REPORT

Doing Business in Bellingham: Results of 2010 Survey of Bellingham Business Leaders

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EXECUTIVE SUMMARY

In late fall of 2010 the City of Bellingham commissioned a survey of 301 randomly selected city business leaders. The survey replicated similar research completed in 2007 with updates to meet the city's current information needs. Some of the survey items are being used as performance measures for the city's *Legacies and Strategic Commitments* initiative, which focuses attention on specific long-term goals for the community and the city government.

Survey results should be viewed in the context of the economic environment faced by businesses locally and nationwide. Recessionary conditions show clearly in the 2010 responses, particularly when compared to results from 2007. Like much of the U.S., Bellingham was experiencing strong economic growth at the time of the 2007 survey. By the time the 2010 survey was conducted, however, our community had weathered two years of the most impactful economic recession of our time.

FINDINGS

Legacy: Vibrant, sustainable economy

The vast majority (74%) of businesses rated Bellingham as a *good, very good* or *excellent* place to do business. This was significantly lower than the 82% who gave similar ratings in 2007. Businesses' economic outlook showed 39% anticipating *growing* revenues in 2011, with 15% expecting revenues to *contract*. This was markedly different from the 67% who were anticipating growth in 2007 and 6% who were anticipating contracting revenues.

Job growth may improve in 2011 with 21% of businesses anticipating adding new employees. Only 5% anticipated layoffs. In 2007, 29% were anticipating adding jobs and only 1% anticipated layoffs.

Overall the economy appears to be stable or improving, said most businesses, with 22% reporting an improving local economy and 46% seeing it stay the same. Another 32% believed it is getting worse. In 2007, just 10% of businesses saw the local economy getting worse and 54% saw it improving.

Most businesses reported being able to find qualified employees with little difficulty (52% said it was *easy* or *not very difficult).* This was much higher than 2007 when just 33% of businesses said they were finding qualified employees with similar ease.

If businesses could change something about doing business in Bellingham, many said they would like to see taxes and fees that impact the cost of doing business lowered (24%). Having less troublesome regulation and more business friendly government was also frequently mentioned (19%), along with easier permitting, better planning and simpler building regulations (16%).

Businesses were asked how many times their business required interaction with city government in the past year. Most (64%) did not require contact. Those who did have contact (36%) in the past year were asked to rate their experiences with the city. These ratings were fairly evenly distributed among the options, with 41% calling their experiences *excellent* or *very good*. Just over one-third (36%) described their contact as *fair* or *poor*.

Legacy: Quality, responsive city services

Twenty-three percent (23%) of businesses responding were willing to see taxes and fees increase in order to maintain city services, but a larger portion (37%) felt that taxes and fees should be held steady with services cut. The balance of respondents (40%) offered other scenarios for dealing with budget shortfalls, focusing on reducing costs (16% of all respondents) or increasing efficiency (5% of all respondents) rather than cutting services, or simply cutting taxes without regard for services (8% of all respondents).

If respondents favored cutting services they were asked what their priorities would be. Most of these 141 respondents (58%) suggested cuts to specific departments, led by parks and recreation (11%, or 5% of all respondents), parking enforcement (9%, 4% of all respondents) and police (8%, 3% of all respondents). Many others gave very general suggestions to cut “non-essential services” (15%, or 7% of all respondents) or staff positions, salaries and benefits (14%, also about 7% of all respondents).

Businesses were asked how many times their business required interaction with city government during the past year outside of paying taxes and utility bills and 21% said they interacted with city government *three or more times*. Another 64% said they had no contact with the city in the past year. Many interactions were regarding building and permitting needs, as well as fire and police, though responses were wide ranging. When asked to rate their experiences with the city, 41% rated them *excellent* or *very good*, though 36% also rated them *fair* or *poor.*

Respondents were asked to rate how well the city provided public safety, utilities and land use planning and planning for growth. The vast majority (76%) rated provision of public safety services *extremely* or *very well* (unchanged from 2007). Fewer gave utilities such a high rating, though it was still a large majority (61%). Unfortunately, this compares unfavorably to the 2007 survey in which 74% gave such ratings to city utility services. Far fewer (31%) gave land use planning and planning for growth such high ratings with 15% saying the city provided these services *not at all well*.

Businesses were asked to identify which of the city-funded economic development, tourism and business education providers they have used in the past year. Over one-third (37%) had used at least one of the providers. The most commonly used service was Sustainable Connections (22%) followed by the Tourism Bureau (13%).

Businesses were asked to rate their experiences with the services that they had used. Sustainable Connections garnered the most positive ratings with 76% rating it as *very good* or *excellent*, though The Center for Economic Vitality had a particularly high proportion of *excellent* ratings (56%).

Legacy: Access to quality of life amenities
Businesses were asked how well the city does at providing cultural and recreational programs and facilities such as parks, recreation, libraries, theaters and museums. Over three-quarters (77%) said that the city does *very* or *extremely well* with cultural and recreational programs and facilities. Only 3% said they do this *not very well* or *not at all well*. This measure shows some improvement with a larger portion giving the city the highest rating in 2010 compared to 2007 (34% compared to 20% respectively).

Legacy: Equity and social justice
Businesses were asked about factors that impact their ability to attract or keep qualified employees, and all the measures showed improvement since 2007. Providing competitive compensation was the most common challenge (34% said *often* or *always,* down from 50% in 2007). Access to affordable health insurance *often* or *always* impacted 29% of businesses (down from 40% in 2007), and the cost of housing *often* or *always* impacted 20% (down substantially from 42% in 2007). The other key challenge mentioned was simply a lack of work or revenue (18%).

Legacy: Mobility and connectivity options
Businesses were asked how well the city does at providing transportation services including street maintenance and lighting, traffic management, bicycle and pedestrian access, and parking. Just over half (52%) said that the city does *very* or *extremely well* with transportation, which is up significantly from 41% in 2007. Ten percent said they do this *not very well* or *not at all well* (down from 15% in 2007).

Legacy: Safe and Prepared community

Businesses were asked to grade the city's police, fire and emergency medical services. Emergency medical services was rated the highest with 64% of businesses giving the city an "A." A slightly smaller proportion awarded an "A" to the fire department (60%), and Bellingham police got the top grade from just less than half of those surveyed (48%). All of the services received very high marks from nearly every respondent with the lowest being police (84% combined As and Bs).

Businesses were asked about their emergency preparedness. Nearly half (46%) said that they were either *very* or *extremely well prepared* to handle a natural disaster. This is up significantly from 34% in 2007.

CONCLUSIONS

Since 2007 several of the city's legacy measures have shown improvement. In particular:

- Businesses are better prepared to respond to a natural disaster
- Ratings of cultural and recreational programs and facilities increased
- Ratings of transportation services improved

Ratings for public safety and planning were stable, though utility service ratings declined. It would be valuable to explore the reasons for this shift, be it increased storm water regulations, costs of water or something else. Sharing these findings with business leaders and asking for their insights may help explain the change.

In the context of Bellingham's Legacies and Strategic Commitments, improvements were noted since 2007 in the areas of Equity and Social Justice, Access to Quality of Life Amenities, and Mobility and Connectivity options. Quality, Responsive City Services saw a slight decrease in relation to public utilities, but consistent high ratings in regards to public safety. The one area where there was a noted slide in ratings was in regards to a Vibrant, Sustainable Economy, which is a commitment which has been deeply affected by national trends.

The economic downtown shows clearly in the responses of businesses, especially when compared to 2007. The good news is that most respondents see their prospects in the coming year stabilizing or improving. Other national surveys of businesses suggest similar trends. The most similar in content and respondent pool is the October 2010 survey of small and mid-sized businesses published by PNC Financial Services Group[1]. Their survey showed 42% of businesses expect increased sales in 2011 (similar to Bellingham's 39% expecting revenue growth) and 18% anticipating sales decreasing in 2011 (comparable to Bellingham's 16%). Similarly, 22% of businesses in the PNC survey expected to be hiring in 2011, while 21% of Bellingham businesses expect to add new employees. Only 5% of Bellingham businesses anticipate layoffs, compared to 18% of those surveyed by PNC.

Impediments to hiring employees have diminished since 2007. The massive shift in the national economy is a likely contributor: Housing costs have shifted downward, the labor pool has increased, and many businesses may have stopped offering some benefits to cut costs and keep their doors open. Expectations of people looking for jobs may also have shifted with fewer anticipating a generous compensation package than in 2007. All of these may be combining to make attracting qualified employees less difficult. Instead, business revenues overall seem to be playing a larger role.

Businesses conveyed an unsurprising emphasis on decreasing costs, especially in terms of taxes and fees. Experiences with the city were very mixed. This is likely due to a mix of dissatisfaction with service delivery and dissatisfaction with regulations, requirements and processes that impede businesses. The city needs to find that elusive balance between a fee and tax structure that supports the provision of necessary services to businesses but also enhances businesses' ability to keep the local economy humming. Many businesses also seem to be asking to be treated with courtesy and respect, with attention to the demands of the business so that services are delivered efficiently and their requests are appropriately expedited.

[1] The PNC Economic Outlook, Survey of Small & Middle-Market Business Owners, October 2010 <www.pnc.com>

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INTRODUCTION

In November and December of 2010, the City of Bellingham conducted a telephone survey of randomly selected businesses located within the city. This research follows a similar effort in 2007; both surveys were conducted for the purpose of helping the City better understand and support businesses in Bellingham. The results of this research will inform day-to-day decision making as well as contribute to measurement of the City's progress in achieving long-term goals.

The 2010 survey repeats many of the questions asked in 2007 in an effort to identify trends and changes in business leaders' opinions over time. Survey questions related to:

- Economic outlook for businesses and the city
- Experience doing business in Bellingham
- Satisfaction with city services that support business
- Use of city contractors for business support
- Basic descriptors of their business.

Some items from these surveys also were chosen by the City Council as performance measures in the city's *Legacies and Strategic Commitments* work. Adopted by the Bellingham City Council in July 2009, the *Legacies and Strategic Commitments* is a set of long-term goals and strategies to reach those goals. Results of opinion surveys are among numerous ways the City is measuring its performance and determining if City programs and services are meeting long-term goals. An overview of the City's *Legacies and Strategic Commitments* can be found in Appendix C, and more information about these goals and city performance measurement can be found on the City website.

All survey findings in this report are grouped by topic areas described by the *Legacies and Strategic Commitments*. Seven survey items in the 2010 survey were identified as top-level items measuring the City's progress in meeting particular Legacies. In the findings listed below, those top level key measures are noted and discussed as a group in the conclusion.

In all, 301 business owners, managers, CEOs and presidents completed the telephone survey of about 45 questions. The survey garnered a 47% response rate and yielded a margin of error of 6%. A complete description of the research methods and the script with raw frequencies are included in the appendices. This report describes the findings of the survey and subsequent analysis.

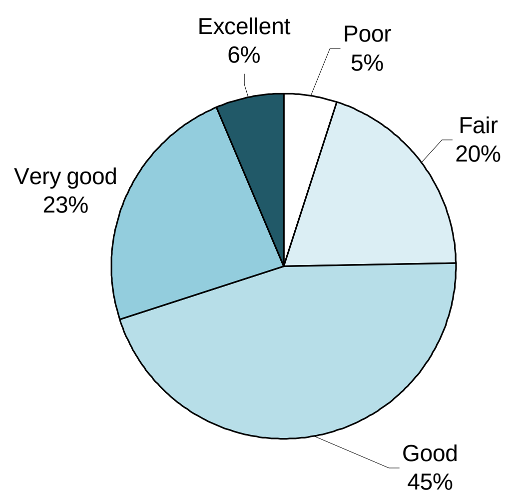
FINDINGS

In keeping with the city's priorities, findings from this survey are presented according to the *Legacies and Strategic Commitments* they support. Please see Appendix C for a summary of the *Legacies and Strategic Commitments*.

LEGACY: VIBRANT, SUSTAINABLE ECONOMY

Participants were asked to rate Bellingham as a place to do business and 29% said it was *excellent* or *very good* (figure 1). This compares unfavorably to the 2007 findings in which 47% gave similar ratings (figure 2). In addition, 25% of 2010 respondents gave Bellingham a rating of *fair* or *poor* compared to 18% in 2007. It is unclear how much of this shift is due to a change in climate in doing business in Bellingham or the massive economic downturn the country has experienced since 2007.

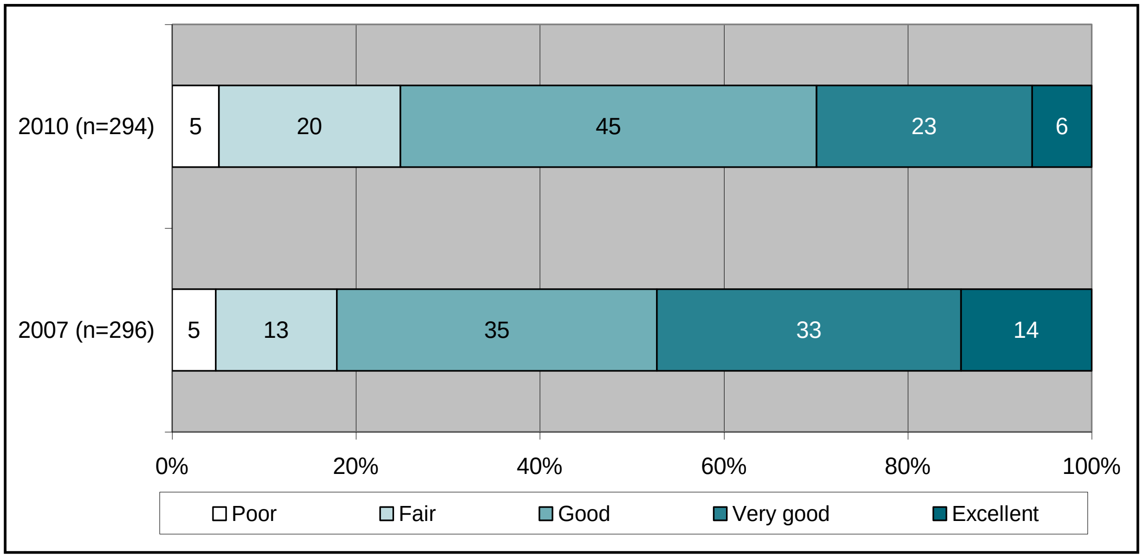
Figure 1. Overall, how would you rate Bellingham as a place to do business? (n=294)



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

This item is considered a top level key measure that maps directly to the legacy area "Vibrant Sustainable Economy".

