



**Date:** April 24, 2018

**To:** Councilmember Lisa Herbold, Chair  
Councilmember Kshama Sawant  
Councilmember Mike O'Brien  
Councilmember Rob Johnson

**From:** Rebecca Lovell, Acting Director, Office of Economic Development  
Kate Becker, Director, Office of Film + Music

**Subject:** Overview of OED/OFM's 2017 RSJI Actions and Accomplishments

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The Office of Economic Development (OED), together with the Office of Film + Music (OFM), will be presenting on their joint Race & Social Justice Initiative efforts from 2017 on April 24, 2018 at the Civil Rights, Utilities, Economic Development & Arts Committee. This memo provides an overview of that presentation.

To create a robust economy and broadly shared prosperity, OED is committed to balancing economic growth with the pursuit of economic and social justice. OED helps create a vibrant economy which benefits the whole city by promoting access to economic opportunities for all of Seattle's diverse communities and it supports economic development that is financially, environmentally, and socially sustainable. OED supports this vision through: investing in programs and partnerships that create a healthy business environment where local companies are empowered to grow and compete; improving access to career pathways in demand for our local talent; and supporting specific industry sectors that are uniquely competitive or desirable. OFM's mission is to support and equitably grow the creative economy with a focus on the film, nightlife and special events sectors. Woven through OED's and OFM's vision, mission, and values, and our programs are the guiding principles of the Race and Social Justice Initiative – to achieve racial equity and eliminate racial disparities in Seattle. OED's accomplishments in 2017 below exemplify its commitment to achieving racial equity by improving access and inclusion for people of color (POC) and centering POCs at design, decision-making, and evaluation.

The Race & Social Justice Initiative measures the community outcomes in 'Equity Areas'. Of those areas, OED and OFM have programmatic efforts which can be found under the following areas: Equitable Development, Jobs/Economic Justice, Service Equity, and Arts and Culture.

### **Equitable Development**

The ***Only in Seattle Initiative (OIS)*** – OED's neighborhood business district program – provides grant funding and staff support to foster inclusive neighborhood business districts that allow small businesses to thrive. OIS focuses on supporting neighborhood stakeholders, businesses, and property owners to organize around a common vision for their district and attract investment. In 2017, OIS provided funding and staff support to nine business districts that predominantly serve communities of color, or where business owners of color have a significant presence – Capitol Hill, Central Area, Chinatown-ID, Hillman City, Lake City, MLK-Othello, Rainier Beach South Park and University District. In three districts, OIS partnered with the Department of Neighborhoods' Community Liaisons to increase access and inclusion opportunities for non-



English speaking businesses. In addition, the Community Liaisons collected data on the number of people-of-color and women-owned businesses to establish a baseline for districts to monitor displacement over time.

**Data Collection.** One of the OIS team goals was to collect and compile data on race and gender of business owners, type of businesses, etc. in OIS-funded neighborhoods. Specifically, the goal was to work with business districts to collect and compile data from at least eight districts. The OIS team was able to compile data from seven business districts resulting in more accurate estimates of the number of POC-owned and women-owned businesses from 13 business districts. The purpose of gathering this data is to establish a baseline for the business district organizations to track the numbers of POC and women-owned businesses over time, to monitor for displacement, and to design outreach and engagement specific to these businesses. This is the first step in OIS data collection of equity metrics and adds to the existing year-end measures we collect from an additional six districts.

**Community Liaison Support.** OIS provided business district organizations with support and resources by hiring community experts who share language, culture, ethnicity or other demographics with local business owners. These experts are accessed through the Department of Neighborhoods' Community Liaison program and support increasing access to programs between local organizations, the City and local businesses. The OIS goals were to work with Community Liaisons in seven business districts, providing support and resources to at least 100 businesses. In 2017, OIS was able to deploy Community Liaisons in 3 business districts and serve 62 businesses. Two of the remaining four districts did not have the capacity and resources to execute the project in 2017 and will start the work in 2018.

