

# 07

# Economic Development

## ECONOMIC DEVELOPMENT GOALS

- **GOAL EC-1** A diverse economic base and robust economy offers Tacomans a wide range of employment opportunities, goods, and services.
- **GOAL EC-2** Tacomans enjoy increased access to employment opportunities in Tacoma and are equipped with the education and skills needed to attain high- quality, living wage jobs.
- **GOAL EC-3** Tacoma's business culture encourages existing establishments to grow in place, attracts new firms to the city, and supports new homegrown enterprises.
- **GOAL EC-4** The City has a positive business environment and proactively invests in transportation, infrastructure and utilities to grow Tacoma's economic base in target areas.
- **GOAL EC-5** Tacoma's brand and image leverages existing cultural, community, and economic assets to promote equitable growth.
- **GOAL EC-6** Robust, thriving employment centers strengthen Tacoma's role as a regional center for industry and commerce.

# Economic Development

# 07

## 7.1 Introductory Context

### What is this chapter about?

The goals and policies in this chapter convey the City's Vision for:

- ▶ Diverse economy and shared prosperity. Diversify and expand Tacoma's economic base to create shared prosperity through a robust economy that offers Tacomans a wide range of employment opportunities, goods, and services. Good and promising jobs. Prioritize businesses and industries that provide good jobs, living wages, and opportunities in Tacoma.
- ▶ Invest in Tacomans. Equip Tacomans with the education and skills needed to attain high-quality, living wage jobs.
- ▶ Create robust, thriving employment centers by:
  - Building upon employment in planned employment areas through land use and development that supports the needs of businesses that Tacoma seeks to retain, grow, and attract.
  - Advancing the vision of a 15-minute city by ensuring daily goods and services are within a 15-minute walk or bike ride from home.
  - Strengthening Tacoma's role as a regional industrial center by preserving its industrial land, elevating the role of MICs, and encouraging investment in industry-related sectors.
- ▶ Tacoma as a hub for innovation. Grow Tacoma as an innovation and creative hub for the growing creative and green economy.
- ▶ Infrastructure investments. Foster a positive business environment within the city and proactively invest in transportation, infrastructure, and utilities to support development in undeveloped and underdeveloped areas of the city.
- ▶ Business culture. Cultivate a business culture that allows existing establishments to grow in place and encourages new firms and homegrown enterprises to thrive in Tacoma. Support local, minority, and women-owned businesses
- ▶ Sustainable. Build a thriving business ecosystem grounded in sustainability, leveraging the strength of publicly owned utilities and infrastructure to create lasting economic opportunity while safeguarding our environment.
- ▶ City image. Grow and market a city brand and image that supports economic growth and leverages existing cultural, community, and economic assets.

#### Book I: Core Policy Elements

- 1 Introduction and Vision
- 2 Growth Strategy
- 3 Complete Neighborhoods
- 4 Environment and Watershed Health
- 5 Housing
- 6 Transportation
- 7 Economic Development**
- 8 Parks and Recreation
- 9 Public Facilities and Services
- 10 Historic Preservation
- 11 Engagement and Administration

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- 7.2 Goals and Policies
- 7.3 Actions

# Why is this important?

As one of five designated Metropolitan Cities in the PSRC's VISION 2050, Tacoma is planning for 94,000 new jobs by 2050. The city has physical and land use zoning capacity to accommodate growth to meet 2044 growth targets, but falls short of meeting the 2050 targets, based on the 2022 Buildable Lands report. (Exhibit 44). To work towards realizing this growth target, Tacoma must strategically attract and grow businesses to increase the number of jobs in the city. Not only does the city have to grow its economic base generally, it must also deliberately channel this growth into the areas of Tacoma best suited to accommodate this increase. The map in Exhibit 45 presents the city's planned employment areas, including commercial areas, manufacturing and industrial areas, and major campus institutions. While the city intends to channel growth into these areas, they are not exclusively where employment can occur. The map in Exhibit 45 identifies the geographic areas of Tacoma where more jobs can be accommodated.