Figure 2: 2007 & 2010: Overall, how would you rate Bellingham as a place to do business?

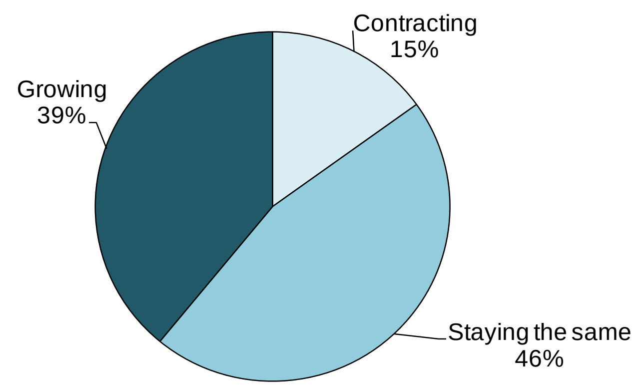


Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

Economic outlook

Participants were asked about their economic outlook for their company and 39% said they expected their revenues to grow in the coming year (see figure 3). This is very similar to the findings of a national survey by PNC Financial Services Group[2] that found 42% of small and middle market business owners anticipated sales would increase in the coming six month. Fifteen percent (15%) of Bellingham businesses anticipated contracting revenues, which is also very close to the 18% national average reported by PNC.

Figure 3. Are you anticipating your company's revenues will be growing, staying the same or contracting relative to the past year? (n=292)

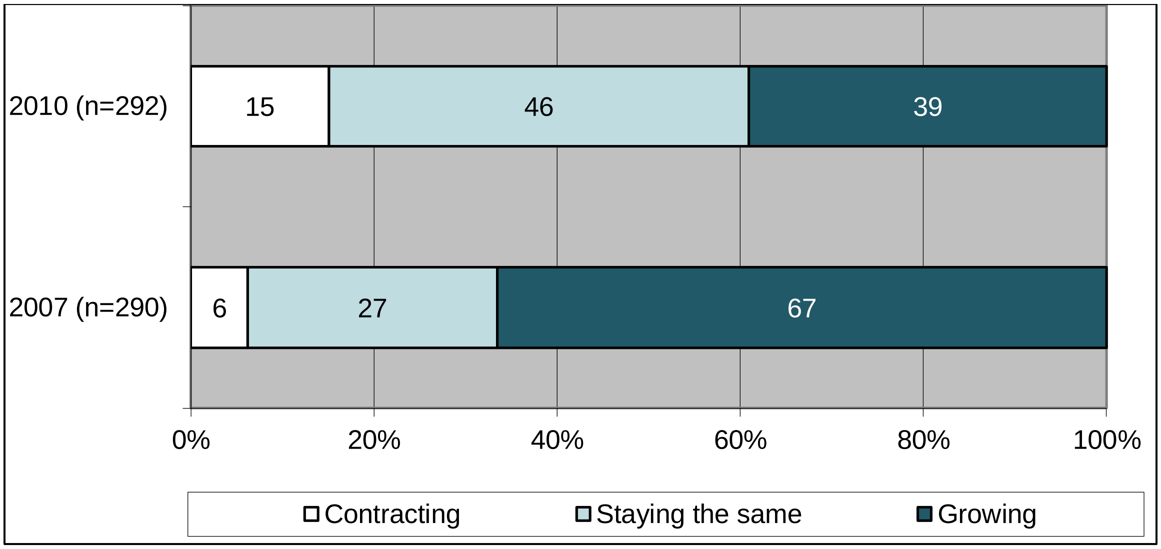


Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

[2] The PNC Economic Outlook, Survey of Small & Middle-Market Business Owners, October 2010 <www.pnc.com>

In 2007, a significantly higher proportion of Bellingham businesses (67%) anticipated increasing revenues in the coming year (see figure 4). Like much of the U.S., Bellingham was experiencing strong economic growth at the time.

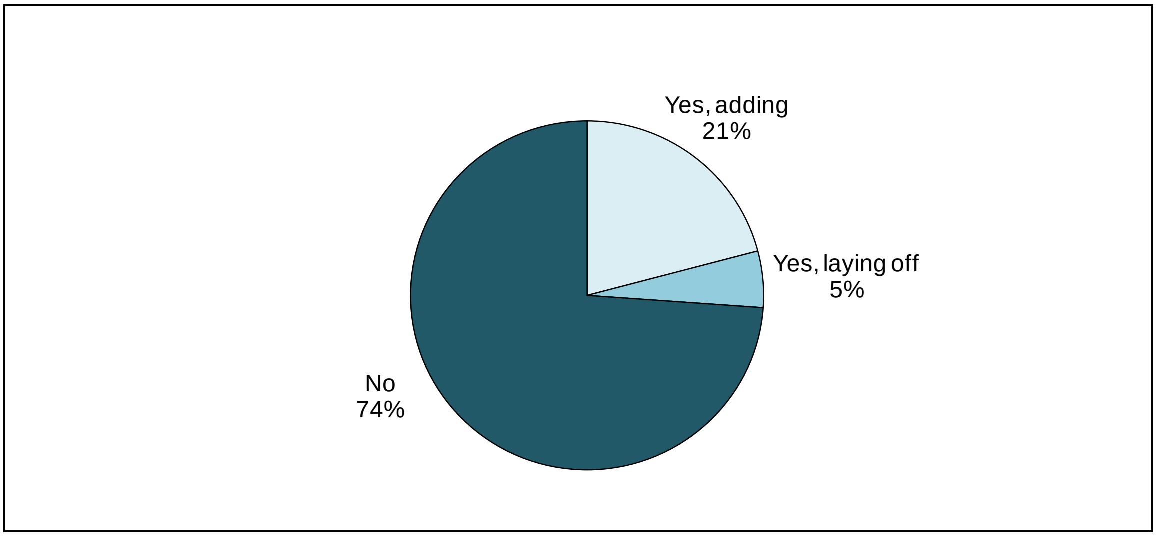
Figure 4. 2007 & 2010: Are you anticipating your company's revenues will be growing, staying the same or contracting relative to the past year?



Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

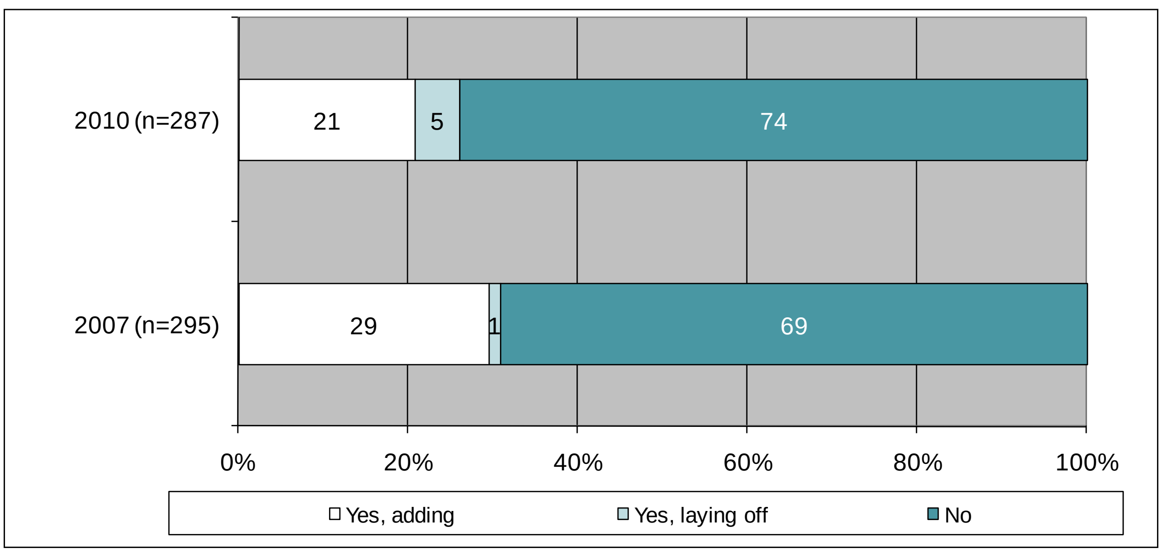
About one in five businesses (21%) is looking to add employees in the coming year, with one in twenty (5%) anticipating some layoffs (figure 5). The large majority (74%) are expecting to maintain its employee base. This is a significant shift from 2007 when a higher proportion was expecting to grow (29%).

Figure 5. Are you anticipating adding new employees or laying off any existing employees in the company? (n=287)



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

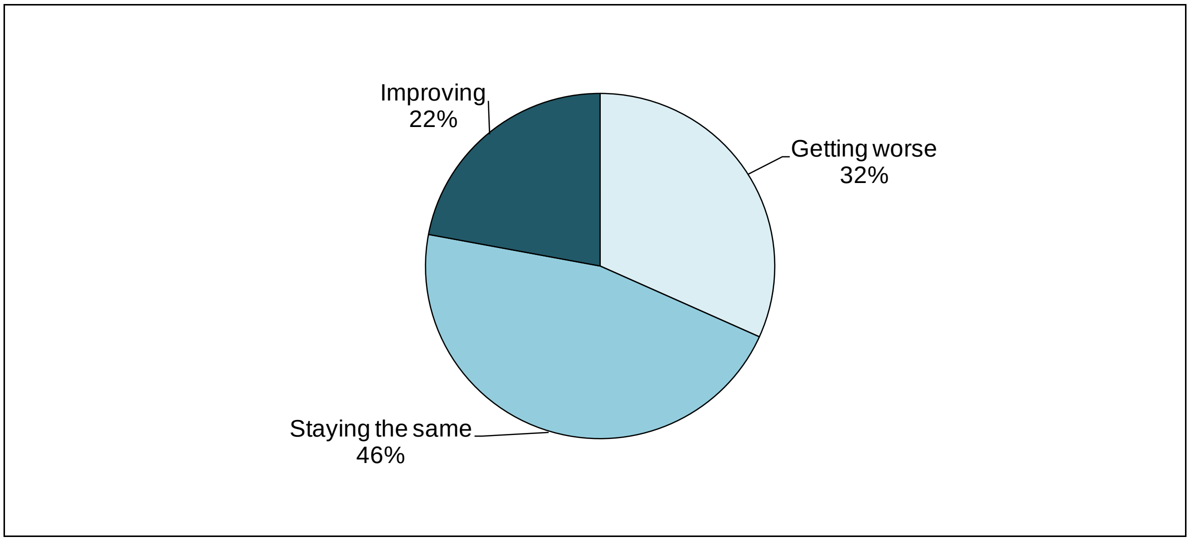
Figure 6. 2007 & 2010: Are you anticipating adding new employees or laying off any existing employees in the company?



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

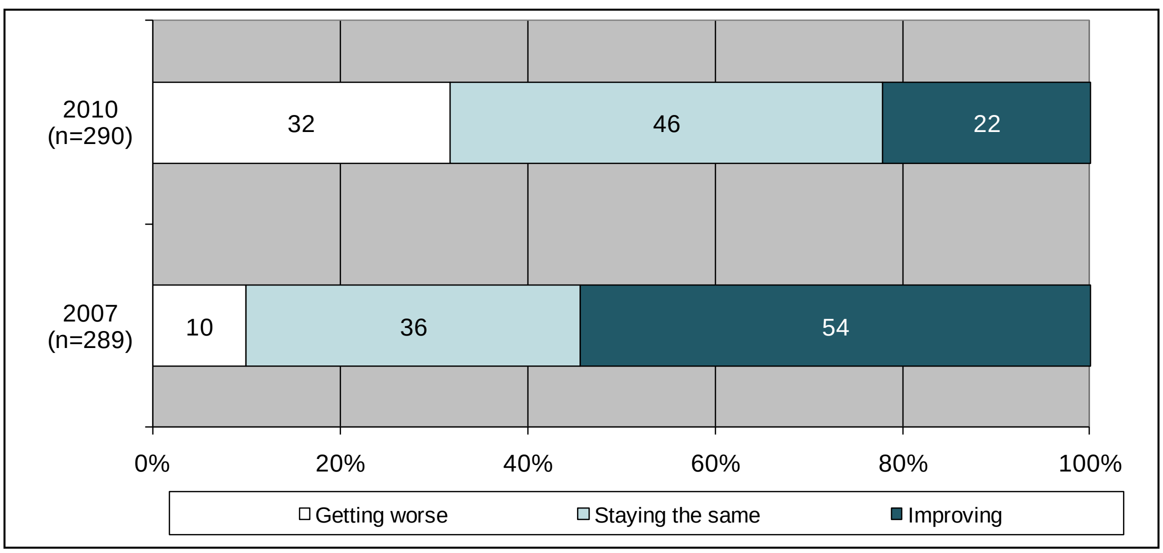
Businesses were asked for their perspective on the economy. While nearly one-third (32%) said they believe it is getting worse, about a fifth (22%) said they think it is improving. This is down significantly from 55% in 2007 (see figure 8). At that point only 10% believed the economy was getting worse.