**RSJI Cohort Training.** OIS conducted a training with business district partners focusing on key concepts such as relationship building with racially diverse businesses, racial implicit bias in program design, systemic and institutional racism, and individual and organizational ally actions. The training is conducted in a cohort setting where business district stakeholders are expected to build relationships with peers and analyze racial equity solutions to real world challenges faced in Seattle's business districts. After the training, cohort members achieved a baseline knowledge of racial equity tools and strategies that can be utilized to champion or support organizational transformation of policies and practices. OIS' goal was to conduct two four-hour trainings with a cohort of 19 representatives from eight business districts. In 2017, OIS conducted four two-hour trainings with 18 representatives from 10 business districts, thus exceeding their goal.

**Financial Assistance.** OED created two new financing products – Individual Development Accounts (IDAs) and 0% interest loans – with prioritized outreach to WMBE businesses in the Central Area and South Park. For IDAs, the City provided matching grants in exchange for businesses that deposit a certain amount of savings in their bank account and take training courses approved by the City. For 0% interest loans, the City covered the interest costs of loans provided by the City's lending partner. The goal was to provide direct financial assistance in the amount of \$72,000 to WMBE businesses. For 2017, OED disbursed \$55,000 that supported 17 WMBE businesses in the Central Area. OED has additional South Park businesses that are scheduled to receive the remaining \$17,000 in early 2018.

**Business Outreach.** OED's goal was to conduct business outreach and provide direct assistance to at least 25 WMBE businesses to solve problems. In 2017, the Small Business Development team supported 144 WMBE businesses. The businesses were located throughout Seattle with a heavy concentration in the Central Area, Chinatown-ID, South Park, Capitol Hill, and South Seattle. Here are a few examples of that work:



- In May 2017, OED was approached by the owner of Hola Seattle, a Seattle tourist company that specializes in Seattle tours in Spanish. Mario, the owner was looking to grow his business, but was having a difficult time connecting with the tourist industry. Through our OED relationships, we were able to connect him to partners who then helped him reach more Spanish speaking customers. Additionally, Mario took advantage of our one-on-one consulting program and is now working on developing an application that will make it easier for Spanish speakers to tour and fully enjoy Seattle.
- In early December, OED connected Shani Yearby, owner of Yearby's Hair and Nail Design in South Seattle, with a consultant for marketing assistance. Shani was also connected with one of OED's partners for a business loan.
- Throughout 2017, OED staff provided one-on-one technical support to 15 small business owners in the South Park neighborhood who applied for our IDA program. Applicants needed help understanding the program, gathering correct documentation, and filling out the application. In early 2018, these small businesses learned they were accepted into the program. The IDA program is intended for microbusinesses in City of Seattle under 80% area median income based on household size. In the program, participants will save \$500 over a 6-month period and during that time they'll complete 12 hours of business training and a business plan. Upon completion, they will receive an 8:1 match in the form of a \$4,000 grant. The goals of the program are to encourage savings, establish or grow relationship with a banking institution, develop a business plan that can be used, learn or hone their skills, take time to plan their business growth, and invest non-debt assets into their business.
- Leigh Stone of Crybaby Studios reached out to OED in 2017. Ms. Stone owns and operates 50+ audio/music studios and was looking for resources to help her expand her operations. OED was able to connect her to Wayfind, Grow Seattle financing, and various developer consultants to assist her. Additionally, her tenants were having difficulty loading and unloading their equipment, so OED and OFM worked with SDOT to place a musician priority loading zone in front of the studios.
- In February 2017, Erin Nestor, owner of Bottleneck Lounge and Two Doors Down, contacted OED around upcoming plans for the Madison Bus Rapid Transit line. The planning in question placed a future platform station directly in front of her business, both obstructing her business from street traffic and eliminating parking. After meeting with SDOT planners, the proposed station was moved further down the block – with no impact to the project in terms of efficiency or budget – and resolving Ms. Nestor's issues. Further business support was available later in 2017 (Q3) when the two businesses were impacted by a paving project that restricted business operating hours over an entire weekend. With OED's assistance, project managers with the repaving project met with OED staff and Ms. Nestor and were able to reschedule the work with significantly less impact.
- OED is assisting efforts to identify WMBE contractors for the Liberty Bank site at 23rd and Union. OED collaborated with project sponsors Wyking Garrett and Regina Glenn in reaching out to city departments and our partners at Sound Transit, King County, Port of Seattle and Washington State Department of Transportation. The collaboration raised awareness of the project and maximized the list of available WMBE contractors, particularly African American-owned firms, for the project. Liberty Bank was the first Black-owned bank west of the Mississippi. This redevelopment project could become a template for inclusive development in Seattle, demonstrating respect for the history and the empowerment of the African American community in Seattle.

