ethnic and racial diversity of the residents of the Puget Sound Region is one of the region's strengths. However, BIPOC communities across the region face wide racial inequities in educational attainment, access to training and employment. Additional workforce policies and innovative approaches are needed to counter decades of intentional, structurally racist policies that are undercutting the region's economic competitiveness. Efforts to close race-based skills disparities need to be combined with efforts addressing: occupational segregation (workers of color are more likely to staff low-wage jobs), hiring bias, and providing the same opportunities in the workforce for BIPOC workers as for white workers.

Opportunities for Action

2.1a

Focus on trades in high school and community college and internship opportunities for college students.

2.1b

Ensure Internet and technology access for all students at home to continue learning remotely.

2.1c

Allocate resources to support nonprofits that provide job training, mentoring, youth employment, etc. to BIPOC communities.

2.1d

Embed racial equity goals in local workforce development plans and develop strategies to achieve these goals.

2.1e

Develop education and workforce data systems that can track program access and outcomes-focused data by race and ethnicity to measure progress towards closing equity gaps.

2.1f

Enhance the diversity and inclusion practices of sector partnerships that bring together multiple employers within an industry with education, workforce and community organizations.

2.1g

Partner with employers to create initiatives that foster more diverse and inclusive work environments.

2.1h

Increase upfront investment to scale training and apprenticeship programs such as Apprenti, as well as programs like TAF & Ada Developers Academy that focus on women and BIPOC.

Photo courtesy of Port of Seattle

Increase business ownership and corporate leadership for BIPOC and immigrant communities and women.

Closures imposed by the coronavirus have led to a drop in the number of BIPOC, immigrant and women-owned businesses in the region, especially amongst those racial groups that already had the lowest business ownership rates in the population such as Hispanic and African Americans⁶. This is partly due to lack of financial options, as many lack savings or personal wealth to draw upon to weather financial shocks or to invest in the future. Such groups also face barriers in accessing capital. Many have difficulty accessing government aid and work in industries most impacted by the crisis.

Business ownership is a route to wealth creation. BIPOC businesses most often create jobs for people from the owner's ethnic or racial group, benefiting the community at large.

The corporate workplace is another area that reveals extreme disparities for BIPOC, and immigrant communities and women including underrepresentation in higher paying and leadership positions and numerous barriers to promotion and career advancement. A recent Boston Consulting Group report noted that Black executives account for less than 1.9% of corporate leadership roles in Washington⁷. Our workforce and corporate leadership representation should mirror the demographics of the working age population in our region. Actions that target increases in corporate leadership positions for BIPOC, and immigrant communities and women are critical and present additional opportunities for wealth creation and overall economic benefit for the region.

Opportunities for Action

2.2a

Provide technical assistance for start-up opportunities.

2.2b

Develop support networks to aid business owners post-start-up.

2.2c

Engage large companies with significant minority customer bases, or supplier spend, to share best practices in DEI.

2.2d

Support entrepreneurship for BIPOC and women in sectors such as tech and life science that offer higher potential for greater wealth generation.

2.2e

Provide healthcare coverage for women & BIPOC start-up entrepreneurs.

⁶ Data from 2017 from the US Census Bureau Annual Business Survey shows that 1% of all businesses in the region are owned by Black or African American, 4% by Hispanics, 15% by Asians and 82% by White people. Asian ownership represents 73% of all minority owned businesses in the region.

⁷ The Commitment to Progress: An Equitable Future for Washington, 2020.

Expand business retention and expansion programs for BIPOC, immigrant, and women-owned businesses and microenterprises.

BIPOC, immigrant, and women-owned businesses in the region serve the local communities where they are located by offering proximate products and services, hiring locally, providing a pathway to economic self-sufficiency for owners and their families, and empowering community culture. This strategy furthers actions to retain, grow and expand businesses owned by underserved entrepreneurs in underserved communities.

Opportunities for Action

2.3a

Scale existing programs at community development financial institutions (CDFIs).

2.3b

Continue to build relationships with existing companies, understand their needs and connect them to relevant services.

2.3c

Design programs and collaborative initiatives to boost networking and the ability to tap into pools of larger businesses for procurement, learning and partnership opportunities for BIPOC and women owned businesses (for example, minority business accelerator programs).

2.3d

Design interventions that boost the productivity of businesses through investments in technology adoption and process innovation.

2.3e

Work with banks, credit unions and microlenders, along with BIPOC community leaders to understand and document how entrepreneurs access capital and map barriers to entrepreneurial success for historically marginalized entrepreneurs.

2.3f

Analyze existing data to inform and set goals, such as increasing the number of originations and total lending to BIPOC, immigrant and women owned business.



Retain, grow and expand businesses owned by underserved entrepreneurs in underserved communities.

Expand assistance for government contracting to BIPOC, immigrant and women-owned businesses, and increase percentages of contracting requirements for government entities.

At a policy level, Washington State's Initiative 200 passed in 1998 prohibits racial and gender preferences by state and local government. Many local jurisdictions and counties throughout the region and the State of Washington offer small, women and minority-owned businesses opportunities to contract on public works projects, including goods and services, construction and consulting contracts. Most recently, the City of Seattle passed an executive order to advance the City's mission for economic inclusion and equity in contracting. The City of Tacoma is also in the process of implementing a range of programmatic improvements as part of its Equity in Contracting Program. Other organizations such as Sound Transit and the Port of Seattle have developed policies and strategies to provide meaningful contracting opportunities to minority, women and disadvantaged businesses.