Exhibit 44. Employment Capacity and Regional Targets



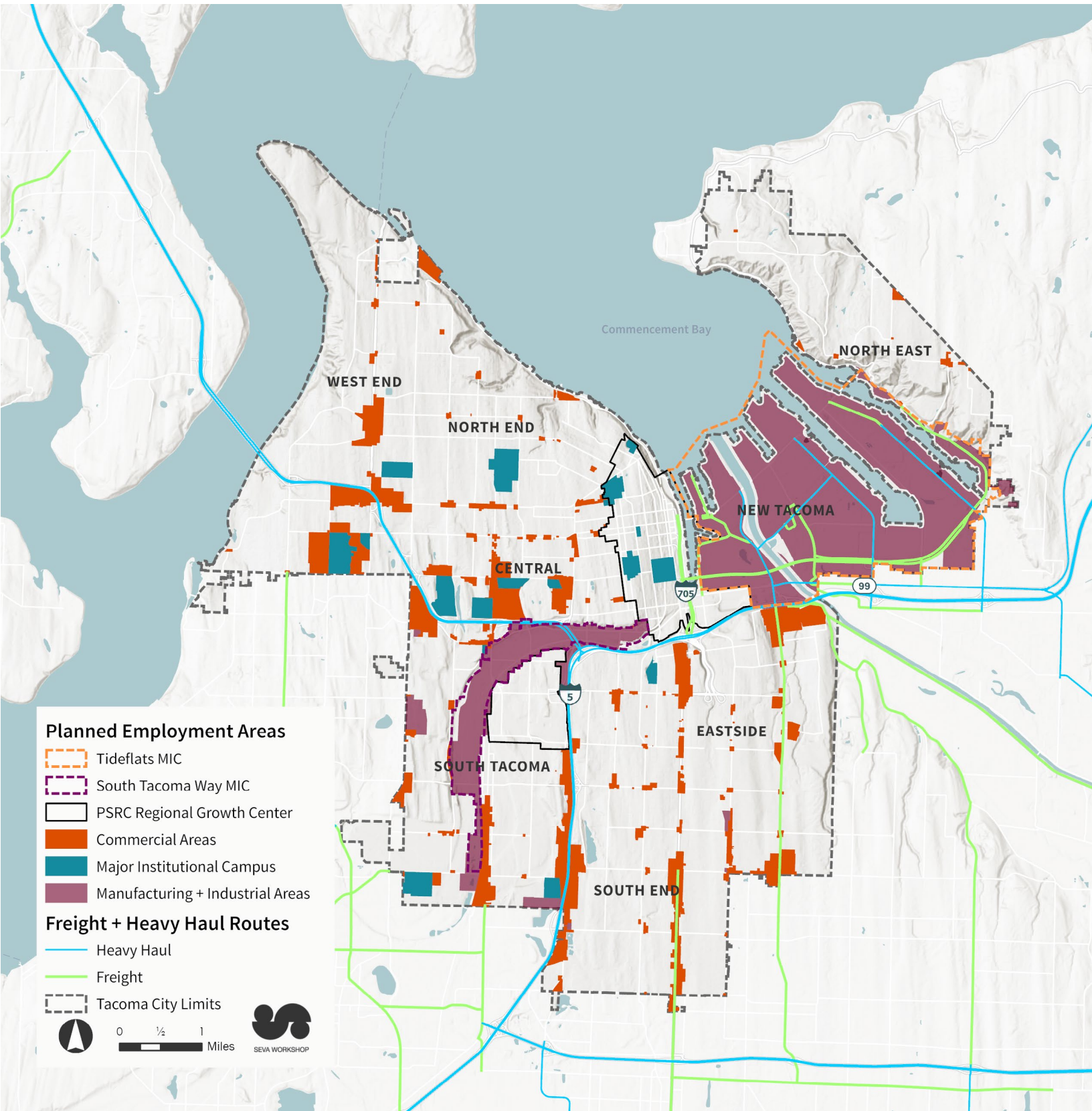
Source: 2022 Buildable Lands report; PSRC Vision 2044; PSRC Vision 2025

To meet 2050 targets, additional capacity for jobs should be explored in coordination with the vision for a 15-minute city. This means adding capacity in areas of the city that are well connected to high-capacity transit, in centers, and within walking distance of denser residential areas. (Exhibit 46).