**Mobile Business Consulting.** OED's goal was to manage a Mobile Business Consulting Program that conducts one-on-one business technical assistance. In locations hosted by OED's neighborhood business district



partners, OED staff connected WMBE businesses to a business concierge team for individualized technical assistance and financing (community lenders included: Mercy Corps NW, Craft 3 and Grow America Fund), with a plan to aid at least 20 WMBE businesses. In 2017, OED assisted 27 WMBE businesses in Mobile Business Consulting events in Beacon Hill, Central Area, Greenwood/Phinney, South Park and Southeast Seattle.

## Jobs / Economic Justice

**Seattle Arena Project.** In 2017, OED published a Request for Proposals (RFP) to renovate KeyArena. One of the seven criteria that was used to evaluate the proposals focused entirely on jobs and Race and Social Justice – specifically, “Provide Project construction and Arena operations in a manner that is equitable for workers and consistent with the City’s Race and Social Justice Initiative.” OED coordinated an RSJI analysis and review of the KeyArena Redevelopment RFP Proposals by convening a citywide RSJI Team to review the proposals and provide summaries of each proposal as it related to race and social justice to the Mayor, the Executive Review Team, and Community Advisory Panel.

**TechHire.** In 2017, OED, using the Equity Analysis from the City’s 2035 Comprehensive plan, found opportunities for partnerships between wrap-around service providers and TechHire stakeholders, in order to lower displacement risks and increase access to opportunity for marginalized populations located in Seattle neighborhoods. Specifically, OED facilitated a deal with MetLife, Urban League of Metropolitan Seattle, and PACE for a free long-term lease on a space downtown that will be used for tech training targeted at the African diaspora community in Seattle. OED also helped organize the Tech Jobs Tour’s stop in Seattle on May 24<sup>th</sup> at Impact Hub that was targeted at job seekers from underrepresented communities. Due to a delay in the Department of Labor grant release date, OED will have to wait until 2018 to pursue funding to conduct a racial equity training for the partners.

**Tech Talent Pipeline.** Using the Equity Analysis from the City’s 2035 Comprehensive plan, OED and OFM collaborated with tech industry partners to begin a series of virtual reality pop-up workshops in neighborhoods with low access to opportunity. The goal of the workshops was to expose and engage families and students to trending technology and programs to get involved in creation of VR content and tech careers. Also, OED aggregated “bootcamp readiness” programs in Seattle and aimed to enroll at least 100 students from marginalized communities. Although there are many opportunities to participate in tech training bootcamps, especially for post-secondary students, the path to those programs wasn’t clear. In 2017, OED held one pop-up workshop on May 7<sup>th</sup> at New Holly Gathering Hall. OED also facilitated brainstorming discussions with Rainier Beach Action Coalition, Goodwill, Floodgate Academy, and a virtual reality company about how to connect training and project-based internship opportunities in Rainier Beach. Additionally, OED held a conference call about opportunities for youth in Aerospace industry with organizations and individuals that work with K-12 students.

**Startup Seattle Program.** OED Increased its spending with WMBE vendors for Startup Seattle from 39% to 46% in 2017. OED also increased the number of WMBE entrepreneurs for Startup Seattle office hours from 38% to 50%.