Inclusive procurement can help close racial income and wealth gaps. Local jurisdictions in the region can leverage their buying power to support residents that have been left out of wealth-building activities and contribute to better economic outcomes for all. This strategy is meant to further advance the work the region is already doing in inclusive procurement.

Opportunities for Action

2.4a

Use the disparity study as a roadmap to improve regional contracting of WMBE businesses.

2.4b

Design and implement a universal procurement system, including a central repository for all contract and vendor information.

2.4c

Establish a regional Procurement Reform Task Force to research and review best practices in the region and in other areas in US and recommend solutions to shared regional challenges.



Inclusive procurement can help close racial income and wealth gaps.



Elevate stories of BIPOC, immigrant and women-owned businesses in the region to recruit entrepreneurs to start new businesses in the greater Seattle area.

A 2019 study by American Express⁸ ranks Washington state ninth in the nation in economic clout - defined as growth in the number of firms and growth in employment and revenue of women-owned businesses. The same report ranks the state as sixth, and the Seattle metropolitan areas as third in the nation for employment vitality - measured by employment growth rate of women-owned businesses over the past five years, and the average number of employees per women-owned businesses in 2019. Additionally, the Puget Sound Region has a share of minority owned businesses higher than the national average – 21% compared to 19%. Minority owned businesses contribute 11% to business revenues in the region⁹.

Women-owned and BIPOC businesses are driving economic growth in the state and the region, and their stories need to be elevated to attract other businesses to the area.


Opportunities for Action

2.5a

Design a campaign that highlights success stories of BIPOC owned businesses in the region.

2.5b

Create a virtual marketplace to inventory and promote BIPOC businesses.



21%
Minority owned
businesses in the
Puget Sound Region

Higher than the
national average

⁸ https://sl.q4cdn.com/692158879/files/doc_library/file/2019-state-of-women-owned-businesses-report.pdf

⁹ US Census Bureau Annual Business Survey, 2017.

Build a regional coalition that strengthens our collective capacity to dismantle institutional racism and advance an inclusive economy.

Establishment of a formal alliance of regional leaders driven by the leadership and wisdom of BIPOC community is necessary to move forward with equitable recovery and inclusive economy strategies. Established and emerging leaders will listen to and collaborate with BIPOC leadership with intent to support and partner on initiatives that address the most fundamental challenges we face as a community, centered on addressing institutional racism, social justice and equitable economic recovery. The alliance will enable BIPOC community leaders to hold our major employers and public sector leaders accountable to equity goals.

The coalition will create and guide policies and initiatives that address the following areas including but not limited to:

- Health outcomes
- Housing
- Public safety, police and criminal justice reform
- Equitable economic opportunities and resiliency
- Small business incubation
- Community access and transportation alternatives
- Homelessness
- Education and career training opportunities
- Community engagement and capacity building
- Wealth Creation and Upward Mobility

Opportunities for Action

2.6a

Convene public, private and community partners to form a BIPOC led regional Equitable Recovery & Reconciliation Alliance.

2.6b

Set goals on reduction of poverty, wealth creation and upward mobility and support this effort with development of regional equity data dashboards to monitor progress.

2.6c

Establish a coalition of private sector employers committed to advancing and investing in racial equity.

GOALS & STRATEGIES

GOAL 3

Ensure Regionwide Participation in Investments and Prosperity

Throughout the Puget Sound region's history, certain areas and neighborhoods prospered while others lagged far behind.

Place-based policies and investments such as redlining, racially restrictive covenants, public subsidies and discriminatory real estate lending and marketing practices contributed to the unequal geographic distribution of wealth and poverty for many generations. Other regional factors that have impacted the spatial structure of wealth and poverty in the region include zoning and land-use regulations, housing policies, suburbanization patterns and agglomeration economies.

This goal seeks to ensure a high quality of life and economic opportunity, regardless of ZIP code. Strategies to achieve this goal aim to create an equitable region where, irrespective of where one lives, every community has its basic needs, health and well-being met; communities are directly empowered in decision-making processes; all communities reap the benefits and share the costs of growth and change¹⁰.



Strategies At-A-Glance

- 3.1 Promote **distributed office centers** to respond to permanent changes in office needs, and to prioritize **business and workforce mobility needs**.
- 3.2 Create an approach to **identify places** throughout the region where **inequities** are evident and address those inequities.
- 3.3 **Address infrastructure gaps** throughout the region including transportation, broadband and more.
- 3.4 Include **proactive and substantive community engagement** for policy and strategy decisions.
- 3.5 Invest in **displaced workers** and **decrease unemployment** across the region.
- 3.6 Leverage and invest in higher education to **connect graduates to employment** in the regional economy.

Goal 3 Indicators

Geographic baseline metrics for inequitable economic distribution (equity index).

Access to broadband, transit, transportation and other infrastructure.

Participation by communities in decisions made.