Figure 7. Overall, would you say the economy in Bellingham is improving, staying the same or getting worse? (n=290)



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

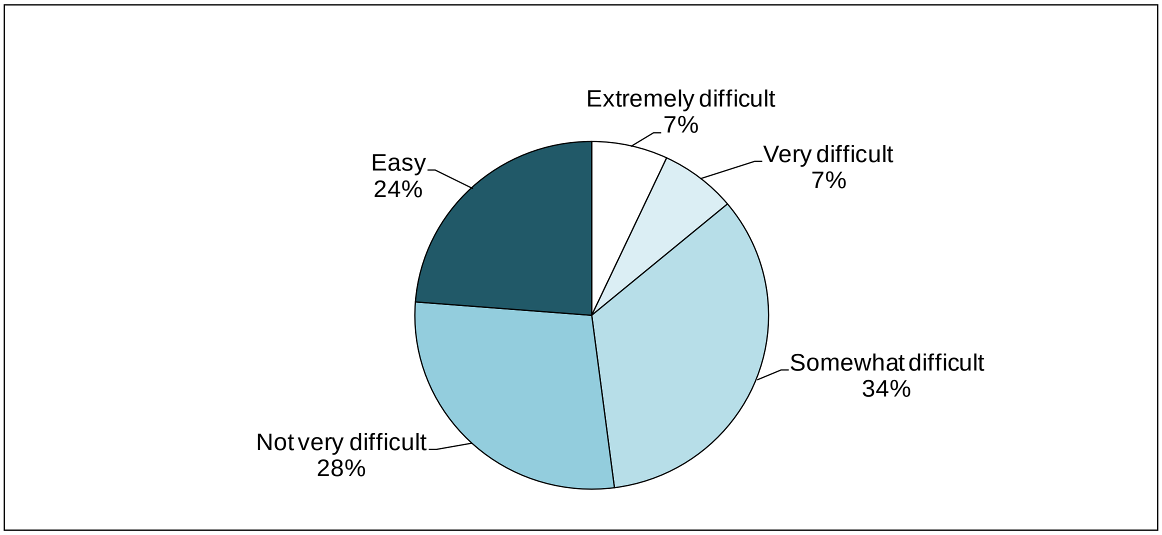
Figure 8. 2007 & 2010: Overall, would you say the economy in Bellingham is improving, staying the same or getting worse?



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

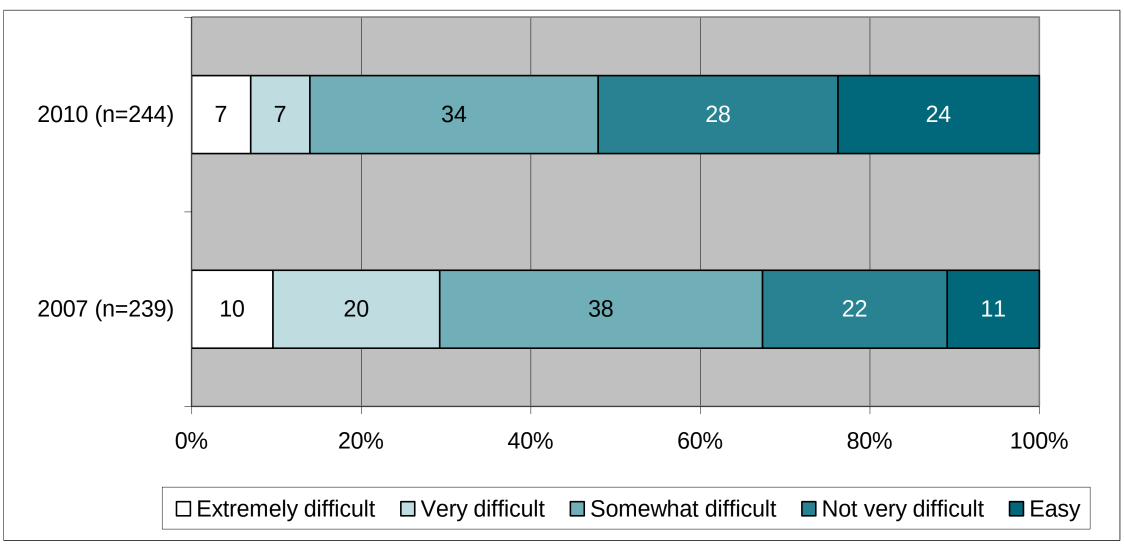
Businesses with employees were asked to rate how difficult it is to find qualified employees to work in their business. Over half (52%) said it was *easy* or *not very difficult*. Just 14% said it was *very* or *extremely difficult*. This is down significantly from 30% in 2007 (figure 10).

Figure 9. How easy or difficult has it been to find qualified employees to work in your business? (n=244)



Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

Figure 10. 2007 & 2010: How easy or difficult has it been to find qualified employees to work in your business?



Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

What would you change?

All respondents were asked what they would change about doing business in Bellingham. Responses were grouped by theme and tallied. Table 1 shows that the largest proportion of respondents didn't know (36%). Among those respondents who offered a comment, the most common theme was related to reducing taxes and fees to make it less costly to do business in Bellingham (24%). The B&O tax and impact fees were the most frequently mentioned, though utility costs and taxes also were also noted.

The second most common theme had to do with being more business friendly (19%). Examples included being more helpful, more supportive of business owners, and less adversarial when they are working with the city. Similarly, reducing the complexity and reach of regulations was a popular topic.

Another substantial category had to do with business permitting (16%). Costs of permitting were not included in this category. All of these responses related to the quality of building regulations and planning practices in the city.

Table 1. What would you change about doing business in Bellingham?

	n	% who gave an answer (n=191)	% of all respondents (n=301)
Lower taxes/fees/cost of doing business	45	24%	15%
More business friendly government, less regulation	36	19%	12%
Easier permitting/simpler building regulations/better planning	30	16%	10%
Better/safer transportation/parking/transit/traffic	21	11%	7%
Nothing	17	9%	6%
Promote economic development/Marketing of Bellingham	14	7%	5%
Remove parking meters/reduce cost of parking/enforcement	8	4%	3%
Reduce vagrancy, crime and vandalism	6	3%	2%
Other	45	24%	15%
Don't know	109	-	36%

Note: Counts may sum to more than 100% since multiple topics could be mentioned.

This was a new question for 2010 survey, so there is no comparison available to past survey results.

LEGACY: QUALITY, RESPONSIVE CITY SERVICES

Respondents were reminded that since 2008, the city has reduced expenses by more than $30 million dollars, cut 78 staff positions and eliminated some services. They were asked whether they would recommend increasing taxes and fees in order to maintain the current level of service or keep taxes and fees the same, but change the service level. One fifth (20%) would choose to raise taxes and fees. One-third (32%) said they would prefer to cut services, but the largest segment (34%) preferred to recommend “something else”.

Figure 11. If you had to choose only one, which of the following would you choose for the city.. (n=301)

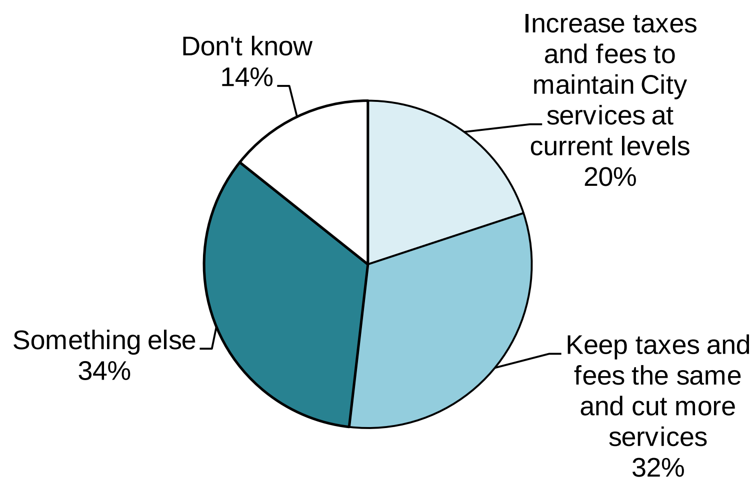


Table 2 shows that among those who said "something else," the largest portion commented on something about making cuts or reducing costs (30%). Many of these could be interpreted as cutting services; for example "cutting public works." The second most common theme was to cut taxes without regard to its impact on services.

Table 2. "Something Else" coded responses

	n	% who said "something else" (n=102)	% of all respondents (n=301)
Reduce costs, make cuts, contract out work	31	30%	10%
Cut taxes	20	20%	7%
Neither, increase efficiency	13	13%	4%
Keep taxes the same or increase taxes, increase services	13	13%	4%
Economic development, more jobs	8	8%	3%
Other	24	24%	8%
Don't know	7	7%	2%

All respondents were also asked to recommend what services should be cut when citizens' demand for services outpace revenues. Table 3 shows that over half of all respondents (57%) said they didn't know and didn't offer a suggestion. Among those who offered a comment, the most common response was something general that did not specify particular departments, but expressed the sentiment of "cutting the fat" or doing away with non-specified "non-essential services" (15%). A similarly sized segment of comments referred to eliminating or reducing non-specific city staff or benefits (14%). Among the specific service areas mentioned, the most common department was Parks/Recreation/Greenways (11% of all responses).

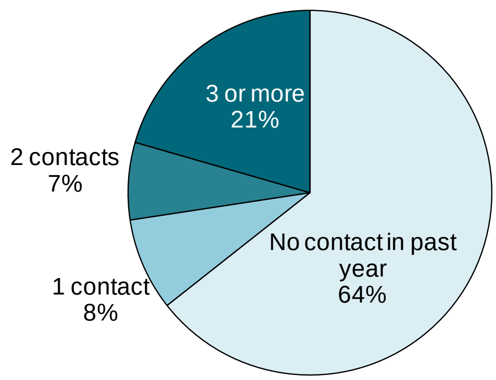
Table 3. What should be cut from the city's budget?

	n	% who gave an answer (n=141)	% of all respondents (n=301)
General/Non-specific /"non-essential services"/"cut the fat"	21	15%	7%
Eliminate/reduce non-specific city staff/salaries/benefits	20	14%	7%
Mayor's office/Administration/City Hall/City Officials	17	12%	6%
Parks/Recreation/Greenways	16	11%	5%
Transit/WTA/Bus Routes	16	11%	5%
Parking enforcement	13	9%	4%
Eliminate Waste/Create efficiencies	13	9%	4%
Whatever the cuts, be sure to support public safety services	12	9%	4%
Police	11	8%	4%
Library/Museum/Arts	9	6%	3%
Roads/Road maintenance	8	6%	3%
Planning	8	6%	3%
Fire	7	5%	2%
Don't cut services, maintain/raise taxes	7	5%	2%
Public Works/Storm water/Water	5	4%	2%
Other, specific departments (fewer than 3 mentions each)	15	11%	5%
Other, non-departmental mentions	14	10%	5%
Don't know/Not qualified to respond/No response	171	-	57%

This was a new question for 2010 survey, so there is no comparison available to past survey results.

Businesses were asked how many times their business required interaction with city government during the past year. Figure 12 shows that most did not require contact in the past year (64%), but those who did require contact tended to have more than one experience (28%).

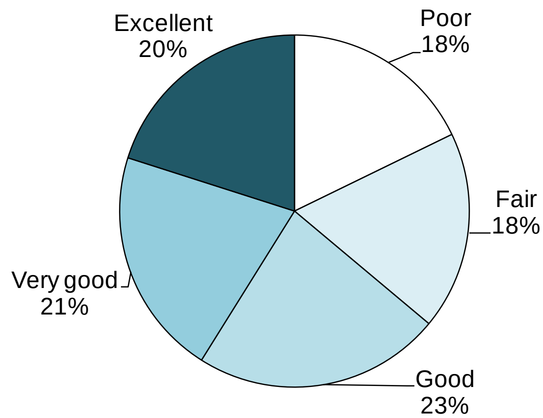
Figure 12. Outside of paying taxes and utility bills, how many times, if at all have your business needs required interaction with city government during the past year? (n=292)



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

Respondents who had interaction(s) with the city were asked to rate each of their contact experiences. Figure 13 shows the ratings provided for each interaction (219 ratings among 98 respondents). The ratings were fairly evenly distributed among the rating options, with 41% calling their experience *excellent* or *very good.* Just over one-third (36%) described their contact as *fair* or *poor.*

Figure 13. How would you rate your experience with the city about that? (n=219 ratings)



Respondents were also asked to describe the purposes of their interaction. The building department and permits dominated the responses, along with fire and police interactions and public works. The ratings were reviewed for patterns among the types of interactions. *Poor* ratings were often associated with the building department and permitting issues, though the topics were widely varied and also included storm water, parking, police and signage. Fire, police, the county health department, public works and finance were all mentioned in the *fair* ratings. Police emergencies tend to dominate the interactions rated as *excellent,* though this is also varied, with county health department, permits, parking and planning all mentioned among them.

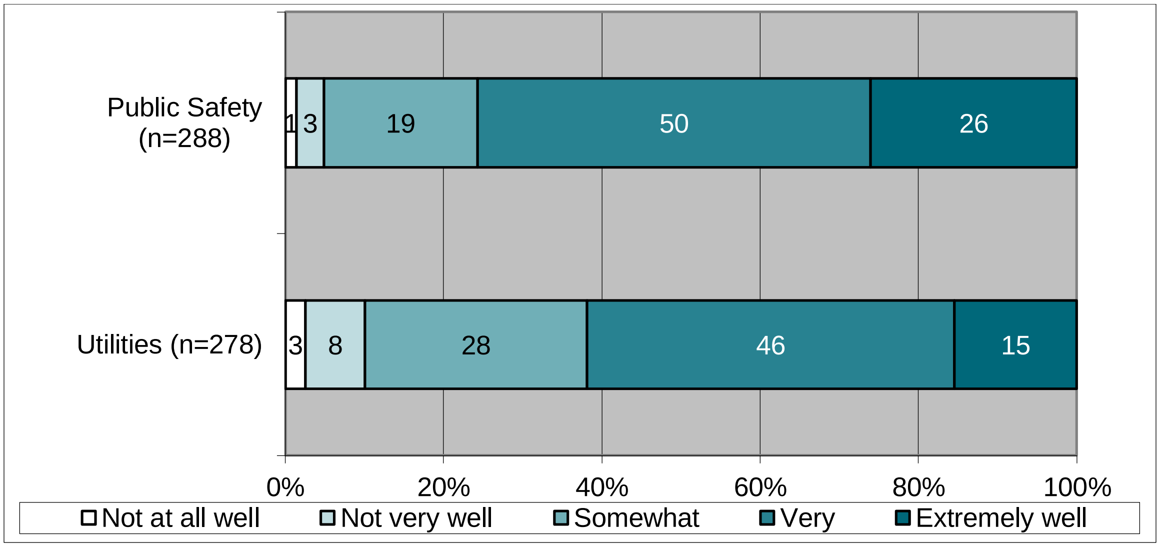
This was a new question for 2010 survey, so there is no comparison available to past survey results.