**WMBE Goals.** In 2017, OED exceeded its 20% purchasing goal and spent 51.23% of its budget with City registered WMBE vendors. (Note, OED’s actual WMBE spend was higher than the 51.23% posted on the City’s WMBE reports, at 53.12% due to our vendors under reporting of their WMBE status.) This expenditure



rate was weighted heavily by expenditures OED made with WMBE consultants, whereby 69.6% of approximately \$800,000 was spent with WMBE contractors (adjusted for actual WMBE use, which is slightly different from the reported 67.46% of expenditures made with registered WMBE consultants). Overall purchasing (blanket contract, direct voucher, and purchase contract spending) was recorded at 8.58% or a \$26,140 expenditure, however an additional \$29,295 was spent with WMBEs that had not registered with the City, therefore increasing the percentage to 18.2%. Among this category, most was spent on 'purchase contracts' and it should be noted that of total \$202,196 spent, 67% was spent with the Chinatown International District PDA which serves a community of color, but which cannot claim WMBE status as it is a governmental organization. OED will continue to work with staff to identify and engage WMBE vendors to accomplish our mission and provide our services to the public. We will continue to work with new WMBE vendors to register with the City's roster of WMBEs to help them become identified by other City departments.

**Youth Employment.** OED also helps to coordinate the Seattle Youth Employment Initiative, which aims to prepare low income youth for careers aligned with City workforce needs by providing internships to participants in the Seattle Youth Employment Initiative. Our goal was to reach 3,500 youth, including youth of color, having meaningful employment/internship opportunities by end of 2017. In 2017, 3,801 young people in Seattle had an internship. OED has data on a subsection of the youth participants. Of those youth, 48% identified as African American/Black, 27% Asian, 13% 2 or more races/other, 7 % Latinx, and 5% White.

**Workforce.** OED helps to prepare low income adult learners for careers in high growth industry sectors by providing training resources and job placement to participants. Specifically, our goal was to reach 519 low-income adult learners complete training, and 500 placed in high demand jobs. In 2017, 440 individuals were able to complete job training courses, and 1,793 received services and were placed in a job.

## Service Equity

**Restaurant Success Ethnic Media Campaign.** The Restaurant Success program executed a media campaign targeting different communities of color to help make Restaurant Success resources more known and accessible using the Language Line which will help respond to inquiries in over 200 different languages. Our goal was to track: the number of ethnic media channels used, the type of ethnic media channels used (print media, television, etc.), type of languages targeted for the media campaign, number of inquiries received from the media campaign (this required asking each person where they heard about us), number of times Language Line was used (total number plus a separate column showing how many of the total were from folks who heard about us through the media campaign), and the types of languages used for interpretation from Language Line.

In 2017, a media campaign to help make the Restaurant Success information more accessible was organized and set up to launch at the beginning of 2018. The goal of the media campaign was to target different communities of color and minority groups and make Restaurant Success more known and accessible with the use of Language Line, which provides over the phone interpretation support in over 200 languages. A total of 11 media channels were chosen, with a variety of digital, print, and radios ads to reach different audiences. The 11 media channels chosen were: International Examiner (English web ad), The GSBA (English web ad), The Seattle Medium (English web ad), South Seattle Emerald (English web ad), La Grande Radio (Spanish radio ad), Salon Ethiopia (Amharic print ad), Northwest Vietnamese News (Vietnamese print ad), La Raza (Spanish print ad), Northwest Asian Weekly (English print ad), and The Chinese Post (Chinese print ad).



The media campaign ads are scheduled to appear in the different media channels throughout the remainder of the 2018 year.