¹⁰ Definition of regional equity developed by the Coalition for a Livable Future and the Regional Equity Atlas 2.0 Advisory Committee. <http://clfuture.org/programs/regional-equity-atlas/about-regional-equity-atlas-project/defining-regional-equity>

Promote distributed office centers to respond to permanent changes in office needs, and to prioritize business and workforce mobility needs.

The pandemic and changing work patterns during lockdown have led to a surge in employers' interest in offices in satellite and regional locations. As office needs evolve and more companies are re-imagining the future of work, a more distributed model throughout cities in the region could better support employee performance and organizational resiliency. At a community level, a distribution of organizations throughout multiple locations can improve opportunities and bring new life to obsolete spaces and disadvantaged communities in both cities and suburbs.

Opportunities for Action

3.1a

Conduct a regional employer survey to determine the extent to which businesses will return to prior office arrangements.

3.1b

Work with Puget Sound Regional Council (PSRC) urban centers framework and regional infrastructure plans (transportation, transit, broadband) to identify outlying centers suitable for increased employment regionwide.

3.1c

Identify remaining infrastructure gaps around the potential office centers, where evident.



Surge in employers' interest in offices in satellite and regional locations.



Create an approach to identify places throughout the region where inequities are evident and address those inequities.

The PSRC data points to disparities in access to opportunity among communities in the region. Almost half of all Black and Hispanic/Latino households, and 6 out of 10 American Indians live in areas of lower opportunity. Conversely, less than 40% of White households and less than one-third of Asian households live in areas of lower opportunity.

This strategy proposes using the lens of location to look at all manners of inequity such as uneven access to education, health care, housing, transportation and criminal justice to understand where they exist, what are their root causes, and how we can reduce them. Investment alone cannot address these disparities. These communities require systemic policy change to get at the root of discrimination and drive lasting economic change.

Opportunities for Action

3.2a

Create a tool that combines spatial equity indicators with land utilization indicators to identify areas with economic inequities.

3.2b

Develop a marketing plan to showcase the areas identified.

3.2c

Identify and support implementation of emerging best practices and models for addressing geographic economic inequities, which are more than just investment (for example, the Evergreen Cooperative Initiative in Cleveland).

3.2d

Partner with local communities to understand how spatial inequity manifests for them and build a road map that will show how economic hardship and poverty can be addressed.

3.2e

Ensure a robust mix of uses and accessible quality of life amenities at the neighborhood scale regionally.



Almost half of all Black and Hispanic/Latino households, and 6 out of 10 American Indians live in areas of lower opportunity.

Address infrastructure gaps throughout the region including transportation, broadband and more.

Infrastructure is the foundation of a strong competitive economy and fundamental for health and economic opportunity. The pandemic is highlighting the disparities in access to infrastructure across the region such as high-speed internet. Having affordable broadband is a necessity for people in the region needing to work or study from home, apply for jobs and obtain a variety of vital services from small-business loans, unemployment benefits to telemedicine.

Federal, state and local governments are facing strained budgets due to the pandemic, which could impact the annual gap in infrastructure investment in the short to medium term. As the economic and social environment is undergoing considerable and potentially long-lasting changes, infrastructure investment priorities, particularly in transportation, will need to be rethought. This strategy aims to double down on the commitment to create an infrastructure network that contributes to a more just society.

Opportunities for Action

3.3a

Assess infrastructure needs to identify critical gaps across the region in provision, including transportation, broadband, water, sewage and electric systems.

3.3b

Coordinate with PSRC, Sound Transit and other partners to communicate the business community's perspective on highest-ranking infrastructure needs for broad economic development.

3.3c

Adequately fund transportation and other infrastructure needs to up and coming office centers.

Include proactive and substantive community engagement for policy and strategy decisions.

Community voices need to be heard as part of the decision-making process and work alongside city planners, developers and other stakeholders to ensure their priorities, needs and values are aligned with economic development policies and capital investment plans. In order to help existing communities thrive in place, there needs to be more local involvement in land use decisions and plan implementation. Community leaders and members should have access to political and economic decision-making processes, as well as the know-how to influence them. The advantages of community-based decision making include more roundly equitable decisions and outcomes, better alignment with community priorities and accountability and the ability to prioritize specific opportunities for addressing inequity.

Opportunities for Action

3.4a

Prioritize funding for community development by local non-profit agencies, community groups and business and neighborhood associations.

3.4b

Devise a plan to engage communities in decision making related to this Framework's implementation.

Invest in displaced workers and decrease unemployment across the region.

Too often in the Puget Sound region low-income communities have no living wage jobs near where they live, and few transit or childcare options that would facilitate access to quality employment elsewhere. Other barriers include past criminal records, language barriers, low educational attainment and discrimination. These factors lead to a spatial mismatch between affordable housing and job opportunities, and thus contributes to persistent unemployment and low earnings in such communities. When people are trapped in cycles of joblessness or low-wage work with little opportunity to advance, they are particularly vulnerable to instability and financial uncertainty that can push them into homelessness. Those that manage to get by do not participate in wealth accumulation that creates prosperity in other communities.

Opportunities for Action

3.5a

Leverage transferable skills in the workforce to connect unemployed and under-employment individuals with opportunities in other industries.

3.5b

Expand evidence-based training programs that build skills and increase education to prepare unemployed and disadvantaged workers to compete in the labor market.