This item is considered a top level key measure that maps directly to the legacy area “Vibrant Sustainable Economy”.

City service ratings

Businesses were asked to rate the city in providing various services. Figure 14 shows how the two of the service areas fared: public safety and utilities. A solid majority (76%) said the city does *very* or *extremely well* with public safety. A slightly smaller proportion (61%) said this about utilities.

Figure 14. City service ratings for public safety and utilities

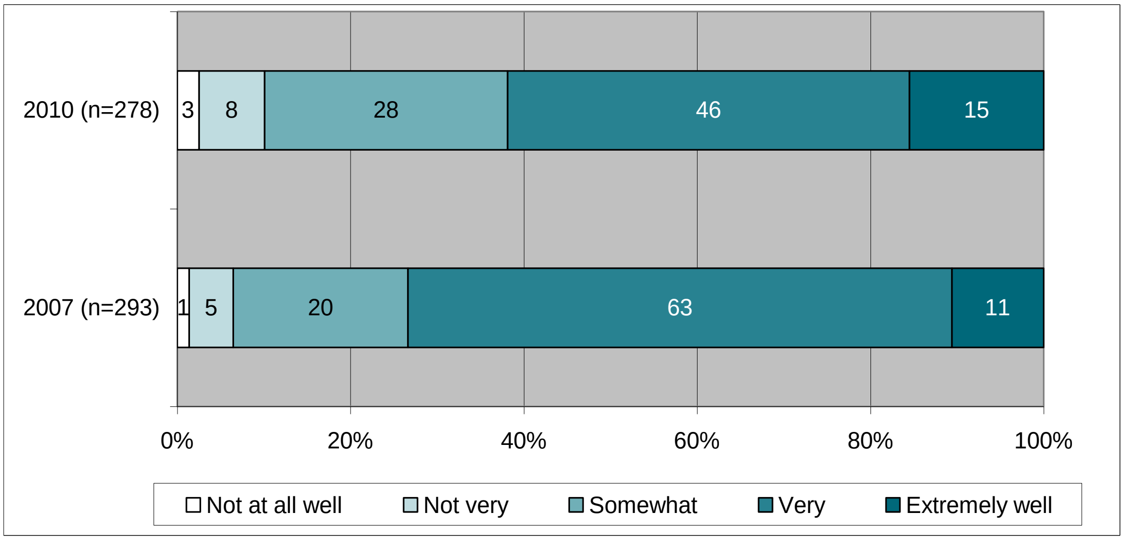


Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

The items regarding both public safety and utilities are considered top level key measures that map directly to the legacy area "Quality Responsive City Services".

Compared to the 2007 survey, businesses gave public utilities a slightly less favorable rating in 2010. A total of 61% said that the city provides utilities *very* or *extremely well*, down from 74% in 2007. Although the most favorable category of *extremely well* increased from 11% to 15%, unfavorable ratings also increased.

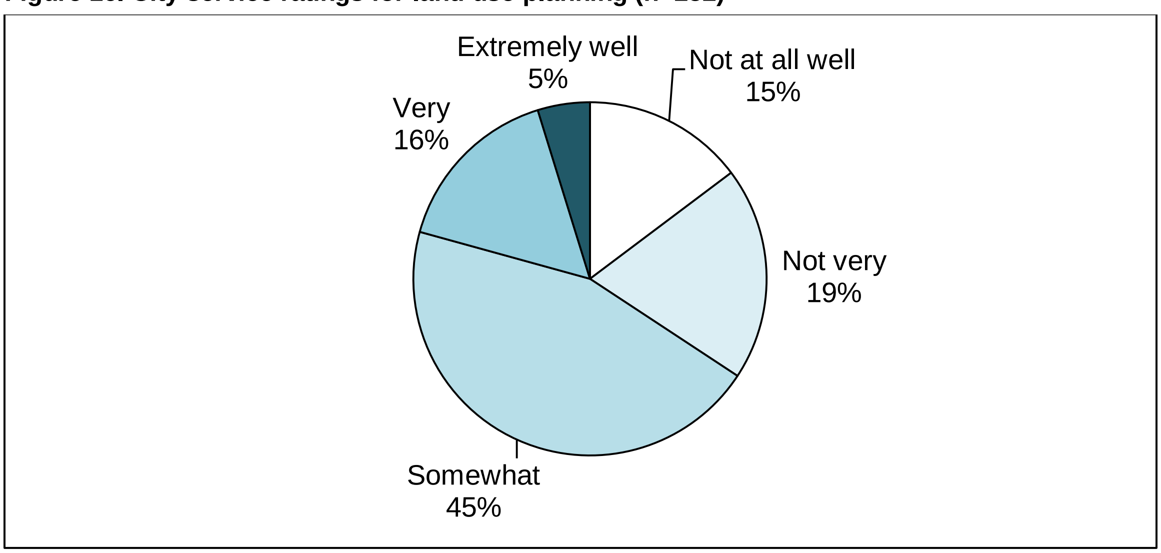
Figure 15. 2007 & 2010: How would you rate how well the City of Bellingham does in providing utilities, including water, sewer, and storm drainage



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

Figure 16 shows the ratings for land use planning. Just over one-fifth (21%) said that the city does *extremely* or *very well* with land use planning. A fairly large segment (45%) gave the middle rating of *somewhat.*

Figure 16. City service ratings for land use planning (n=252)



Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

The other service areas that were rated but not shown here (cultural resources and transportation) are presented later in the report in conjunction with their related legacy areas.

City-funded economic development services

Businesses were asked to identify which of the city-funded economic development, tourism and business education providers they have used in the past year. While most (63%) had not used any of the mentioned providers in the past year, one-fifth (22%) had used one of the providers and an additional 14% had used multiple providers. In total, over one-third (37%) had used at least one of the providers.

Table 4 shows what proportion of the businesses used each of the economic development services were used in the past year. The most commonly used service was Sustainable Connections (22%), followed by the Tourism Bureau (13%).

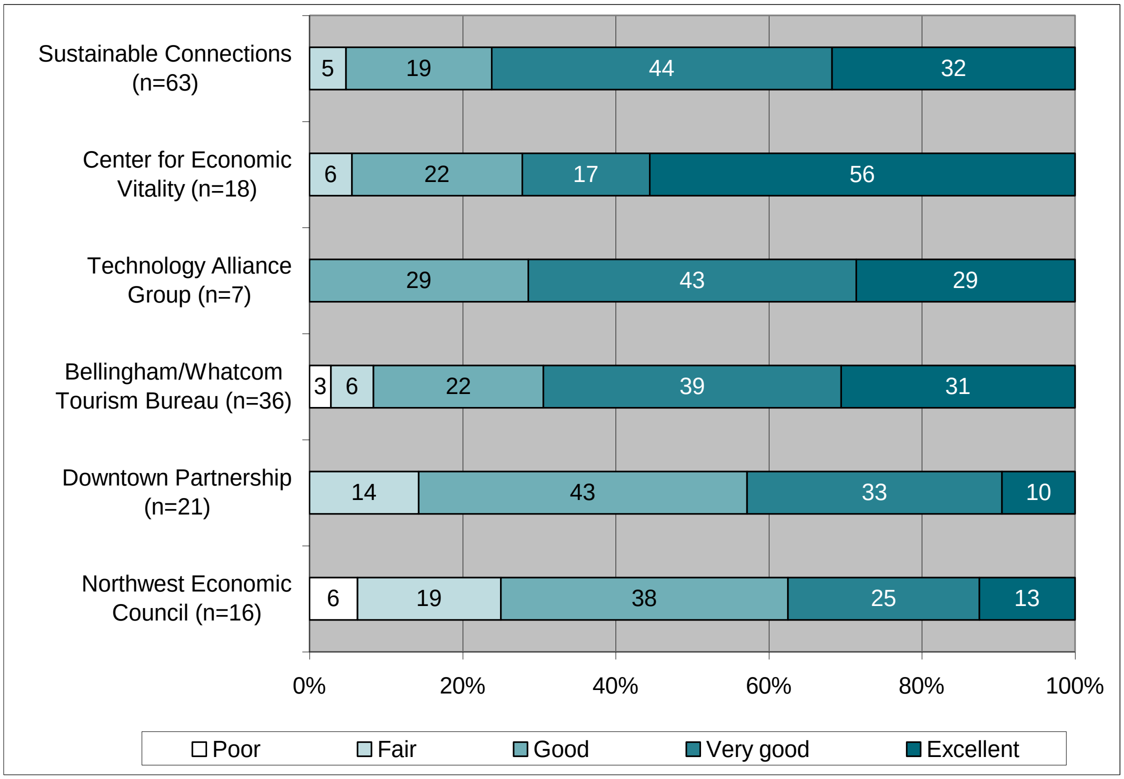
Table 4. Economic development services used in the past year (n=298)

	n	%
Sustainable Connections	65	22%
Bellingham/Whatcom Tourism Bureau	38	13%
The Downtown Partnership	23	8%
The Center for Economic Vitality at WWU	20	7%
The Northwest Economic Council	17	6%
The Technology Alliance Group	7	2%
None of the above	189	63%

Note: Respondents could identify more than one service; responses may total more than 100%

Businesses were asked to rate their experience with up to four of the services that they had used. Those ratings are presented below in figure 17, with Sustainable Connections garnering the most positive ratings with 76% rating it as *very good* or *excellent*. The Center for Economic Vitality had a particularly high proportion of *excellent* ratings (56%).

Figure 17. How would you rate your experience with that organization? (Sorted by combined ratings of *Excellent* and *Very good*)



Note that these ratings were provided by a varying number of users, indicated with the "n" following the provider name.

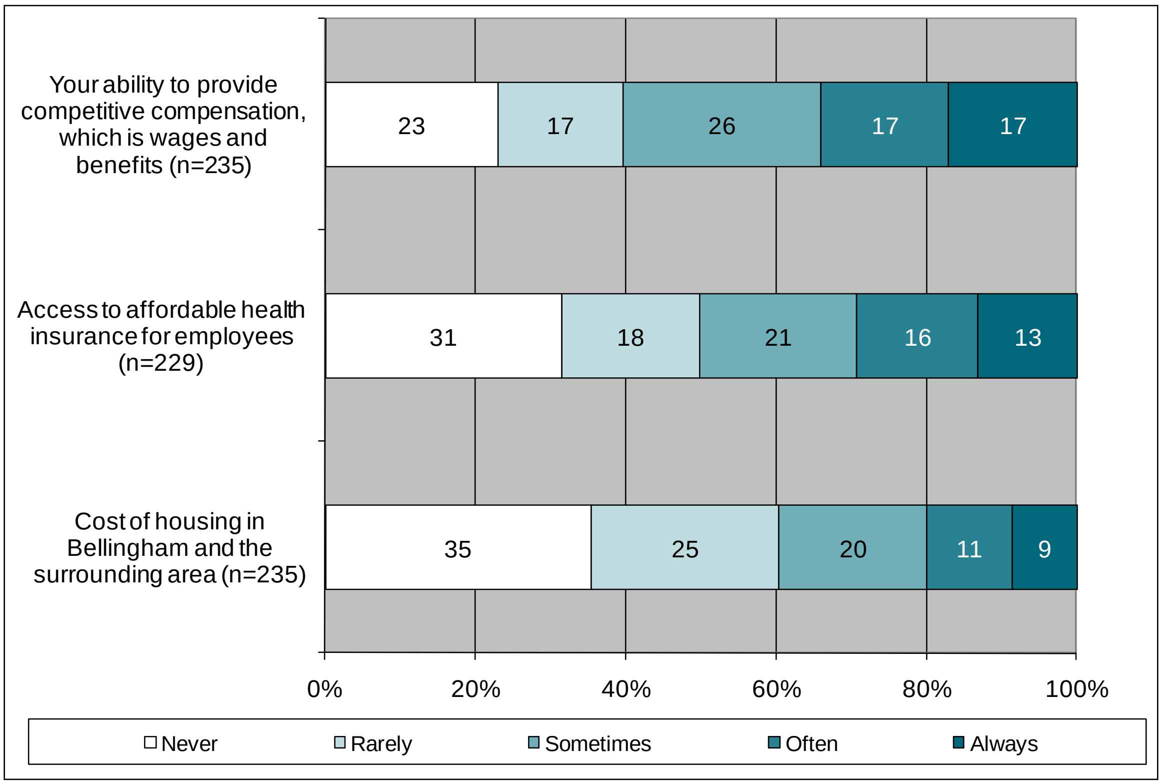
This was a new question for 2010 survey, so there is no comparison available to past survey results.

LEGACY: EQUITY AND SOCIAL JUSTICE

Attracting qualified employees

Businesses with employees were asked about different factors that might impact their ability to attract or keep qualified employees. Figure 18 shows that the ability to provide a competitive wage is the top concern, with 34% saying that this is *often* or *always* an issue in keeping qualified employees. Slightly less problematic is access to affordable health insurance for employees, with 29% *often* or *always* feeling that impact. Twenty percent (20%) said that the cost of housing is *often* or *always* an issue, with a full 35% saying that this is never an issue.