**Restaurant Success Orientations.** The Restaurant Success program also reached out to several ethnic chambers of commerce to offer Restaurant Success orientations and provide access to programs and services. The goal was to track the number of ethnic chambers and organizations interested, number of workshops conducted, and the number of attendees per workshop. In 2017, the Restaurant Success program reached out to 6 different ethnic business organizations in addition to Seattle Public Library, Greater Seattle SCORE, and the Small Business Administration (SBA) to offer Restaurant Success Orientations and provide connections to other small business development resources. All organizations expressed interest in the orientations. Restaurant Success orientations were conducted five times throughout the year at various Seattle Public Library locations (Central branch, Delridge Branch, Douglass-Truth Branch), the SBA office, and the SCORE office. An average of 9 businesses attended each orientation.

**EnviroStars**, a regional collaborative program, of which the City is a part and for which OED plays a leading role, launched in 2017. OED continues worked closely with Seattle City Light and Seattle Public Utilities to complete a racial equity toolkit and initiate a feedback loop for changes that need to be made to the program. Feedback not only came from the diverse business advisory committee that OED leads, but also one-on-one visits with women and minority owned businesses and their experiences using the program.

In 2017, an RSJI toolkit was conducted and provided to the Seattle Office for Civil rights. Using the goals from the toolkit, OED created an actionable matrix to help implement our 2018 work. This matrix had examples of current approach, opportunities for growth, potentiation challenges, department leads, actions and timelines, and how we plan on evaluating our efforts. The matrix was borne out of discussions from what we heard during the one-on-one visits with women and minority owned businesses (WMBEs) and their experience using the program. We also applied feedback we heard from the EnviroStars Business Advisory Committee, which 52% identified as women and 55% identified as non-white. In addition, SPU and OED leveraged two contracts to meet and discuss this work with the Environmental Coalition of South Seattle (ECOSS) and Alma Villegas. Both ECOSS and Alma specialize in engagement between diverse communities and the entities that serve them. Their guidance strengthened our matrix of conducting next steps.

**Ventures.** OED conducted entrepreneurship training workshops in partnership with Ventures, a non-profit organization that supports people of color and immigrants. Our goal was to provide workshops to at least 90 low-income WMBE businesses or entrepreneurs. In 2017, Ventures served a total of 146 individuals, 80% which were low income, providing business financial management technical assistance. Twenty eight of the 146 individuals assisted were existing business owners.

## Arts and Culture

**Music Commission Work.** OFM and the Music Commission used an RSJI lens to create early-career entry points into the music industry for area youth, with a focus on underserved areas in need of equitable opportunity. In partnership with the Music Commission and One Reel, OFM produce the sixth annual City of Music Career Day, continued City of Music Career Day Roadshows, and other outreach events. Specifically, in 2017, the programming of presenters for all the Career Days represented diverse voices and backgrounds to reflect and attract the young people OFM is hoping attend. The breakout session panelists at Music Career Day 2017 featured over 50% women and close to 50% POC. The paid Keynotes were 75% POC. The



programming themes were chosen to be broad and open to any and all entry levels. And, outreach is completed throughout the region, with the public-school portion outreach being led by Creative Advantage, a collaboration and partnership between Seattle Public Schools, the City, Seattle Foundation and arts partners.

**Nightlife Business Advocacy.** OFM is interested in expanding awareness, outreach, and support of nightlife businesses to include communities not traditionally included in the scope of “nightlife” when policy is developed. In 2017, OFM’s Nightlife Advocate planned to use the RSJI toolkit to assess a definition of nightlife and to develop policies that include the entire scope of our community. While the original intent in 2017 was to complete an RSJI toolkit to expand awareness, outreach and support of nightlife businesses in communities not traditional captured in a generic definition of nightlife, OFM determined that the most effective method of doing so would be a survey of these communities. Due to the scope and expense of that work, implementation was delayed until 2018 and is currently underway. Thus, an RSJI toolkit will not be completed until end of 2018.