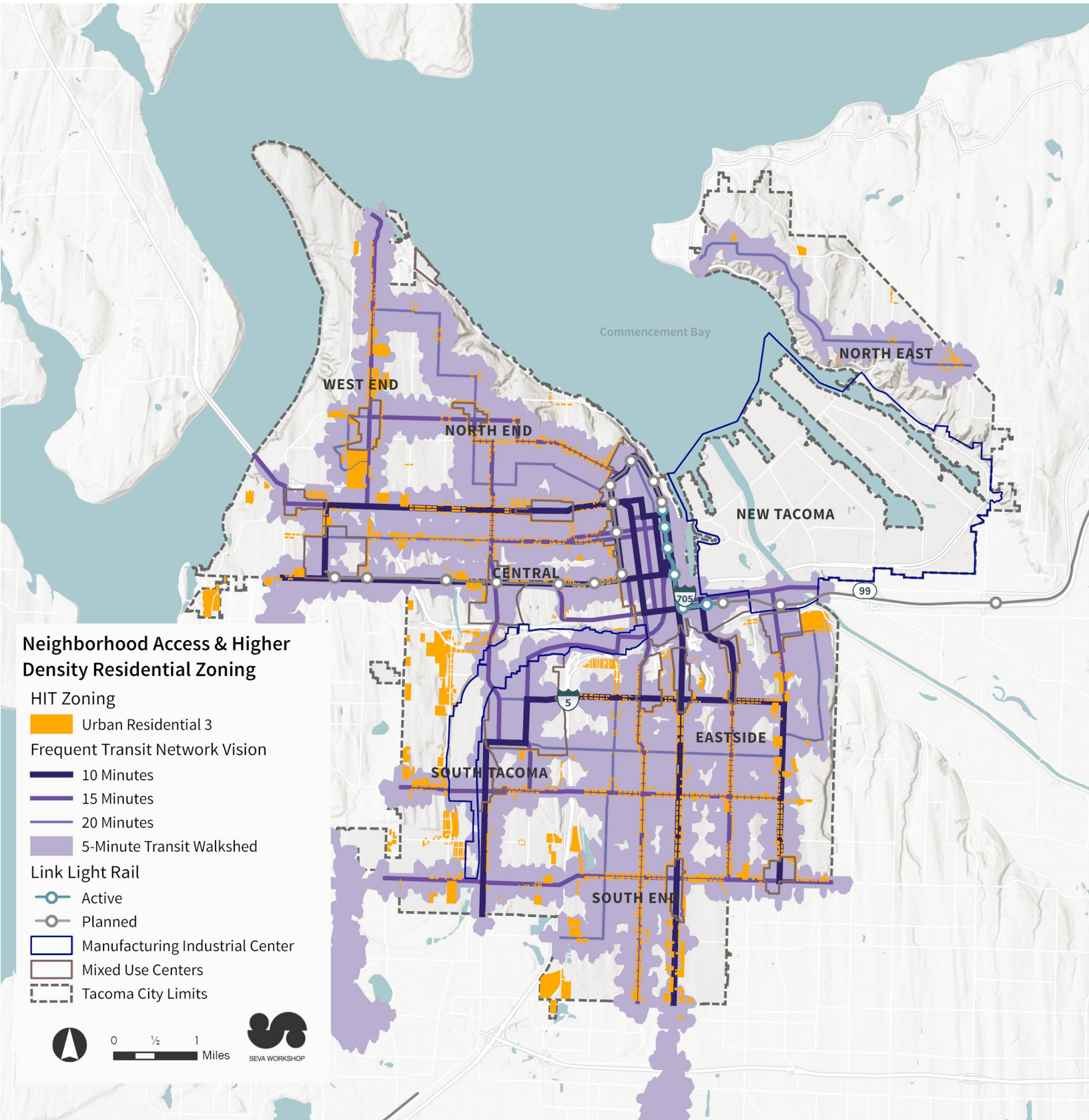
Exhibit 45. Planned Employment Areas Map



Sources: City of Tacoma, 2024; Nelson Nygaard, 2024; Seva Workshop, 2024



Exhibit 46. Neighborhood Access and Higher Density Residential Zoning



Source: City of Tacoma, 2024; Nelson Nygaard, 2024; Seva Workshop, 2024

Tacoma has initiated myriad efforts in recent years to recruit new businesses, support local companies, and revitalize its neighborhoods. The goals and policies in this element provide high-level support for all of these ongoing efforts and serve as a guide for the development of new strategies to ensure that they are well-coordinated and supported by the City's land use policy. Economic development is a complex endeavor that requires extensive collaboration between the public, private, and non-profit sectors. The City has unique capabilities to spur economic development, but its efforts alone will not produce the type of economy desired. The involvement of local businesses, educational institutions, and other organizations is essential. Thus, many of the policies in this chapter emphasize working with a variety of partners so that the City's economic development plans can be successfully implemented. Additionally, coordination and linkage between other elements of the Comprehensive Plan are essential as land use, transportation, and housing all play critical roles in fostering a thriving economy.

Creating a diversified economy with a wide variety of living wage job opportunities will help to improve the livelihoods of current and future Tacomans. Enhancing access to these jobs is equally important, with an emphasis on improved opportunities for BIPOC communities and other groups that currently experience lower incomes and educational attainment. The jobs of today and tomorrow demand increasing levels of education, job training, and complex skills. This element provides goals and policies that address workforce development and education to increase Tacomans' ability to take full advantage of the diverse and growing economy envisioned by the City.

## What we heard

Prior to the launch of the One Tacoma planning effort, several neighborhood, subarea, and station area plans highlighted high levels of support for small businesses and creative artistic enterprises that lend neighborhood character, as well as economic development opportunities. Previous engagement related to the CAP and the Climate Adaptation Strategy highlighted that Tacoma residents support a strategic focus on green jobs, especially as relates to the Port, utilities, and transportation, in both the Tideflats and South Tacoma MICs.

In the engagement conducted for One Tacoma, community members continued to voice high levels of support for small businesses, specifically those that reflect the city's demographic diversity. Community members also shared their desire to see the city attract and diversify jobs and employers to allow people more choices to live and work in Tacoma. Tacoma is perceived to still have a largely industrial economic base, and some commenters encouraged more development in green jobs, technology, small businesses and retail (especially to fill vacant commercial space), and tourism.

The 2024 Community Survey highlighted access to living wage jobs as the fourth most important issue to address (after homelessness, housing affordability, and community safety). Access to living wage jobs was the top four issues for 32% of respondents, and nearly half of respondents expressed dissatisfaction with the overall economic health of Tacoma.