3.5c

Increase the quality of jobs in all industries by investing in work supports and benefits that boost wages and make jobs more stable.

3.5d

Boost investment in childcare.



Leverage and invest in higher education to connect graduates to employment in the regional economy.

Small and medium-sized businesses do not have the time and budget to train graduates. They face cost and price competition and would prefer to hire experienced workers. Those that do take the time to “train up” new hires often later experience the sudden loss of such employees to larger firms with better opportunities as their skills increase. Higher education helps develop an agile, capable workforce with the so-called “soft skills” needed to succeed in many industries, as well as increasing trainability and basic aptitudes for the professional world.

However, access to higher education is highly geographically unequal. Members of poorer communities are not educated about the resources available to them to finance higher education, or these resources are insufficient. The actions in this strategy seek to level the playing field for all communities in the region in terms of foundational higher education access.

Opportunities for Action

3.6a

Invest in and expand existing incubators, accelerators, and mentorship programs that link educational institutions with the private sector to create accelerator and mentorship programs targeting small businesses in underserved communities, such as UW Consulting & Business Development Center, Black Founders Co-op, etc.

3.6b

Increase state support for community colleges, which are more widely distributed throughout the region.

3.6c

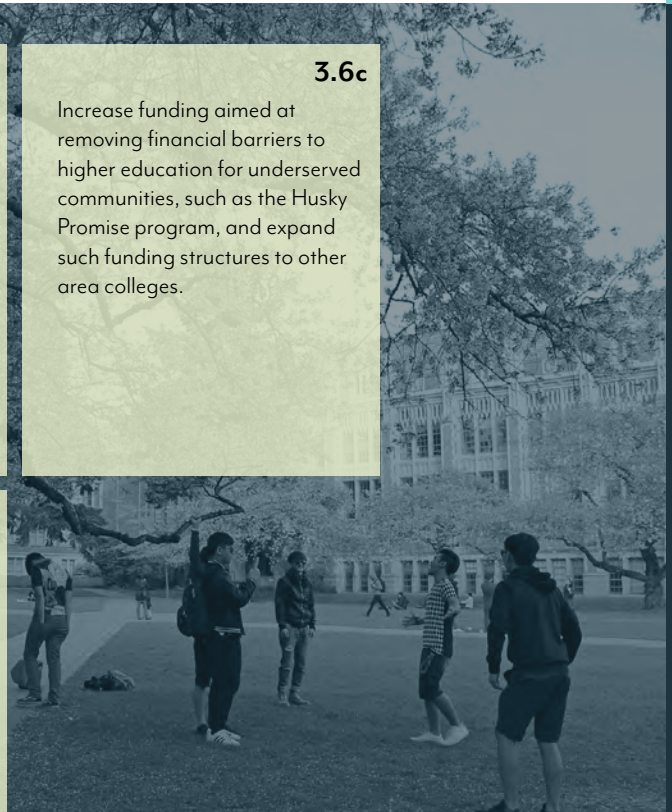
Increase funding aimed at removing financial barriers to higher education for underserved communities, such as the Husky Promise program, and expand such funding structures to other area colleges.

3.6d

Create comprehensive Career Pathways.

3.6e

Accelerate achievement of Washington’s statewide postsecondary credential attainment goal of 70% by 2030.



Higher education helps develop an agile, capable workforce.

GOALS & STRATEGIES

GOAL 4

Support Traditional and Emerging Industries with Post-Pandemic Opportunities

The pandemic has fundamentally changed the landscape for many traditional industries.

New opportunities have arisen within traditional clusters and in new and emerging clusters. The strategies in this section address how the region can support these traditional and emerging industries, secondary supportive industries, and the entrepreneurial and small business ecosystems behind them. This also means addressing critical opportunities and challenges in talent attraction, workforce development and business location/relocation in the post-pandemic landscape.

Goal 4 Indicators

Jobs and revenues by industry

New small business licenses

Key corporate relocations, expansions



Strategies At-A-Glance

- 4.1 Assess **post-pandemic growth prospects** for emerging and evolving industries such as clean energy, food systems and life sciences, and **align BRE efforts** accordingly.
- 4.2 **Support traditionally strong industry clusters** such as aerospace, maritime, military and defense, and healthcare to **return to and build on pre-pandemic competitiveness** and prosperity.
- 4.3 Leverage the region's **strong technology foundation** to compete globally and pioneer **new frontiers in tech industry innovation**.
- 4.4 Support **entrepreneurs, local small businesses and microenterprises** to ensure that the region's entrepreneurial spirit can **adapt** to thrive.
- 4.5 **Support county workforce partners** to provide broad coverage of existing and prospective **workforce development** needs.
- 4.6 Prepare the region to respond quickly to **business location RFPs, corporate expansions** including **R&D centers**, and other industry trends.
- 4.7 Focus **talent attraction and retention** around critical business needs.

Assess post-pandemic growth prospects for emerging and evolving industries such as clean energy, food systems and life sciences, and align BRE efforts accordingly.