Figure 18. Factors that impact ability to attract or keep qualified employees (sorted by *Always*)



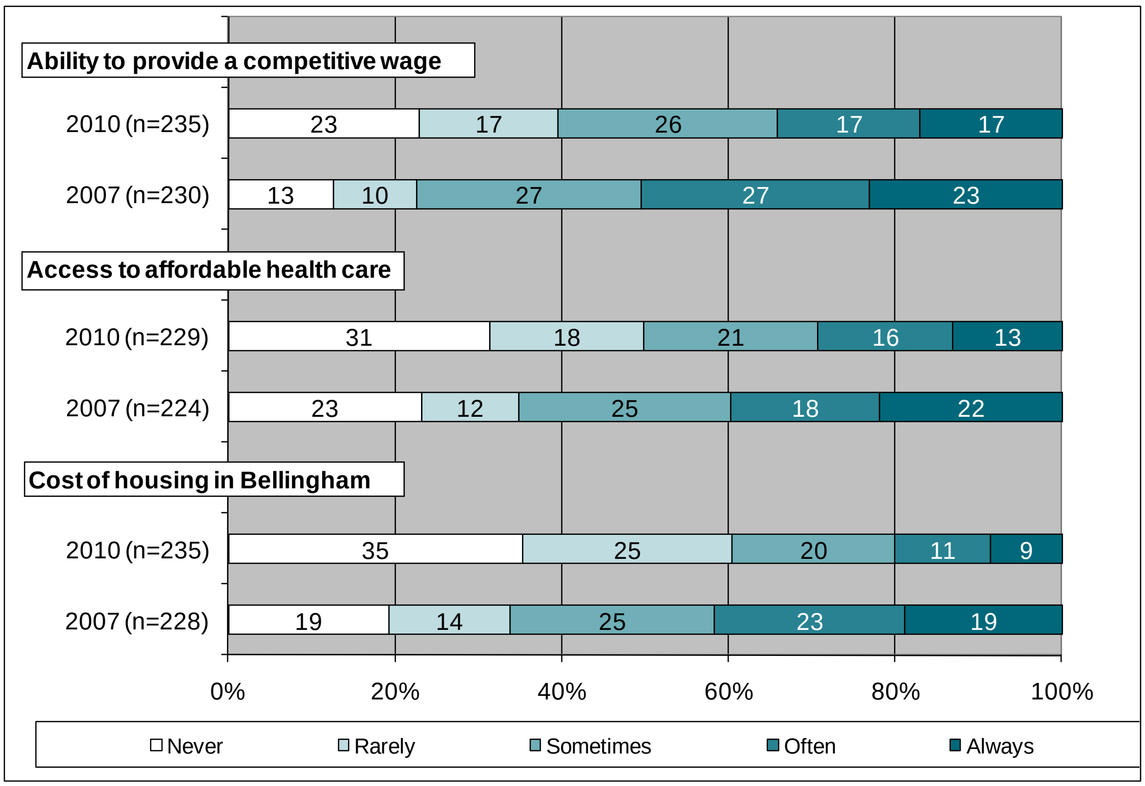
Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

The item regarding the cost of housing is considered a top level key measure that maps directly to the legacy area “Equity and Social Justice”.

Figure 19 shows the side-by-side comparison of all three measures between the 2007 and 2010 surveys. All of the changes are statistically significant. The ability to provide competitive compensation was rated as less problematic this past year than it was 2007. This suggests that while businesses were struggling in 2010, employee compensation was not as pervasive a challenge as it was during better economic times. In 2007 a full 50% of respondents said that their ability to provide a competitive wage *often* or *always* impacted their ability to attract and retain quality employees. This dropped to 34% in 2010.

Similar shifts are seen in access to healthcare (2007 22% said this *never* impacted them compared to 31% in 2010), and housing costs (19% said *never* in 2007, but this shifted to 35% in 2010).

Figure 19. 2007 & 2010: Factors that impact ability to attract or keep qualified employees



Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

Businesses were asked if there is anything else that keeps them from being able to attract or keep qualified employees. Two-thirds (67%) said there was nothing else. The remaining third was asked to elaborate. Table 5 shows the largest segment of those who elaborated (18%) identified a general lack of work or decreased revenues. Other issues included city or state policies, regulations and taxes as well as finding qualified employees.

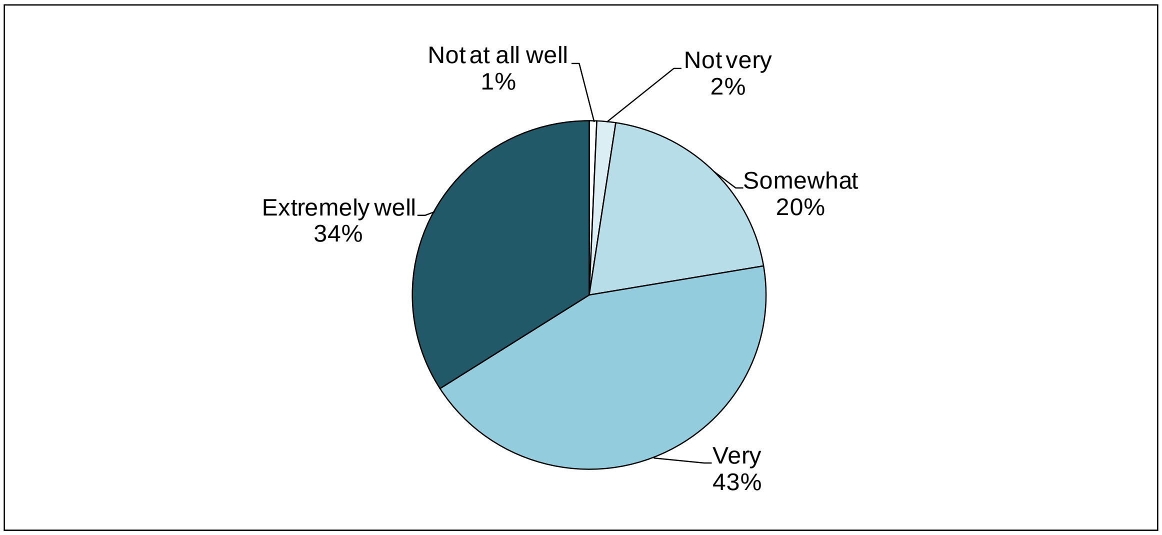
Table 5. Is there anything else that keeps you from being able to attract or keep qualified employees? (n=248)

	n	%
No, nothing else	165	67
Revenues/ Lack of Work	44	18
City or State policies, regulations, and taxes	14	6
Finding qualified/skilled/experienced/motivated employees	10	4
Small labor pool (NOT referring to skilled/experience)	7	3
Other	8	3
Total	248	100%

LEGACY: ACCESS TO QUALITY OF LIFE AMENITIES

Businesses were asked how well the city does at providing cultural and recreational programs and facilities such as parks, recreation, libraries, theaters and museums. Over three-quarters (77%) said that the city does *very* or *extremely well* with cultural and recreational programs and facilities. Only 3% said they do this *not very well* or *not at all well*.

Figure 20. How would you rate how well the City of Bellingham does in providing cultural and recreational programs and facilities such as parks; recreation; libraries; theaters and museums (n=291)

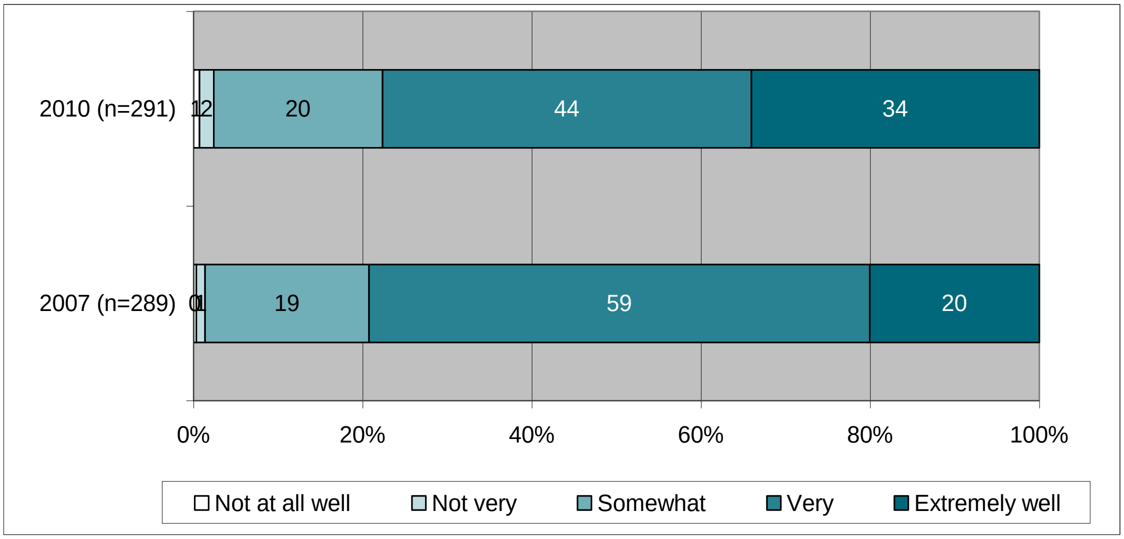


Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

This item is considered a top level key measure that maps directly to the legacy area "Quality of Life Amenities".

This measure shows some improvement over the past few years. Figure 21 shows a larger portion giving the city the highest rating in 2010 compared to 2007 (34% compared to 20% respectively).

Figure 21. 2007 & 2010: How would you rate how well the City of Bellingham does in providing cultural and recreational programs and facilities such as parks; recreation; libraries; theaters and museums

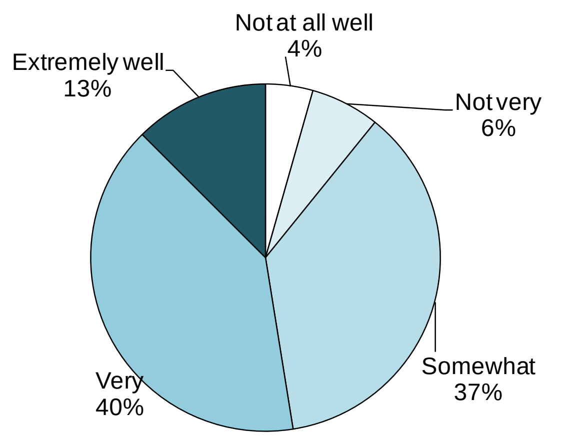


Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

LEGACY: MOBILITY AND CONNECTIVITY OPTIONS

Businesses were asked how well the city does at providing transportation services, including street maintenance and lighting, traffic management, bicycle and pedestrian access, and parking. Just over half (53%) said that the city does *very* or *extremely well* with transportation. Ten percent said they do this *not very well* or *not at all well*.

Figure 22. How would you rate how well the City of Bellingham does in providing transportation including street maintenance and lighting; traffic management; bicycle and pedestrian access; and parking (n=297)

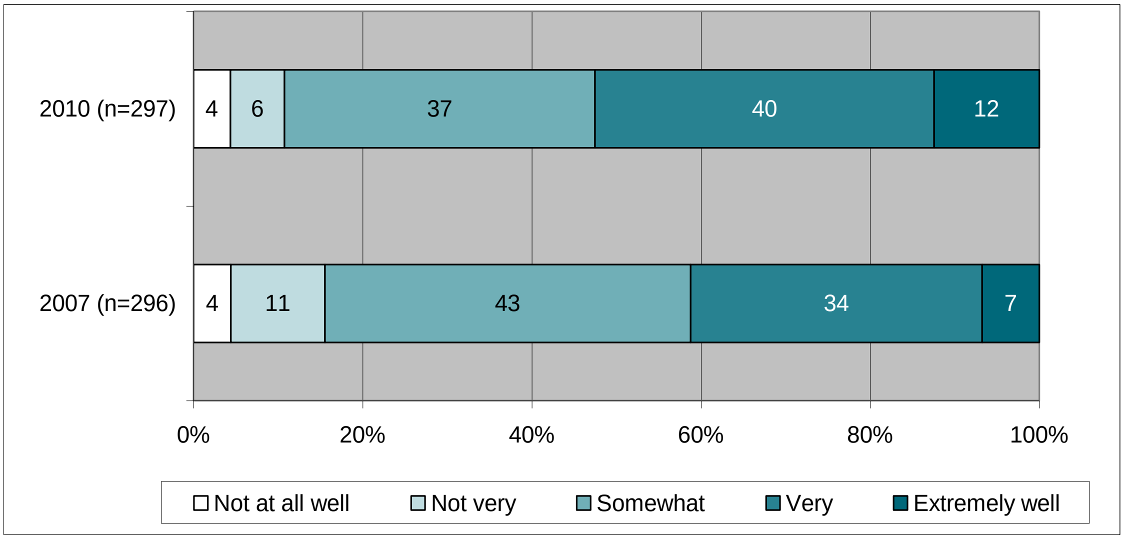


Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

This item is considered a top level key measure that maps directly to the legacy area "Mobility and Connectivity Options".

Figure 23 shows that these ratings of city transportation services have improved since 2007 when just 41% gave favorable ratings.