Participating respondents emphasized the interconnections between housing, transportation, land use, and livable employment opportunities. For example, among economic issues asked about in the Community Survey, 56% were dissatisfied with the cost of living in Tacoma, though most people felt their commute lengths and access to job opportunities was generally satisfactory. Beyond cost of living, some commenters also felt that infrastructure capacity, specifically broadband internet, was a limiting factor to economic development. Knowledge of various career pathways and the skills required for different job types was also seen as a key programming need. In addition, there was significant support to increase opportunities for young people to develop skills through youth internships and training.

## How does this chapter address key themes?

Tacoma has an opportunity to become a national model of inclusive economic development. The 2023 Green Economic Development Strategy, "From Climate Emergency to Shared Prosperity: Tacoma's Green Economic Development Strategy" highlights some features of the envisioned economic development future, including strategies to help existing businesses transform their products, processes, and business models so that they can tap new green market opportunities, grow new businesses and industries that are developing and deploying green technologies, and prepare workers – especially people of color and women – to thrive in this new economy. With a focus on high-quality (good and promising) jobs in rapidly growing technologies and equity considerations given to investments, economic development can be an important tool for achieving more equitable economic conditions. **(Equity and Opportunity)**

Many of the other chapters have policies that affect individual and household choices and land uses, which in turn have sustainability impacts. However important those choices are, industries and businesses are usually the greatest contributors to GHG emissions and other pollutants. Similarly, the byproducts of economic choices have impacts on public health through water and air pollution, among other means. By creating the conditions and investments needed to make Tacoma's current industries greener and create new green businesses and industries, economic development impacts both sustainability and public health goals of the City. **(Sustainability and Public Health)**

Access to economic opportunities through stable employment and living wage jobs has a profound impact on the health of residents and Tacoma's communities. Focusing on expanding equitable access to living wage employment and investing in programs to provide access to the skills and education for emerging living wage industries will have positively impact health by reducing poverty, improving standards of living and quality of life, and better ensuring that residents can access stable housing and essential needs. **(Health Equity and Opportunity)**

The availability of quality affordable housing in proximity to employment opportunities and essential goods and services can help improve health outcomes and create conditions for residents to thrive. This can help reduce reliance on automobiles and reduce impacts on air quality, traffic and pedestrian safety, infrastructure, congestion, and the financial burdens of vehicle ownership and maintenance. This can also shorten commutes, expand the feasibility of multi-modal options, including



EQUITY



OPPORTUNITY



SUSTAINABILITY



PUBLIC HEALTH



transit, walking, and rolling, and increase healthy connections that come from engaging with the natural environment. This can help reduce health disparities by providing increased human connections, encouraging expansion of equitable access to daily essential goods and services, access to recreation and leisure activities, and expanding economic opportunities. **(Public Health and Equity)**

## What are some baseline conditions and opportunities?

Tacoma serves as a regional employment center with a diverse range of businesses and industries. Its economic landscape includes employment hubs within industrial centers and its downtown commercial core, as well as in its commercial districts. Tacoma not only serves as a key industrial and commercial hub within the greater the Puget Sound region and through international trade, it also serves as a major civic and institutional center for Pierce County and surrounding communities.

Total covered<sup>1</sup> employment in Tacoma in 2022 was approximately 110,587 jobs. Major employers in the Tacoma area include the military, healthcare, finance and insurance, aerospace, trade and logistics, government, and education (Exhibit 47).

Exhibit 47. Top Ten Employers by Number of Employees, 2020

RANK	EMPLOYER	SECTOR	EMPLOYEES
1	JBLM	Military	54,000
2	MultiCare Health System	Health Care	8,264
3	State of Washington	Government	7,859
4	CHI Franciscan Health	Health Care	5,682
5	Tacoma Public Schools (TPS)	Education	3,649
6	City of Tacoma and TPU	Government	3,623
7	Pierce County Government	Government	3,304
8	Puyallup School District	Education	2,711
9	Bethel School District	Education	2,689
10	Safeway and Albertsons	Retail	2,153