While the pandemic has been devastating in many ways, it has also created surprising and unforeseen opportunities. In numerous emerging and evolving industries in the region, these opportunities will be the key from pivoting into a successful post-pandemic recovery for the regional economy at large. Opportunities at the intersection of life sciences and technology, for example, can create ripple effects across other industries – traditional and supportive – that can help diversify the regional economy and replace jobs and economic activity lost during the pandemic.

Opportunities for Action

4.1a

Enhance the region's research and analysis capability to identify emerging trends and support action-oriented economic development.

4.1d

Develop a strategy for economic diversification based on both traditional and emerging industries that renders the region stronger in the face of future economic shocks.

4.1b

Develop targeted marketing and BRE strategies for specific sectors that pay strong wages, potentially including:

- Clean/Green Tech
- Military & Defense
- Blue Economy
- Technology – AI, FinTech, Cybersecurity, Quantum Computing
- Life Sciences & Biotech Manufacturing
- Advanced Manufacturing
- Tourism

4.1c

Harness and leverage pandemic-related funding and growth opportunities in life sciences, advanced logistics and related industries.



Support traditionally strong industry clusters such as aerospace, maritime, military & defense, and healthcare to return to and build on pre-pandemic competitiveness and prosperity.

So-called “traditional” industries are the stable drivers of the region’s long-term economy. They are those that combine a long and well-established presence with comparative strength in the region. Aerospace, maritime, logistics and healthcare are also increasingly advanced, cutting-edge industries driven more and more by innovation, technology, and reliant on top talent. As the region recovers into the post-pandemic area, it will strive to support the historically strong, stable and growing industries it has nurtured for generations by understanding and responding to evolving dynamics.

Opportunities for Action

4.2a

Increase the amount of foreign direct investment and accelerate exports from this region.

4.2b

Convert export partners to investors in advanced industries.

4.2c

Leverage institutions such as the Ports of Seattle, Tacoma and Everett to incubate and accelerate businesses and harness emerging opportunities.

4.2d

Support the development of the digitization of healthcare in the region, including rapid response and home treatment paradigms.

4.2e

Recruit a full complement of up- and down-stream partners in key industries.

4.2f

Accelerate manufacturing onshoring or reshoring strategies.

4.2g

Engage established industry associations to coordinate recovery efforts and rally businesses toward implementation.

4.2h

Recognize and promote philanthropy as an industry cluster; build on the strength of the Gates Foundation, the non-profit hospitals and research centers, and Paul Allen’s companies.

4.2i

Support further densification in the region to strengthen industries related to real estate development (construction, engineering, architecture) and increase affordability.

4.2j

Promote and support mass timber/cross-laminated timber (CLT) as opportunities for growth in the regional timber industry.

Leverage the region's strong technology foundation to compete globally and pioneer new frontiers in tech industry innovation.

The central Puget Sound region was one of the earliest tech industry hubs in the world and this sector continues to define the region and drive its economy. The region must clear the path for continued success and pioneering development within the tech industry by ensuring livability with improved transit and housing affordability, by recruiting top talent and synergistic companies, and by collaborating closely with industry leaders on to ensure shared success.

Opportunities for Action

4.3a

Recruit companies that are pioneering new technologies or new applications of technology, including companies focused on remote working technologies, robotics, AR/VR and new communication tools.

4.3b

Consider policy changes including tax incentives and regulatory changes to better support the development of IT, advanced manufacturing, data centers and logistics hubs.

4.3c

Leverage opportunities created by those such as Amazon and SpaceX who are implementing low-level satellites for 5G broadband connectivity regionally.

4.3d

Produce a region wide strategy to support tech companies and occupations.



The central Puget Sound region was one of the earliest tech industry hubs in the world.



Support entrepreneurs, local small businesses and microenterprises to ensure that the region's entrepreneurial spirit can adapt to thrive.

Small businesses have arguably been hardest hit by the economic effects of the global pandemic with hospitality, tourism, retail and other sectors facing profound and ongoing changes to the consumer and business-to-business landscape. While gap measures such as paycheck protection programs and other measures have helped, the region needs to pay particular attention to the needs of this sector now, and ensure that the diverse entrepreneurial and small business ecosystems not only survive this era, but that they can evolve with the changing landscape to thrive post-pandemic. This will mean understanding these changing conditions and supporting the sector in multiple ways, from additional financing, to commercial lease protections, to new workforce development needs, and others.

Opportunities for Action

4.4a

Ensure no geographic or demographic limitations on who can invest in the Central Puget Sound fund or on the use of funds.

4.4b

Engage landlords to protect small businesses from eviction, escalating rent and other threats.

4.4c

Identify state and local solutions to fill gaps left by PPP.

4.4d

Engage local governments and chambers of commerce in programs to save local jobs.

4.4e

Create virtuous partnerships between workforce development and small business development.

4.4f

Support entrepreneurial activity and R&D, onshoring vaccine production and PPE, with incentives and other assistance.

4.4g

Help SMEs access new capital and export markets. Develop and enhance mechanisms by which small and medium-sized enterprises (SMEs) can more readily access foreign capital and export opportunities.

4.4h

Develop a Revolving Loan Fund focused on SME exporters.

4.4i

Develop a strategy for how venture investors and managers can work with regional public, university, and philanthropic leaders to form a Central Puget Sound fund of funds to increase VC investment in the region.