Figure 23. 2007 & 2010: How would you rate how well the City of Bellingham does in providing transportation including street maintenance and lighting; traffic management; bicycle and pedestrian access; and parking

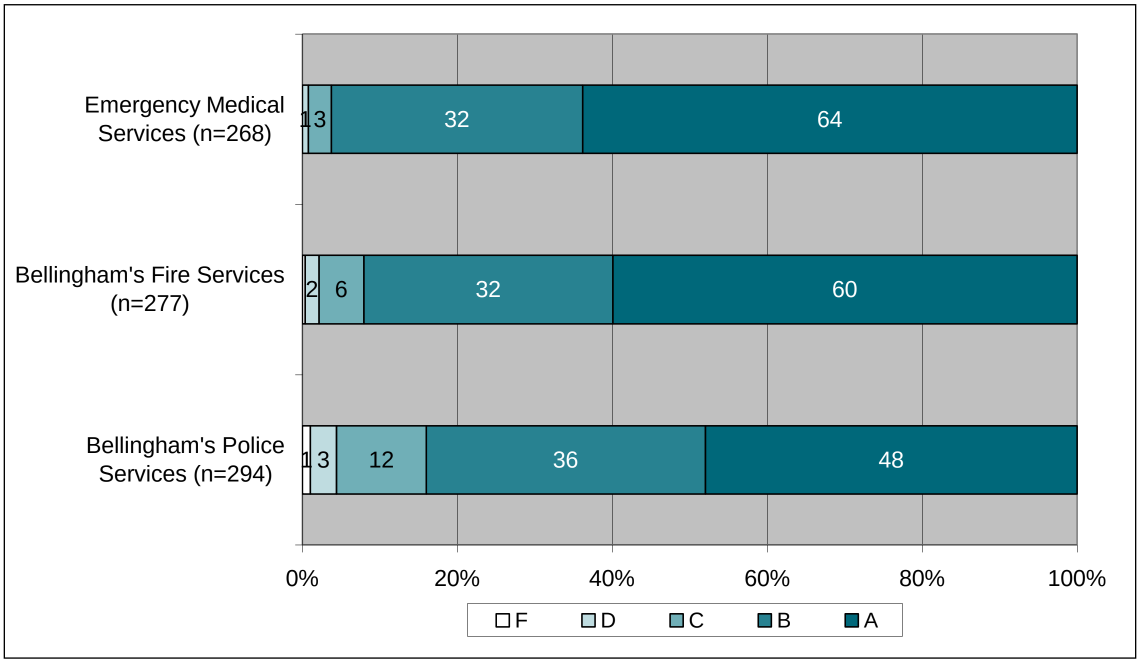


Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

LEGACY: SAFE AND PREPARED COMMUNITY

Businesses were asked to give a "school letter grade" (A, B, C, etc.) to city police, fire and emergency medical services. Figure 24 shows that emergency medical services received the highest rating, with 64% giving these services an "A." A slightly smaller proportion awarded an "A" to the fire department (60%). And Bellingham Police got the top grade from just less than half of those surveyed (48%).

Figure 24. From the perspective of your business, if you were to give a school letter grade to Bellingham's Police Services/Fire Services/EMS, would you give them an...

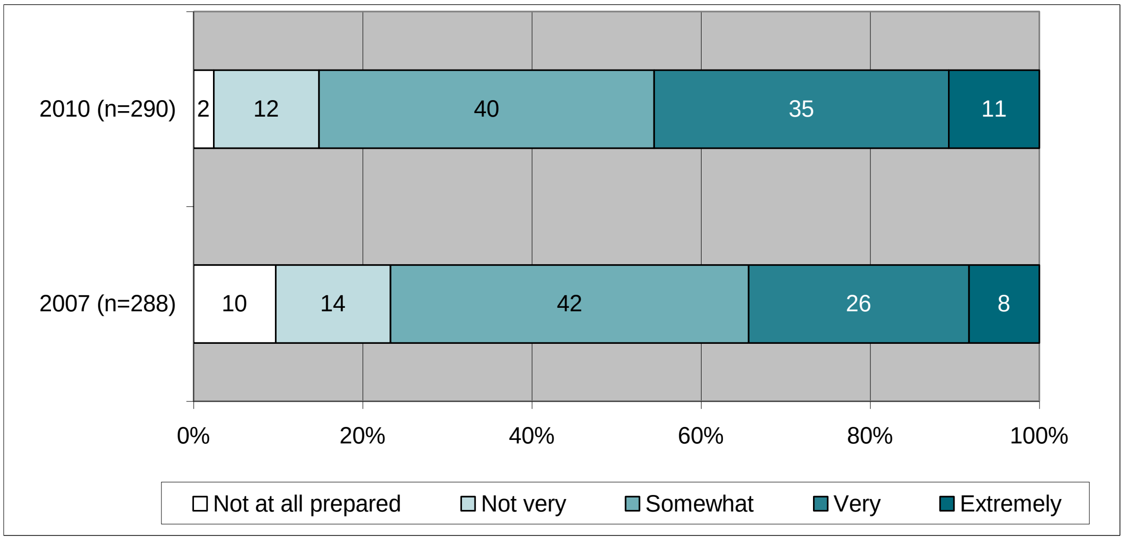


Respondents who answered "don't know", "not applicable", or refused to respond are omitted from this figure.

This was a new question for 2010 survey, so there is no comparison available to past survey results.

Businesses were asked about their emergency preparedness. Nearly half (46%) said that their companies were either *very* or *extremely well prepared* to handle a natural disaster. This is up significantly from 34% in 2007.

Figure 25. 2007 & 2010: How well prepared would you say the company is to handle a natural disaster or state of emergency? Would you say it is...



Respondents who answered “don’t know”, “not applicable”, or refused to respond are omitted from this figure.

CONCLUSION

Results for several areas identified as priorities in the city's *Legacies and Strategic Commitments* show improvement since 2007. In particular:

- Businesses are better prepared to respond to a natural disaster
- Ratings of cultural and recreational programs and facilities increased
- Ratings of transportation services improved

Ratings for public safety and planning were stable, though utility service ratings declined. It would be valuable to explore the reasons for this shift, be it increased storm water regulations, costs of water or something else. Sharing these findings with business leaders and asking for their insights may help explain the change.

The economic downturn shows clearly in the responses of businesses when compared to 2007. The good news is that most respondents see their prospects in the coming year stabilizing or improving. Other national surveys of businesses suggest similar trends. The most similar in content and respondent pool is the October 2010 survey of small and mid-sized businesses published by PNC Financial Services Group[3]. Their survey showed 42% of businesses expect increased sales in 2011 (similar to Bellingham's 39% expecting revenue growth) and 18% anticipating sales decreasing in 2011 (comparable to Bellingham's 16%). Similarly, 22% of businesses in the PNC survey expected to be hiring in 2011, while 21% of Bellingham businesses expect to add new employees. Only 5% of Bellingham businesses anticipate layoffs, compared to 18% of those surveyed by PNC.

Impediments to hiring employees have diminished since 2007. The massive shift in the national economy is a likely contributor: Housing costs have shifted downward, the labor pool has increased, and many businesses may have stopped offering some benefits to cut costs and keep their doors open. Expectations of people looking for jobs may also have shifted with fewer anticipating a generous compensation package than in 2007. All of these may be combining to make attracting qualified employees less difficult. Instead, business revenues overall seem to be playing a larger role.

Businesses conveyed an unsurprising emphasis on decreasing costs, especially in terms of taxes and fees. Experiences with the city were very mixed. This is likely due to a mix of dissatisfaction with service delivery and dissatisfaction with regulations,

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[3] The PNC Economic Outlook, Survey of Small & Middle-Market Business Owners, October 2010 <www.pnc.com>

requirements and processes that impede businesses. The city needs to find that elusive balance between a fee and tax structure that supports the provision of necessary services to businesses but also enhances businesses' ability to keep the local economy humming. Many businesses also seem to be asking to be treated with courtesy and respect, with attention to the demands of the business so that services are delivered efficiently and their requests are appropriately expedited.

Legacies and Strategic Commitments

Most items in the survey are related to areas of Legacies and Strategic Commitments. Five of the top level Legacies and Commitments are directly addressed by seven specific items in the survey. These were noted throughout the survey and itemized here in Table 6 with a bullet point summarizing the relevant metric(s).

Overall, improvements were noted since 2007 in the areas of Equity and Social Justice, Access to Quality of Life Amenities, and Mobility and Connectivity options. Quality, Responsive City Services saw a slight decrease in relation to public utilities, but consistent high ratings in regards to public safety. The one area where there was a noted slide in ratings was in regards to a Vibrant, Sustainable Economy, which is a commitment which has been deeply affected by national trends.

Table 6. Metrics associated with Legacies and Strategic Commitments

Legacy/Commitment	Survey Item	Metric
Vibrant, Sustainable Economy	Rating of Bellingham as a place to do business	29% said it was *excellent* or *very good,* down from 47% in 2007
Vibrant, Sustainable Economy	Rating effectiveness of services provided by city during past year	Among the 36% who have interacted with the city in past year, 41% of the interactions were rated as *excellent* or *very good*
Quality, Responsive City Services	Rating of how well the city of Bellingham does in providing public safety	Public safety is viewed as a strength, with 76% saying the city does this *very* or *extremely well*
Quality, Responsive City Services	Rating of how well the city of Bellingham does in providing utilities	Ratings of utility services were down slightly from 2007 (61% from 74%) very or extremely well ratings)
Equity and Social Justice	Rating of housing costs as an impact on local business' ability to attract/keep qualified employees	20% of businesses with employees said that the cost of housing is *often* or *always* an issue, down from 42% in 2007
Access to Quality of Life Amenities	Rating of how well the city of Bellingham does in providing cultural and recreational programs and facilities	34% said that the city does *extremely well* with cultural and recreational programs and facilities, up from 20% in 2007
Mobility and Connectivity Options	Rating of how well the city of Bellingham does in providing transportation	53% said that the city does *very* or *extremely well* with transportation, up from 41% in 2007

APPENDIX A: RESEARCH METHODS

This survey project sampled from comprehensive business listings provided by InfoUSA. The lists contained business contact information for the senior-most person in the company. Each sampled business was attempted up to fifteen times in during November and December of 2010. In all, the 301 responses were collected in the 14-minute, 45 item survey. This represents a 47% response rate and a margin of error of 6%.

Table A1. Call Results Summary	
Completed survey	301
Unreachable--no answer/respondent not available/answering machine/busy	322
Respondent gone for remainder of survey	11
Soft Refusal*	92
Refused/terminated	72
Total valid contacts	**798**
Technical difficulty	3
Wrong number/disconnect and no new listing	118
Language barrier	6
Not a business in the city of Bellingham	94
Not qualified miscellaneous	25
Already responded	2
Total Invalid Contacts	**248**
Total	**1046**
Response Rate (completes/valid)	38%
Average Length of Survey	14 min

*A soft refusal is one in which the potential respondent hangs up before knowing the purpose of the survey.

BUSINESS CHARACTERISTICS

Respondents were asked several questions that described their business.

Number of employees

Businesses surveyed had between zero and 1,700 employees. The average number of employees was 25, up slightly, but not significantly, from 20 in 2007(see Table A2).

Table A2. Number of employees		
	2007	2010
Mean Number	20	25
	%	
zero employees	20	11
1 employee	6	15
2-4 employees	23	23
5-9 employees	20	22
10-19 employees	14	14
20+ employees	17	14

Number of years in operation

Businesses were asked how many years they have been operating in Bellingham. Table A3 shows that the average number of years in operation was 22, up from 18 in 2007.

Table A3. Number of years operating in Bellingham

	2007	2010
Mean Number	18	22
	%	
Up to 2 years	9	6
3-5 years	18	12
6-10 years	18	20
11-20 years	25	26
21-40 years	21	26
41+ years	9	11

Total gross revenues

Gross revenues reported by the businesses surveyed remained fairly consistent from 2007, with the bulk of respondents (62% in 2010) reporting revenues under $500,000.

Table A4. Total gross revenues from Bellingham business location

	%	
	2007	2010
Under $100,000	15	23
$100,000 to under $500,000	37	39
$500,000 to under 1 million	17	15
1 million to under 2.5 million	16	13
2.5 million to under 5 million	7	5
5 million to under 10 million	3	2
10 million or more	5	3

APPENDIX B: SURVEY SCRIPT AND FREQUENCY REPORT

5:			**NAICS**
N =		301	100%

7:			**INT02**
Is your business located within the city of Bellingham?			
N =		301	100%
Yes, continue....01		301	100%
61 No - THANK AND TERMINATE....61	=> /ATMPT	0	0%
62 Don't know/Refused - THANK AND TERMINATE....62	=> /ATMPT	0	0%

8:			**CHECK**
Is the business name the same as <busn>?			
N =		301	100%
Yes, Same business....1		282	94%
No, different business name - RECORD NAME....2	O	19	6%

9:		**Q1**
READ 5-1		
Thank you for taking the time to do this important survey. I want to remind you that all your answers are completely confidential. The first set of questions has to do with your economic outlook. Overall, how would you rate Bellingham as a place to do business? Would you say it is...		
N =	301	100%
Excellent....5	19	6%
Very good....4	69	23%
Good....3	133	44%
Fair....2	58	19%
Or poor....1	15	5%
Don't know - DO NOT READ....7	7	2%
Refused - DO NOT READ....9	0	0%

10:		**Q2**
In 2011, are you anticipating your company's revenues will be growing, staying the same or contracting relative to the past year?		
N =	301	100%
Growing....3	114	38%
Staying the same....2	134	45%
Contracting....1	44	15%
Don't know- DO NOT READ....7	8	3%
Refused- DO NOT READ....9	1	0%

11: Q3

PROBE TO FIT

In 2011 are you anticipating adding new employees or laying off any existing employees in the company?

N =		301	100%
Yes, adding	1	60	20%
Yes, laying off	2	15	5%
No	3	192	64%
No employees	4	20	7%
Don't know- DO NOT READ	7	13	4%
Refused- DO NOT READ	9	1	0%

12: Q5

Overall, would you say the economy in Bellingham is improving, staying the same or getting worse?

N =		301	100%
Improving	3	64	21%
Staying the same	2	134	45%
Getting worse	1	92	31%
Don't know- DO NOT READ	7	11	4%
Refused- DO NOT READ	9	0	0%

13: N1A

READ 1-3

Since 2008, the City has reduced expenses by more than $30 million dollars, cut 78 staff positions and eliminated some services. From today forward, if you had to choose only one, which of the following would you choose for the City..