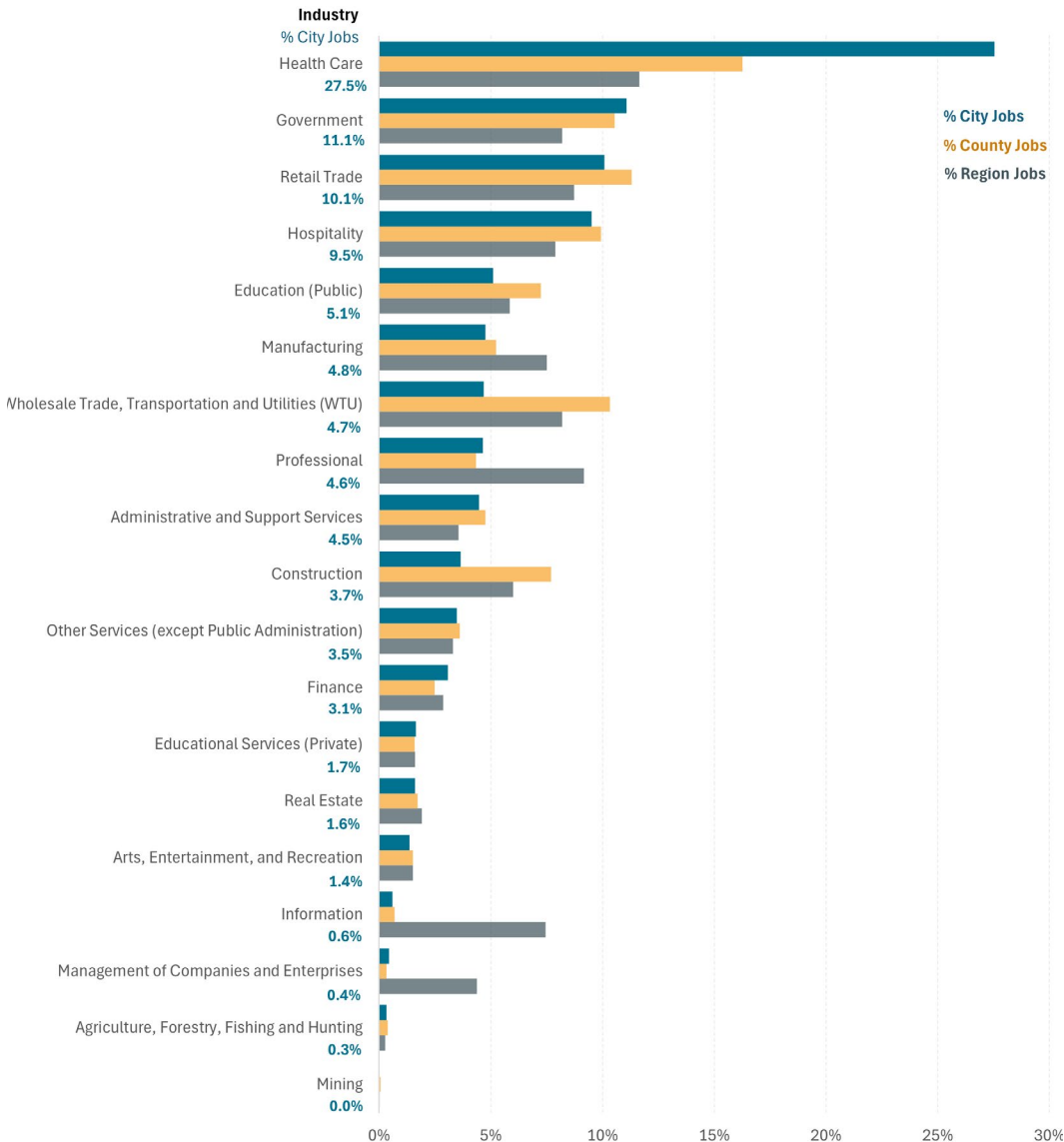
Source: City of Tacoma, 2024.

<sup>1</sup> Covered employment refers to jobs "covered" under the state's Unemployment Insurance Program, and constitutes 85-90% of total employment.

A closer look at Tacoma's industry mix reveals the importance of the Services sector (primarily the Healthcare industry), which represented over 27% of the city's total covered employment in 2022 (Exhibit 45). MultiCare Health System and Virginia Mason Franciscan Health, which operates St. Joseph Medical Center and a network of smaller specialty clinics, are two of the major anchors in this industry. Government employment, specifically with the City and County, accounts for close to 11% of employment in the city. Other industries of note are Retail Trade, which had the third largest share of employment, and Hospitality.

Compared to Pierce County and the region as a whole, Tacoma has a significantly larger proportion of employment in Healthcare (approximately 27% in Tacoma compared to 12% in the region and 16% in Pierce County) and relatively less employment in the areas of Warehousing, Transportation, and Utilities (WTU) and Construction/Resource (Exhibit 48).