Support county workforce partners to provide broad coverage of existing and prospective workforce development needs.

The face of education and workforce development has changed dramatically in recent months. Through challenges with remote learning, institutions and companies are zeroing in on best practices to improve the quality of offerings and regain trust and a competitive edge in attracting high-performing students and workers to programs. The region must step in to ensure funding sources are secure, to help connect workforce development with emerging best practices in the post-pandemic landscape, and to continue to leverage the uniqueness of the workplace ecosystem in this region. And the region and workforce partners must listen closely to the changing needs of local industries and respond decisively with program and policy changes where necessary.

Opportunities for Action

4.5a

Collaborate to identify changing workforce needs in the post-pandemic economy and tailor curricula and programming to meet identified needs.

4.5b

Identify and regionally support the implementation of emerging best practices around remote learning.

4.5c

Address industry and business needs for well-trained people at all levels (entry-level certificate educated to PhD researchers).

4.5d

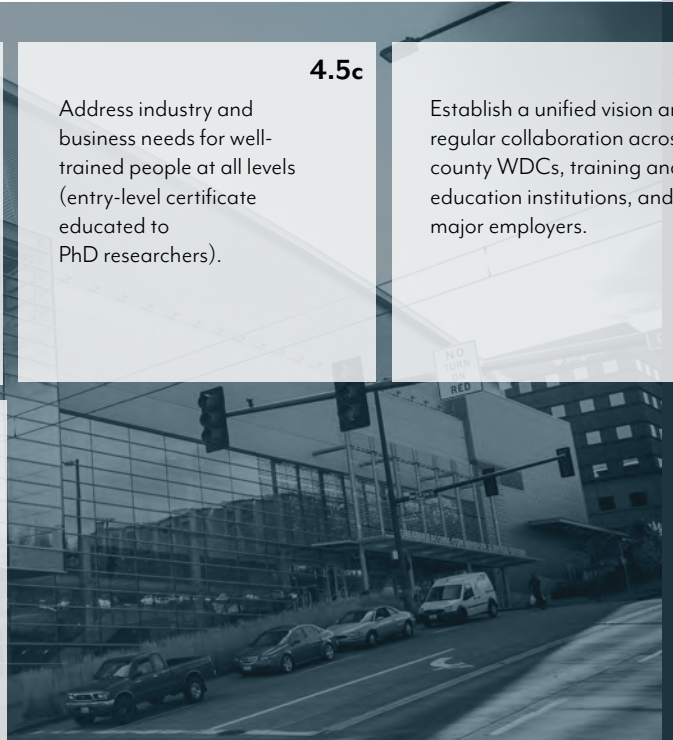
Establish a unified vision and regular collaboration across county WDCs, training and education institutions, and major employers.

4.5e

Compile and track regionwide data on occupations and skills needed across key industry sectors to develop local workforce for available and future jobs.

4.5f

Create a pool of funds and other economic incentives that can cover the upfront costs of training and offset other employer risks for apprenticeship programs designed for in-demand skills and occupations like coding or computer science.



Prepare the region to respond quickly to business location RFPs, corporate expansions, including R&D centers, and other industry trends.

The global pandemic has re-shuffled the deck dramatically with regards to physical spaces and land for commercial and industrial development and corporate location. While some companies (such as REI) have perceived less of a need for central physical facilities, other companies see this as an opportunity to upgrade space for physical community for their workers and staff. The only certainty is that a range of typologies will be required to respond to company needs for space in the post-pandemic era. The region needs to take stock of its inventory and identify policy and regulatory reforms to pave the way for new development and redevelopment for companies seeking to locate and relocate here, expand R&D, or develop logistics or data centers.

Opportunities for Action

4.6a

Track national developments in emerging industries such as life sciences and technology to position the region to capture major opportunities as they arise.

4.6b

Leverage the strong retail industry presence in the region to identify and support e-commerce opportunities for industrial and data centers.

4.6c

Develop and circulate a comprehensive package of tax incentives and economic development tools, such as local revitalization financing and TIF, to compete with other regions for top tier industry relocations.

Focus talent attraction around critical business needs.

Industries in the region thrive on talent and attracting world-class talent to the region to complete globally. Technology companies, global exporters and companies with business networks that cross the U.S. all require top talent with global perspectives and experience. Even as local companies invest in local educators and workforce training systems, attracting talent from around the world is needed to meet global and post-pandemic opportunities. In the post-pandemic world with more people working remotely than ever, the region must stand out and lead the nation in its post-pandemic response in order to compete successfully with other regions for key talent.

Opportunities for Action

4.7a

Provide marketing and other assistance to sectors supporting talent attraction and business relocation, including hospitality and tourism.

4.7b

Look to high-growth industries to provide guidance on avenues of talent attraction and development in the post-pandemic landscape.

4.7c

Implement land use reforms aimed at reducing cost of living and enhancing quality of life in the region.

4.7d

Implement reforms aimed at improving regional mobility, public safety and criminal justice reform.

4.7e

Showcase the uniqueness of our workplace ecosystem such as the intersection of life sciences and tech unique to greater Seattle.