ON PAPER Q2010_1A/0E1

N =			301	100%
Increase taxes and fees to maintain City services at current levels	01		60	20%
Keep taxes and fees the same and cut more services	02		96	32%
Or something else (SPECIFY:)	03	O	102	34%
Don't know - DO NOT READ	98	X	43	14%
Refused - DO NOT READ	99	X	0	0%

14: N1B

PROBE AND CLARIFY

If the City of Bellingham was to cut services, what services do you think the City should cut when citizen's demand for services outpace revenues?

ON PAPER Q2010_1B/0E2

N =			301	100%
RECORD COMMENTS	01	O	141	47%
Don't know- DO NOT READ	07	X	159	53%
Refused- DO NOT READ	09	X	1	0%

15: Q6

READ ONCE, Would you say READ 5-1, THEN REREAD AS NEEDED

How often, if at all, does the cost of housing in Bellingham and the surrounding area impact your ability to attract or keep qualified employees?

N =		301	100%
Always	5	20	7%
Often	4	27	9%
Sometimes	3	46	15%
Rarely	2	59	20%
Or never impacts your ability to attract or keep qualified employees	1	83	28%
Don't know - DO NOT READ	7	12	4%
Not Applicable - DO NOT READ	8	54	18%
Refused - DO NOT READ	9	0	0%

16: Q7

READ ONCE, Would you say READ 5-1, THEN REREAD AS NEEDED

How often, if at all, does access to affordable health insurance for employees impact your ability to attract or keep qualified employees?

N =		301	100%
Always	5	30	10%
Often	4	37	12%
Sometimes	3	48	16%
Rarely	2	42	14%
Or never impacts your ability to attract or keep qualified employees	1	72	24%
Don't know - DO NOT READ	7	10	3%
Not Applicable - DO NOT READ	8	60	20%
Refused - DO NOT READ	9	2	1%

17: Q8

READ ONCE, Would you say READ 5-1, THEN REREAD AS NEEDED

How often, if at all, does your ability to provide competitive compensation, which is wages and benefits, impact your ability to attract or keep qualified employees?

N =		301	100%
Always	5	40	13%
Often	4	40	13%
Sometimes	3	62	21%
Rarely	2	39	13%
Or never impacts your ability to attract or keep qualified employees	1	54	18%
Don't know - DO NOT READ	7	8	3%
Not Applicable - DO NOT READ	8	56	19%
Refused - DO NOT READ	9	2	1%

18: Q9

Is there anything else that keeps you from being able to attract or keep qualified employees?

ON PAPER OPEN OE3

N =			301	100%
Yes, RECORD COMMENTS	01	O	83	28%
No	00	X	165	55%
Don't know- DO NOT READ	07	X	9	3%
Not Applicable - DO NOT READ	08	X	44	15%
Refused- DO NOT READ	09	X	0	0%

21: Q10A

READ 1-5

How easy or difficult has it been to find qualified employees to work in your business? Would you say it's been...

N =		151	100%
Extremely difficult	1	10	7%
Very difficult	2	7	5%
Somewhat difficult	3	37	25%
Not very difficult	4	47	31%
Or easy	5	24	16%
Don't know - DO NOT READ	7	4	3%
Not applicable - DO NOT READ	8	22	15%
Refused - DO NOT READ	9	0	0%

22: Q10B

READ 5-1

How easy or difficult has it been to find qualified employees to work in your business? Would you say it's been...

N =		150	100%
Easy	5	34	23%
Not very difficult	4	22	15%
Somewhat difficult	3	46	31%
Very difficult	2	10	7%
Or extremely difficult	1	7	5%
Don't know - DO NOT READ	7	4	3%
Not applicable - DO NOT READ	8	27	18%
Refused - DO NOT READ	9	0	0%

23:10A AND 10B COMBINED Q10

READ 1-5

How easy or difficult has it been to find qualified employees to work in your business? Would you say it's been...

N =		301	100%
Extremely difficult	1	17	6%
Very difficult	2	17	6%
Somewhat difficult	3	83	28%
Not very difficult	4	69	23%
Or easy	5	58	19%
Don't know - DO NOT READ	7	8	3%
Not applicable - DO NOT READ	8	49	16%
Refused - DO NOT READ	9	0	0%

24: Q16

PROBE AND CLARIFY

If you could change anything about doing business in Bellingham, what would you change?

ON PAPER OPEN OE4

N =			301	100%
RECORD COMMENTS	01	O	191	63%
Don't know- DO NOT READ	07	X	109	36%
Refused- DO NOT READ	09	X	1	0%

25: N2

Outside of paying taxes and utility bills, how many times, if at all have your business needs required interaction with City government during the past year?

ON PAPER Q2010_2

N =		301	100%
1	1	24	8%
2	2	20	7%
3 or more	3	60	20%
No contact in past year	0	188	62%
Don't know- DO NOT READ	7	8	3%
Refused- DO NOT READ	9	1	0%

26: N3A

PROBE AND CLARIFY

Thinking about your interaction with the city, what was the purpose of that interaction?

=> +4 IF NOT N2=1;ON PAPER Q2010_3A/OE5

N =			24	100%
RECORD COMMENTS	01	O	22	92%
Don't know- DO NOT READ	07	X	1	4%
Refused- DO NOT READ	09	X	1	4%

27: N3BA

READ 1-5

How would you rate your experience with the city about that? Would you say it was...

ON PAPER Q2010_3B

N =		10	100%
Poor	1	0	0%
Fair	2	2	20%
Good	3	4	40%
Very good	4	1	10%
Or Excellent	5	3	30%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

28: N3BB

READ 5-1

How would you rate your experience with the city about that? Would you say it was...

ON PAPER Q2010_3B

N =		14	100%
Excellent	5	3	21%
Very good	4	0	0%
Good	3	2	14%
Fair	2	2	14%
Or poor	1	4	29%
Don't know - DO NOT READ	7	2	14%
Refused - DO NOT READ	9	1	7%

29: N3BA+N3BB COMBINED N3B

How would you rate your experience with the city about that? Would you say it was...

ON PAPER Q2010_3B

N =		24	100%
Poor	1	4	17%
Fair	2	4	17%
Good	3	6	25%
Very good	4	1	4%
Or Excellent	5	6	25%
Don't know - DO NOT READ	7	2	8%
Refused - DO NOT READ	9	1	4%

30: WORDING IF 3 OR MORE INTERACTIONS WORDA

=> *

si IF ((N2=3),1,2)

N =		301	100%
You said you had three or more interactions. Please think about your three most memorable interactions in the past year.	1	60	20%
	2	241	80%

31: WORDING IF 3 OR MORE INTERACTIONS WORDB

=> *
si IF ((N2=3),1,2)

N =		301	100%
IF NEEDED: You said you had three or more interactions. Please think about your three most memorable interactions in the past year.	1	60	20%
	2	241	80%

32: ASKED IF MULTIPLE INTERACTIONS N3A1

PROBE AND CLARIFY

<worda> Thinking about your first interaction with the city, what was the purpose of that interaction?

=> XQ28 IF N2=1,0-9;ON PAPER Q2010_3A1/OE6

N =			80	100%
RECORD COMMENTS	01	O	75	94%
Don't know- DO NOT READ	07	X	3	4%
Refused- DO NOT READ	09	X	2	3%

33: ASKED IF MULTIPLE INTERACTIONS N3B1A

READ 1-5

How would you rate your experience with the city about that? Would you say it was...

ON PAPER Q2010_3B1

N =		36	100%
Poor	1	7	19%
Fair	2	9	25%
Good	3	6	17%
Very good	4	8	22%
Or Excellent	5	3	8%
Don't know - DO NOT READ	7	1	3%
Refused - DO NOT READ	9	2	6%

34: ASKED IF MULTIPLE INTERACTIONS N3B1B

READ 5-1

How would you rate your experience with the city about that? Would you say it was...

ON PAPER Q2010_3B

N =		44	100%
Excellent	5	8	18%
Very good	4	14	32%
Good	3	8	18%
Fair	2	5	11%
Or poor	1	6	14%
Don't know - DO NOT READ	7	1	2%
Refused - DO NOT READ	9	2	5%

35: N3B1A+N3B1B COMBINED — N3B1

READ 1-5

How would you rate your experience with the city about that? Would you say it was…

ON PAPER Q2010_3B1

N =		80	100%
Poor	1	13	16%
Fair	2	14	18%
Good	3	14	18%
Very good	4	22	28%
Or Excellent	5	11	14%
Don't know - DO NOT READ	7	2	3%
Refused - DO NOT READ	9	4	5%

36: ASKED IF MULTIPLE INTERACTIONS — N3A2

PROBE AND CLARIFY

Thinking about your second interaction with the city, what was the purpose of that interaction? <wordb>

ON PAPER Q2010_3A2/OE7

N =			80	100%
RECORD COMMENTS	01	O	71	89%
Don't know- DO NOT READ	07	X	2	3%
Refused- DO NOT READ	09	X	7	9%

37: ASKED IF MULTIPLE INTERACTIONS — N3B2A

READ 1-5

How would you rate your experience with the city about that? Would you say it was...

N =		36	100%
Poor	1	9	25%
Fair	2	7	19%
Good	3	3	8%
Very good	4	7	19%
Or Excellent	5	6	17%
Don't know - DO NOT READ	7	1	3%
Refused - DO NOT READ	9	3	8%

38: ASKED IF MULTIPLE INTERACTIONS — N3B2B

READ 5-1

How would you rate your experience with the city about that? Would you say it was...

N =		44	100%
Excellent	5	7	16%
Very good	4	9	20%
Good	3	14	32%
Fair	2	6	14%
Or poor	1	4	9%
Don't know - DO NOT READ	7	1	2%
Refused - DO NOT READ	9	3	7%

39: N3B2A+N3B2B COMBINED — N3B2

How would you rate your experience with the city about that? Would you say it was...

ON PAPER Q2010_3B2

N =		80	100%
Poor	1	13	16%
Fair	2	13	16%
Good	3	17	21%
Very good	4	16	20%
Or Excellent	5	13	16%
Don't know - DO NOT READ	7	2	3%
Refused - DO NOT READ	9	6	8%

40: ASKED IF MULTIPLE INTERACTIONS — N3A3

PROBE AND CLARIFY

Thinking about your third interaction with the city, what was the purpose of that interaction? <wordb>

;ON PAPER Q2010_3A3/OE8

N =			60	100%
RECORD COMMENTS	01	O	50	83%
Don't know- DO NOT READ	07	X	2	3%
Refused- DO NOT READ	09	X	8	13%

41: ASKED IF MULTIPLE INTERACTIONS — N3B3A

READ 1-5

How would you rate your experience with the city about that? Would you say it was...

N =		23	100%
Poor	1	4	17%
Fair	2	5	22%
Good	3	3	13%
Very good	4	1	4%
Or Excellent	5	6	26%
Don't know - DO NOT READ	7	1	4%
Refused - DO NOT READ	9	3	13%

42: ASKED IF MULTIPLE INTERACTIONS — N3A3B

READ 5-1

How would you rate your experience with the city about that? Would you say it was...

N =		37	100%
Excellent	5	8	22%
Very good	4	6	16%
Good	3	10	27%
Fair	2	4	11%
Or poor	1	5	14%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	4	11%

43: N3B3A+N3A3B COMBINED N3B3

READ 5-1

How would you rate your experience with the city about that? Would you say it was...

ON PAPER Q2010_3B3

N =		60	100%
Excellent	5	14	23%
Very good	4	7	12%
Good	3	13	22%
Fair	2	9	15%
Or poor	1	9	15%
Don't know - DO NOT READ	7	1	2%
Refused - DO NOT READ	9	7	12%

44: XQ28

How would you rate how well the City of Bellingham does in providing...

N =		301	100%
Continue	1 D	301	100%

46: Q28

Cultural and recreational programs and facilities such as Parks; Recreation; Libraries; Theaters and Museums

N =		301	100%
Not at all well	1	2	1%
Not very	2	5	2%
Somewhat	3	58	19%
Very	4	127	42%
Extremely well	5	99	33%
Don't know	7	6	2%
Refused	9	4	1%

48: Q29

Transportation including street maintenance and lighting; traffic management; Bicycle and pedestrian access; and Parking

N =		301	100%
Not at all well	1	13	4%
Not very	2	19	6%
Somewhat	3	109	36%
Very	4	119	40%
Extremely well	5	37	12%
Don't know	7	3	1%
Refused	9	1	0%

50: Q30

Utilities, including Water, Sewer, and Storm Drainage

N =		301	100%
Not at all well	1	7	2%
Not very	2	21	7%
Somewhat	3	78	26%
Very	4	129	43%
Extremely well	5	43	14%
Don't know	7	21	7%
Refused	9	2	1%

52: N26

Land use planning and planning for growth?

ON PAPER Q26_2010

N =		301	100%
Not at all well	1	37	12%
Not very	2	49	16%
Somewhat	3	113	38%
Very	4	40	13%
Extremely well	5	12	4%
Don't know	7	47	16%
Refused	9	3	1%

54: Q27

Public Safety, including police & fire protection and emergency medical services

N =		301	100%
Not at all well	1	4	1%
Not very	2	10	3%
Somewhat	3	56	19%
Very	4	143	48%
Extremely well	5	75	25%
Don't know	7	10	3%
Refused	9	3	1%

56: N5

READ 5-1

From the perspective of your business, if you were to give a school letter grade to Bellingham's Police Services, would you give them an...

ON PAPER Q2010_5

N =		301	100%
A	5	141	47%
B	4	106	35%
C	3	34	11%
D	2	10	3%
Or F	1	3	1%
Don't know - DO NOT READ	7	7	2%
Refused - DO NOT READ	9	0	0%

57: N6

READ 5-1

From the perspective of your business, if you were to give a school letter grade to Bellingham's Fire Services, would you give them an...