**Virtual Reality Pop-Up.** OFM and OED planned to use a racial equity lens to provide outreach and access early in the development of the Seattle virtual reality sector with the intent of supporting the evolution of a truly diverse VR sector. The goal was to produce and pilot free and accessible workshops targeted to 16-24-year-olds in identified neighborhoods to ensure early access to virtual reality technology, equipment, and industry leaders, in partnership with StartUp Seattle. In 2017, in advance of this event, outreach was made in partnership with DON, to intentionally reach communities that reside in the New Holly neighborhood. DON outreach liaisons were hired, and the promotional materials were released in three languages: Vietnamese, Amharic and English. On the day of the event, DON outreach liaisons were on hand and available. Partner organizations included: Office of Film + Music, OED’s Startup Seattle, UW CoMotion Labs, and the Washington Technology Industry Association (WTIA) . Multiple hands-on demos were available, with a series of four formal presentations woven into the program. Approximately 142 people attended the VR Pop Up. Anecdotally feedback suggests participants were of all ages, with the primary demographic being 15-35 years of age. Notably, most participants did not exhibit the same racial and ethnic makeup of the immediate neighborhood surrounding New Holly Gathering Space. David Harris and Kate Becker met with the DON outreach liaisons following the event, to gain insight into outreach effectiveness, and generate ideas for strengthening future outreach efforts.

## Looking ahead in 2018

Moving forward, OED and OFM will continue to work to ensure racial equity in our programs and services to make tangible differences in people’s lives. We are working not only through our staff, but also through our partnerships as we engage in work with neighborhood business districts, commissions, and community-based organizations to support the movement to end structural racism. We will continue to help lead regional networks with an eye toward racial equity through our partnerships with other governments and institutions, the private sector, and philanthropy. In 2018, we expect to tackle a variety of Racial Equity Toolkits on new programs or projects. In particular we look forward to reporting back to you on the following uses of the City’s Race Equity Toolkit (RET):

1. **Byrd Barr Central Area Property Transfer** – OED has been working closely with the Central Area community on their interest in acquiring several city-owned properties. Centerstone, now named Byrd Barr Place, has been operating services out of Fire Station 23 in the Central Area for



over 40 years. OED will conduct a RET, in partnership with OPCD and FAS, as the City begins its process to evaluate the Byrd Barr property transfer request to highlight the racial equity impacts of this process.

2. **Ingersoll Trans Economic Empowerment Program** – OED’s Small Business Development team will be working with Ingersoll Gender Center to support economic development within the transgender community. Ingersoll will seek ways to substantially expand the reach of their Seattle Trans Economic Empowerment Program (STEEP) and look for ways to leverage partnerships to ensure ongoing implementation of the program. OED’s expectations are reporting on RSJI work with each quarterly invoice from Ingersoll and a final report that gives updated information on the organization’s working with the Racial Equity Toolkit and challenges, obstacles or successes that they experienced in its use. Ingersoll is one of the oldest organizations of, by and for transgender and gender diverse in the United States. The empowerment program helps to support trans and gender diverse folks who are navigating multiple barriers in finding employment.
3. **Music Ecosystem Study** – As part of a broader Creative Economy Study, we will take a deeper dive into the music economy, gathering information to help us understand more holistically the daily realities, human stories, and facts that extend beyond the traditional economic data. What is going well, what is challenging, and what is missing for musicians and music businesses (venues, festivals, recording studios, streaming services, record stores, etc.)? The RET will help guide this study not only to be executed in a racially equitable manner, but also to explore the root causes of racial disparities in the music industry.
4. **Nightlife Equity Study** – OFM’s objective is to expand awareness, outreach and support of nightlife businesses to include communities not traditionally included in the scope of “nightlife” when policy is developed. OFM’s Nightlife advocacy will use the RSJI toolkit to assess our definition of nightlife and to develop policies that include the entire scope of our community.
5. **Lease Education Work** – OED is hosting a series of educational workshops, focused on small business owners in Chinatown-ID, to help them prepare for future development and how best to negotiate leases to their benefit. OED will develop a RET to cover the planning and implementation of this effort.

Beyond the examples provided above, OED and OFM will work to institutionalize the use of the Racial Equity Toolkit by employing it frequently throughout our work. We look forward to reporting our 2018 results in 2019.

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