GOALS & STRATEGIES

GOAL 5

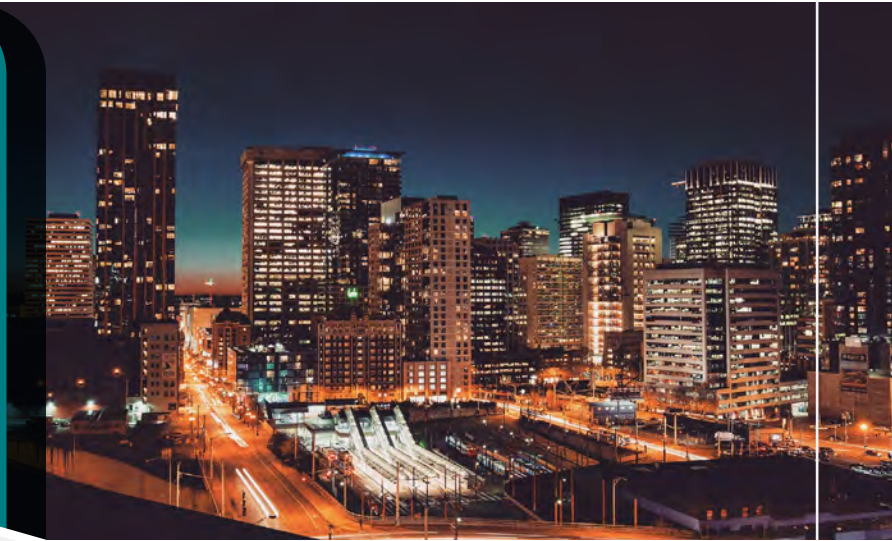
Promote Sustainable Economic Growth to Address Resiliency Needs

Even before COVID-19, the Puget Sound region was confronting multiple challenges that come with rapid economic growth and success – such as a homelessness crisis, increasing traffic congestion and a housing affordability crisis.

The pandemic has further exacerbated some of these issues and the disparities in how vulnerable the region's residents were to economic downturns, most notably along racial and geographic lines. It has strained social safety nets and made it clear that many of the region's workers lack basic protections and a sense of financial security.

At the same time, the climate crisis has not gone away and requires immediate action. The Puget Sound region has been impacted this summer by Washington state's worst fire season on record, after 2015. COVID-19 has put in context the importance of protecting nature. Failure to do so increased the risk of infectious disease emergence and led to immense social and economic damage.

There is a unique opportunity today for the region's recovery to re-imagine and build a sustainable well-being economy, embracing the economic, social, and environmental dimensions of well-being. Risk and resilience will need to be center stage. This goal aims to increase the economic resilience of the region to economic downturns, disasters and climate change impacts through a risk-based approach.



Strategies At-A-Glance

- 5.1 Support regional efforts to **address the housing affordability crisis** across greater Seattle.
- 5.2 Collaborate with regional transportation leadership to **prioritize business and workforce mobility** needs.
- 5.3 **Expand relief programs** and pilot innovative approaches to **reducing poverty**.
- 5.4 Work with corporate partners and citizen leaders to further advance **clean energy use, clean tech development and policies** that combat climate change.

Key Indicators

Supply of housing at prices aligned with area income brackets

Commute time and access to jobs

Emergency response capacity

Basic needs and family wellness indicators

Support regional efforts to address the housing affordability crisis across greater Seattle.

Counties in the Puget Sound region (King, Pierce, and Snohomish) are adding new residents and creating more jobs faster than new units of housing. The region's population has increased by almost half a million people and employment grew by more than 420,000 jobs over the past decade¹¹. Between 2010 and 2019, the region created just over 160,000 housing units but added roughly 190,000 households¹².

Home values across the region have soared beyond their 2008 pre-recession peak. In 2019, the median home value was 43.6% above its 2008 peak in King County, 25.7% in Snohomish County and 13.7% in Pierce County¹³. Median gross rent is the fourth most expensive in the country and roughly 47% of renters in the region are rent burdened¹⁴. The severe housing shortage and one of the worst levels of housing-affordability in the nation is also contributing to the homelessness crisis in the region.

It is safe to assume that the pandemic has only compounded the region's affordable housing shortage by increasing the need and slowing the delivery of new units for people of all levels. The housing challenges fell hardest on people of color, immigrants, those who are consistently disadvantaged by our economy, or others who were already too close to a financial cliff prior to the pandemic. Some steps have already been taken to provide immediate relief for individuals who are now at risk of losing their homes, such as temporary state and local bans on evictions and public and private rental assistance programs. However, these short-term mitigation measures should not divert from the long-term focus on correcting the region's housing shortage. This strategy aims to look beyond recovery and create a better future that gives everyone in the Puget Sound region the opportunity to have a stable home.

Opportunities for Action

5.1a

Work with existing regional coalitions to create an aligned larger regional network to address the housing affordability crisis across the entire greater Seattle region.

5.1b

Help affordable housing advocates uncover how existing systems produce housing inequities and bring into focus the specific ways these systems must change.

5.1c

Identify whether existing regional efforts addressing housing affordability are meeting the needs of all communities in the region, to ensure that solutions address the impacts of systemic racism and displacement risk.

5.1d

Catalyze stronger investments in programs that provide housing near jobs and schools to reverse the trend of income segregation.