ON PAPER Q2010_6

N =		301	100%
A	5	166	55%
B	4	89	30%
C	3	16	5%
D	2	5	2%
Or F	1	1	0%
Don't know - DO NOT READ	7	24	8%
Refused - DO NOT READ	9	0	0%

58: N7

READ 5-1

From the perspective of your business, if you were to give a school letter grade to Bellingham's Emergency Medical Services, would you give them an ...

ON PAPER Q2010_7

N =		301	100%
A	5	171	57%
B	4	87	29%
C	3	8	3%
D	2	2	1%
Or F	1	0	0%
Don't know - DO NOT READ	7	32	11%
Refused - DO NOT READ	9	1	0%

59: Q13

READ 5-1

How well prepared would you say the company is to handle a natural disaster or state of emergency? Would you say it is...

N =		301	100%
Extremely	5	31	10%
Very	4	101	34%
Somewhat	3	115	38%
Not very	2	36	12%
Or not at all prepared	1	7	2%
Don't know - DO NOT READ	7	9	3%
Refused - DO NOT READ	9	2	1%

60: N8

READ 1-6 IN ORDER SHOWN. UP TO 6 RESPONSES

The city provides limited funding for six economic development, tourism and business education providers. We'd like to know if you've used the services of any of them in the past year. Please let me know if you've used... PAUSE AFTER EACH

ON PAPER Q2010_8

N =			301	100%
The Center for Economic Vitality at Western Washington University	1		20	7%
Sustainable Connections	2		65	22%
The Northwest Economic Council, which was formerly called the Economic Development Council	3		17	6%
The Downtown Partnership, which was formerly known as the Downtown Renaissance Network	4		23	8%
The Technology Alliance Group, which is also known as TAG	5		7	2%
Bellingham/Whatcom Tourism Bureau	6		38	13%
None of the above - DO NOT READ	0	X	189	63%
Don't know - DO NOT READ	7	X	1	0%
Refused - DO NOT READ	9	X	2	1%

61: NUMB

Number of responses for N8 by code

N =		301	100%
	1	258	86%
	2	33	11%
	3	5	2%
	4	3	1%
	5	1	0%
	6	1	0%

64: SEL1

N =		109	100%
The Center for Economic Vitality at Western Washington University	1	11	10%
Sustainable Connections	2	50	46%
The Northwest Economic Council, which was formerly called the Economic Development Council	3	9	8%
The Downtown Partnership, which was formerly known as the Downtown Renaissance Network	4	8	7%
The Technology Alliance Group, which is also known as TAG	5	3	3%
Bellingham/Whatcom Tourism Bureau	6	28	26%

65:		SEL2
N =	45	100%
The Center for Economic Vitality at Western Washington University...1	6	13%
Sustainable Connections...2	12	27%
The Northwest Economic Council, which was formerly called the Economic Development Council...3	7	16%
The Downtown Partnership, which was formerly known as the Downtown Renaissance Network...4	12	27%
The Technology Alliance Group, which is also known as TAG...5	2	4%
Bellingham/Whatcom Tourism Bureau...6	6	13%

66:		SEL3
N =	11	100%
The Center for Economic Vitality at Western Washington University...1	3	27%
Sustainable Connections...2	2	18%
The Northwest Economic Council, which was formerly called the Economic Development Council...3	1	9%
The Downtown Partnership, which was formerly known as the Downtown Renaissance Network...4	2	18%
The Technology Alliance Group, which is also known as TAG...5	1	9%
Bellingham/Whatcom Tourism Bureau...6	2	18%

67:		SEL4
N =	5	100%
The Center for Economic Vitality at Western Washington University...1	1	20%
Sustainable Connections...2	1	20%
The Northwest Economic Council, which was formerly called the Economic Development Council...3	1	20%
The Downtown Partnership, which was formerly known as the Downtown Renaissance Network...4	0	0%
The Technology Alliance Group, which is also known as TAG...5	1	20%
Bellingham/Whatcom Tourism Bureau...6	1	20%

68: **N9A1**

READ 1-5

You said you'd used the <sel1>. How would you rate your experience with that organization? Would you say they were...

ON PAPER Q2010_9A

N =	53	100%
Poor...1	0	0%
Fair...2	6	11%
Good...3	15	28%
Very good...4	17	32%
Or excellent...5	15	28%
Don't know - DO NOT READ...7	0	0%
Refused - DO NOT READ...9	0	0%

69: N9A2

READ 5-1

You said you'd used the <sel1>. How would you rate your experience with that organization? Would you say they were...

N =		52	100%
Excellent	5	14	27%
Very good	4	19	37%
Good	3	15	29%
Fair	2	2	4%
Or poor	1	1	2%
Don't know - DO NOT READ	7	1	2%
Refused - DO NOT READ	9	0	0%

70: N9A1+N9A2 COMBINED N9A

You said you'd used the <sel1>. How would you rate your experience with that organization? Would you say they were...

ON PAPER Q2010_9A

N =		108	100%
Poor	1	1	1%
Fair	2	8	7%
Good	3	30	28%
Very good	4	36	33%
Or excellent	5	29	27%
Don't know - DO NOT READ	7	1	1%
Refused - DO NOT READ	9	0	0%
	0	3	3%

72: N9B1

READ 1-5

You said you'd used the <sel2>. How would you rate your experience with that organization? Would you say they were...

N =		23	100%
Poor	1	0	0%
Fair	2	2	9%
Good	3	6	26%
Very good	4	6	26%
Or excellent	5	9	39%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

73: N9B2

READ 5-1

You said you'd used the <sel2>. How would you rate your experience with that organization? Would you say they were...

N =		20	100%
Excellent	5	5	25%
Very good	4	11	55%
Good	3	3	15%
Fair	2	1	5%
Or poor	1	0	0%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

74: N9B1+N9B2 COMBINED N9B

READ 5-1

You said you'd used the <sel2>. How would you rate your experience with that organization? Would you say they were...

ON PAPER Q2010_9B

N =		43	100%
Excellent	5	14	33%
Very good	4	17	40%
Good	3	9	21%
Fair	2	3	7%
Or poor	1	0	0%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

76: N9C1

READ 1-5

You said you'd used the <sel3>. How would you rate your experience with that organization? Would you say they were...

N =		3	100%
Poor	1	0	0%
Fair	2	1	33%
Good	3	0	0%
Very good	4	1	33%
Or excellent	5	1	33%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

77: N9C2

READ 5-1

You said you'd used the <sel3>. How would you rate your experience with that organization? Would you say they were...

N =		7	100%
Excellent	5	4	57%
Very good	4	3	43%
Good	3	0	0%
Fair	2	0	0%
Or poor	1	0	0%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

78: N9C1+N9C2 COMBINED N9C

READ 1-5

You said you'd used the <sel3>. How would you rate your experience with that organization? Would you say they were...

ON PAPER Q2010_9C

N =		10	100%
Excellent	5	5	50%
Very good	4	4	40%
Good	3	0	0%
Fair	2	1	10%
Or poor	1	0	0%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

80: N9D1

READ 1-5

You said you'd used the <sel4>. How would you rate your experience with that organization? Would you say they were...

N =		3	100%
Poor	1	0	0%
Fair	2	0	0%
Good	3	2	67%
Very good	4	1	33%
Or excellent	5	0	0%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

81: N9D2

READ 5-1

You said you'd used the <sel4>. How would you rate your experience with that organization? Would you say they were...

N =		2	100%
Excellent	5	0	0%
Very good	4	1	50%
Good	3	0	0%
Fair	2	0	0%
Or poor	1	1	50%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

82: N9D1+N9D2 COMBINED N9D

You said you'd used the <sel4>. How would you rate your experience with that organization? Would you say they were...

ON PAPER Q2010_9D

N =		5	100%
Poor	1	1	20%
Fair	2	0	0%
Good	3	2	40%
Very good	4	2	40%
Or excellent	5	0	0%
Don't know - DO NOT READ	7	0	0%
Refused - DO NOT READ	9	0	0%

83: INFO6

My last questions have to do with the characteristics of your business. If your business has more than one location, please answer only for the portion of the business that is located in Bellingham.

N =		301	100%
Continue	1 D	301	100%

84: Q39

Would you tell me how many employees are currently working in the company in Bellingham? IF NEEDED: Please include seasonal, temporary, part-time, full time, on-call employees. IF DON'T KNOW/NOT SURE, SAY: Just give me your best estimate

=> +1 IF Q3=4

N =		281	100%
Don't know	D	1	0%
Refused	R	1	0%
	0	14	5%
	1	45	16%
	2	26	9%
	3	19	7%
	4	25	9%
	5	19	7%
	6	14	5%
	7	13	5%
	8	13	5%
	9	6	2%
	10	6	2%
	11	5	2%
	12	12	4%
	13	2	1%
	14	5	2%
	15	6	2%
	18	2	1%
	19	4	1%
	20	2	1%
	21	1	0%
	23	1	0%
	25	5	2%
	27	2	1%
	28	1	0%
	29	1	0%
	30	1	0%
	32	1	0%
	34	1	0%
	35	2	1%
	36	3	1%
	40	5	2%
	47	2	1%
	50	3	1%
	60	3	1%
	80	1	0%
	85	2	1%
	204	1	0%
	240	1	0%
	270	1	0%
	750	1	0%
	1000	1	0%
	1700	1	0%

85: Q41

How many years has the business been operating in Bellingham?

N =	301	100%
1 year or less ... 001	6	2%
Don't know - DO NOT READ ... 777	7	2%
Refused - DO NOT READ ... 999	0	0%
... 2	11	4%
... 3	12	4%
... 4	8	3%
... 5	14	5%
... 6	10	3%
... 7	12	4%
... 8	15	5%
... 9	7	2%
... 10	16	5%
... 11	3	1%
... 12	7	2%
... 13	6	2%
... 14	5	2%
... 15	13	4%
... 16	6	2%
... 17	4	1%
... 18	13	4%
... 19	4	1%
... 20	15	5%
... 21	5	2%
... 22	3	1%
... 23	2	1%
... 24	3	1%
... 25	11	4%
... 26	4	1%
... 27	3	1%
... 28	1	0%
... 29	4	1%
... 30	13	4%
... 31	3	1%
... 32	3	1%
... 33	3	1%
... 34	1	0%
... 35	9	3%
... 36	1	0%
... 37	2	1%
... 39	2	1%
... 40	2	1%
... 41	1	0%
... 42	1	0%
... 45	3	1%
... 47	2	1%
... 50	3	1%
... 51	1	0%
... 54	1	0%
... 57	1	0%
... 62	1	0%
... 72	1	0%
... 73	2	1%

....	74	1	0%
....	75	1	0%
....	77	1	0%
....	78	1	0%
....	80	1	0%
....	88	1	0%
....	90	1	0%
....	100	1	0%
....	103	1	0%
....	106	1	0%
....	110	1	0%
....	120	1	0%
....	121	1	0%
....	125	1	0%
....	132	1	0%

86: Q42

READ 1-7

What were the total gross revenues from your Bellingham business location in the last fiscal year? Would you say...

N =		301	100%
Under $100,000	01	60	20%
$100,000 to under $500,000	02	99	33%
$500,000 to under 1 million	03	38	13%
1 million to under 2.5 million	04	32	11%
2.5 million to under 5 million	05	14	5%
5 million to under 10 million	06	6	2%
Or 10 million or more	07	7	2%
Don't know - DO NOT READ	77	25	8%
Refused - DO NOT READ	99	20	7%

87: GENDR

DO NOT ASK!

RECORD GENDER

N =		301	100%
Male	1	184	61%
Female	2	117	39%

91: INT01

That concludes my questions. Thank you very much for your time and cooperation.

N =			301	100%
Completed Interview	01	D => /ATMPT	301	100%

APPENDIX C: LEGACIES AND STRATEGIC COMMITMENTS

"We are working today so future generations will benefit from…"

Clean, Safe Drinking Water
- Protect & improve drinking water sources
- Limit development in Lake Whatcom watershed
- Use efficient, ecological treatment techniques
- Maintain reliable distribution system
- Promote water conservation

Healthy Environment
- Protect & improve the health of lakes, streams & bay
- Protect & restore ecological functions & habitat
- Reduce contributions to climate change
- Conserve natural & consumable resources

Vibrant Sustainable Economy
- Support a thriving local economy across all sectors
- Promote inter-dependence of environmental, economic & social interests
- Create conditions that encourage public & private investment
- Foster vibrant downtown & other commercial centers
- Preserve farmland & the agricultural economy

Sense of Place
- Support sense of place in neighborhoods
- Encourage development within existing infrastructure
- Preserve historic & cultural resources
- Protect natural green settings & access to open space
- Support people-to-people connections

Safe & Prepared Community
- Prevent and respond to emergencies
- Prevent and respond to crime
- Ensure safe infrastructure
- Increase community readiness and resilience

Mobility & Connectivity Options
- Provide safe, well-connected mobility options for all users
- Maintain & improve streets, trails & other infrastructure
- Limit sprawl
- Increase infrastructure for bicycles, pedestrians & non-single-occupancy vehicle modes of transportation
- Reduce dependence on single-occupancy vehicles

Access to Quality of Life Amenities
- Maintain & enhance publicly owned assets
- Foster arts, culture & lifelong learning
- Provide recreation & enrichment opportunities for all ages & abilities
- Ensure convenient access to & availability of parks & trails citywide

Quality, Responsive City Services
- Deliver efficient, effective & accountable municipal services
- Use transparent processes & involve stakeholders in decisions
- Provide access to accurate information
- Recruit, retain & support quality employees

Equity & Social Justice
- Provide access to problem-solving resources
- Support safe, affordable housing
- Increase living wage employment
- Support services for lower-income residents
- Cultivate respect & appreciation for diversity

Legacies and Strategic Commitments

Adopted by Bellingham City Council
July 13, 2009