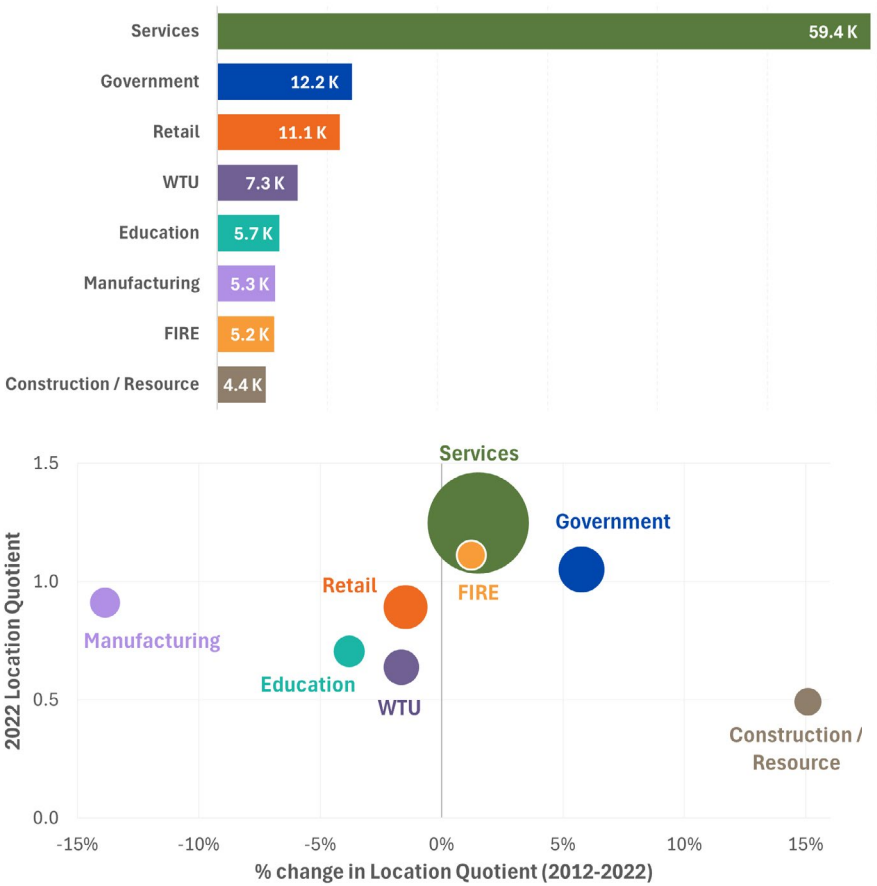
**Exhibit 48. Employment by Industry, City of Tacoma, Pierce County and Region, 2022**



Source: PSRC, 2024

Location quotients are one way to analyze competitive strengths of the economy (Exhibit 49). The upper right-hand quadrant of the graph shows the sub-sectoral clusters in Tacoma with the highest concentration of jobs and highest employment growth. On the vertical axis is the location quotient of each sector in 2022. Sectors with location quotients greater than 1.0 represent sectors that have a greater concentration in Tacoma than elsewhere in Pierce County. On the horizontal axis is the percent change in location quotients in Pierce County from 2012 to 2022. The size of the bubbles represents the employment sector in Tacoma. Jobs in the Services; Finance, Insurance, and Real Estate (FIRE); and Government sectors are more concentrated in Tacoma compared to Pierce County. The Services sector (1.1 location quotient) has both a high concentration of jobs and relatively high employment growth. Employment in the Services sector is likely fueled by Tacoma’s Healthcare employers, among others.

Exhibit 49. Tacoma Location Quotients by Major Sector, 2022



Note: WTU = Warehousing, Trade, and Utilities; FIRE = Finance, Insurance, and Real Estate. Location quotients are equivalent to the ratio between the proportion of Tacoma employment in a major sector and the proportion of Pierce County employment in the major sector. Values higher than one represent major sectors that are more represented in Tacoma than elsewhere in the region. Sources: PSRC Covered Employment Estimates, 2023; Seva Workshop, 2024



Recently, Tacoma has seen the most growth in services-related employment, with a net gain of 14,307 jobs between 2012 and 2022 (Exhibit 51). The Services sector dominates in terms of total jobs and will likely continue to expand for the foreseeable future given current demand. Healthcare, which falls within the Services category, grew by 8,663 jobs over the same time period, indicating that this growing sector has offset losses in other service sectors. Construction/Resource and Retail also saw growth during the same time period, while other sectors lost jobs or stayed at the same levels of employment.

As shown in Exhibit 51, Tacoma’s changes in employment patterns are generally similar to the region as a whole. Overall, Pierce County gained 61,236 jobs between 2012 and 2022 compared to the region, which gained 385,749 jobs during the same time period.

Between 2012 and 2022, employment in the city has grown at an average rate of 1.41%, growing at a slower rate than both Pierce County and the larger central the Puget Sound region (Exhibit 50). Exhibit 52 provides a comparison of historical and targeted employment based on PSRC VISION 2050 growth allocations.