5.1e

Advocate for policies and tools that aim to change land and zoning regulations to allow a variety of housing affordable to people at all income levels.

5.1f

Increase regional cooperation to provide financial incentives, standardize building codes and streamline permitting requirements for developers to build more affordable housing options and reduce the cost of construction.

5.1g

Work together with leaders across the region to make the most of existing funding and to identify innovative ways to increase funding for housing.

47%
of renters in the region
are rent burdened¹⁴

Median gross rent is the
fourth most expensive
in the country

¹¹ Washington State Office of Financial Management, 2020; Washington State Employment Security Department, 2020.

¹² United States Census Bureau, 2020.

¹³ <https://www.psrc.org/sites/default/files/peer201805-pres-zillow.pdf>

¹⁴ <https://www.nationalcapacd.org/wp-content/uploads/2020/06/COVID-19-Housing-Costs-.pdf>

Collaborate with regional transportation leadership to prioritize business and workforce mobility needs.

The Puget Sound Region has experienced a significant decline in travel across all modes of transportation since COVID-19 related restrictions came into effect at the beginning of March 2020. The decline in travel due to the COVID-19 pandemic has financial repercussions on the state's revenue sources from fuel tax, tolls and ferry fares. Fuel tax, tolls and ferry revenues represent roughly 45% of transportation funds.

The pandemic also risks undoing years of transit growth. A 'new normal' of home working is anticipated for many employees, which means there is no guarantee that peak period travel market will fully recover to previous levels, and even if so, the mode split may look very different. Furthermore, as fares are not being collected and tax revenues have plummeted, transit projects may suffer delays or cancellations with potential negative impacts on traffic congestion in the region.

As the region adapts in this transitional period, there is an opportunity to become better prepared to account for the unexpected and build a more resilient transportation network. The pandemic has surfaced the need for an infusion of resilience planning into the design, construction, operation and maintenance of public transit systems.

Opportunities for Action

3.1a

Identify and develop a plan to address long-term implications wrought by the pandemic to traffic and transit, such as changing customer needs, behaviors, and expectations.

3.1b

Advocate for increased public spending on priority investments in infrastructure as part of the stimulus spending.

3.1c

Work with transportation agencies and other partners to understand how changes to access and mobility needs brought by the pandemic impact financing priorities of transportation infrastructure.



The pandemic risks **undoing years of transit growth**



Expand relief programs and pilot innovative approaches to reducing poverty.

The pandemic and acute economic disruption that followed carries particular risks for poor households in the Puget Sound region whose livelihoods are already precarious. Many low wage jobs in the service sector will not reappear in the short or medium term, many people cannot work from home, and enhanced unemployment benefits will expire, leaving many exposed. Workers being laid off are losing their health coverage due to reliance on employers as the primary provider of health insurance.

But poverty is not new to the region and has been rising despite the region's overall prosperity. The number of people in poverty increased by 70 percent in King County and doubled in Snohomish County in the past 30 years¹⁵. The recession will exacerbate this trend and rising poverty can overwhelm an already strained human services infrastructure. This strategy aims to expand economic opportunities and provide a more robust safety net for people in our region.

Opportunities for Action

5.3a

Inventory existing relief and safety net programs and assess their effectiveness through an equity lens.

5.3b

Work with local or state leaders to learn more about radically different models to fight poverty and create economic stability, evaluate their potential merits and set out the time and resources to test them in real world situations (e.g. negative income tax, federal jobs guarantee, universal basic income/services).

5.3c

Strengthen short and long-term workers' protections and benefits, focusing on recovery of displaced and at-risk workers first.

5.3d

Expand access to more affordable childcare for all parents and work with employers to ensure all workers benefit from paid leave and fair, predictable work schedules.

¹⁵ Washington State Office of Financial Management, 2020; Washington State Employment Security Department, 2020.

Work with corporate partners and citizen leaders to further advance clean energy use, clean tech development and policies that combat climate change.

The region must respond to climate change by reducing emissions and preparing for a resilient future by adapting to the potential effects of climate change. The region has strengths in key sectors that can be leveraged to respond to the environmental challenges being experienced with climate change. Elements of green infrastructure and emerging opportunities in the green economy can make a meaningful contribution to economic recovery in the near term while also responding to the environmental challenges brought about by climate change.

Opportunities for Action

5.4a

Identify climate change goals that will also promote job creation and can be an important element of the economic recovery.

5.4b

Champion the blue economy and clean tech industries.

5.4c

Promote sustainable industries across the region.

5.4d

Using an environmental justice lens focus on addressing pollution in underserved communities.

5.4e

Drive regional utilities toward renewables such as solar, wind, hydro and geothermal sources of energy with policies and incentives aimed at maintaining profitability.



The region must respond to climate change by reducing emissions and adapt to the potential effects of climate change.

Forward Together is a group of private, public sector and non-profit organizations who are committed to identifying and addressing barriers to economic prosperity in our region and throughout our communities. Our goal is for all stakeholders from across the region to be able to see themselves in our work. Partners for Prosperity will continue to work with our diverse communities to identify aspirational, innovative and transformational strategies that are unique opportunities for our region.

For inquiries about Forward Together or the Economic Recovery Framework please contact Greater Seattle Partners at info@greater-seattle.com or 206.389.8650.