Exhibit 50. Covered Employment, 2012-2022

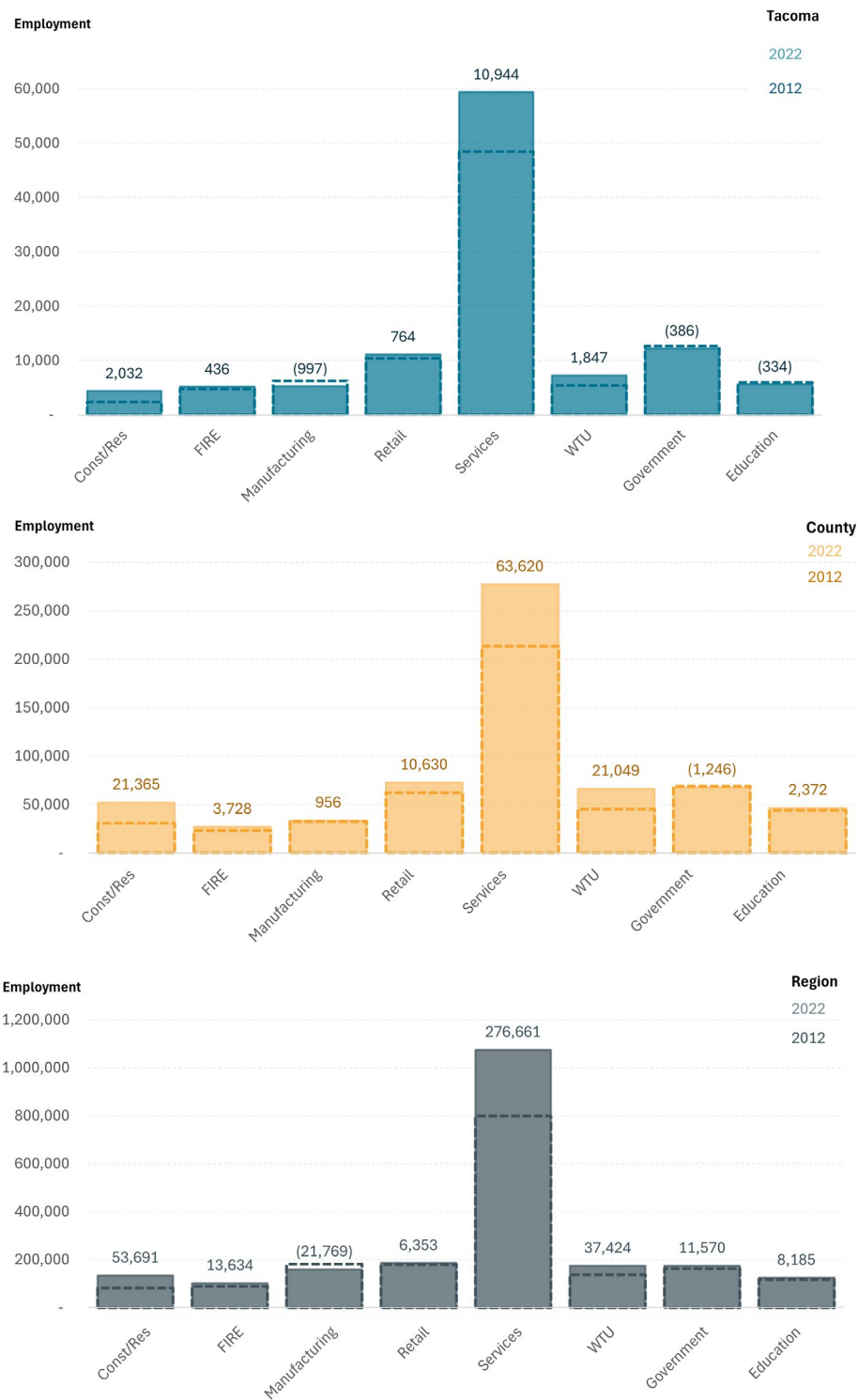
LOCATION	COVERED EMPLOYMENT	2012-2022 GROWTH RATE
Tacoma	1.2 M	1.4%
Pierce County	6.5 M	2.1%
Central the Puget Sound Region	21.6 M	2.0%

Note: Central the Puget Sound Region includes King, Kitsap, Pierce and Snohomish counties.

Source: PSRC, 2024

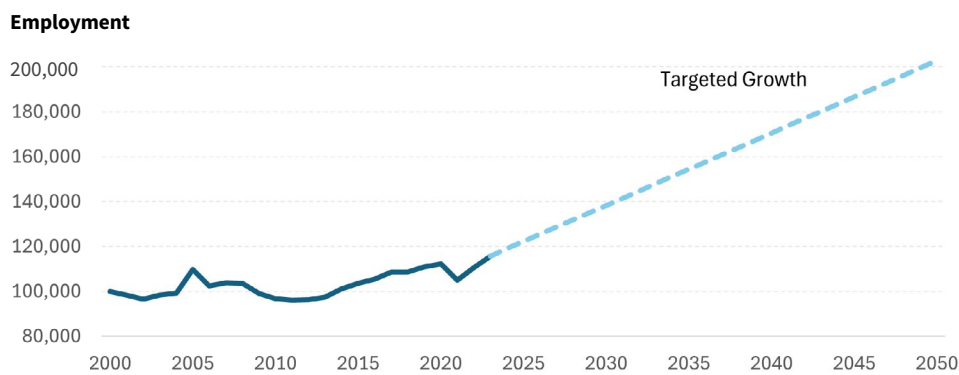
Employment in the city will need to grow faster than historical trends to reach targeted employment numbers by 2050.

Exhibit 51. Net Change in Employment Sector, City of Tacoma, Pierce County and Region



Source: PSRC, 2024. Notes: 1) WTU = Warehousing, Transportation and Utilities (industrial jobs). 2) FIRE = Finance, Insurance and Real Estate. 3) Services includes jobs in the following subsectors: Accommodation and food services, arts/entertainment/recreation, healthcare, administrative support, management, professional/scientific/technical services, information technology.

Exhibit 52. Historic and Targeted Employment, City of Tacoma



Tacoma has several areas that currently serve as employment hubs, or locations where employment is most concentrated. Existing employment in Tacoma is concentrated in its centers. Close to 60% of its jobs are located in the MUCs and 16% in the two MICs (Exhibit 53).

Exhibit 54 illustrates employment in Tacoma geographically across its centers and corridors. The most employment heavy areas are located in and around Downtown Tacoma, Tacoma Mall, major healthcare campuses, and the South Tacoma MIC and Port of Tacoma MIC. Additional employment hubs are centered around Tacoma Community College’s campus in James Center to the west; University of the Puget Sound near 6th Ave and Pine Street to the north; and the Emerald Queen Casino in Lower Portland Avenue to the east.

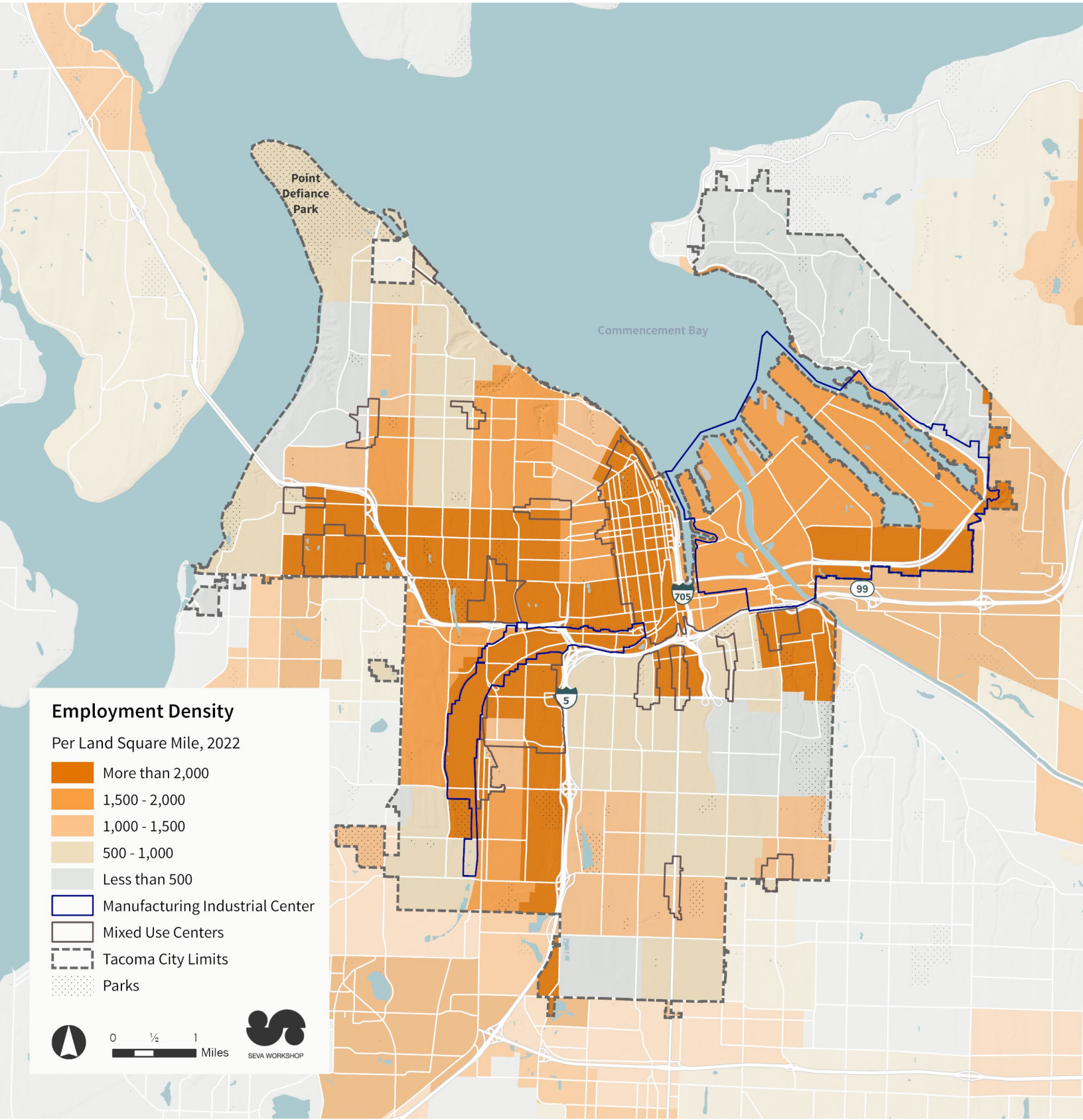
Exhibit 53. Tacoma Employment by Region, 2022

GEOGRAPHIC AREA	2022 EMPLOYMENT	PERCENT OF CITY EMPLOYMENT
Mixed-Use Centers	64,800	59%
Manufacturing Industrial Centers	17,700	16%
Outside Centers	28,087	25%
City of Tacoma	110,587	

Source: PSRC, 2024



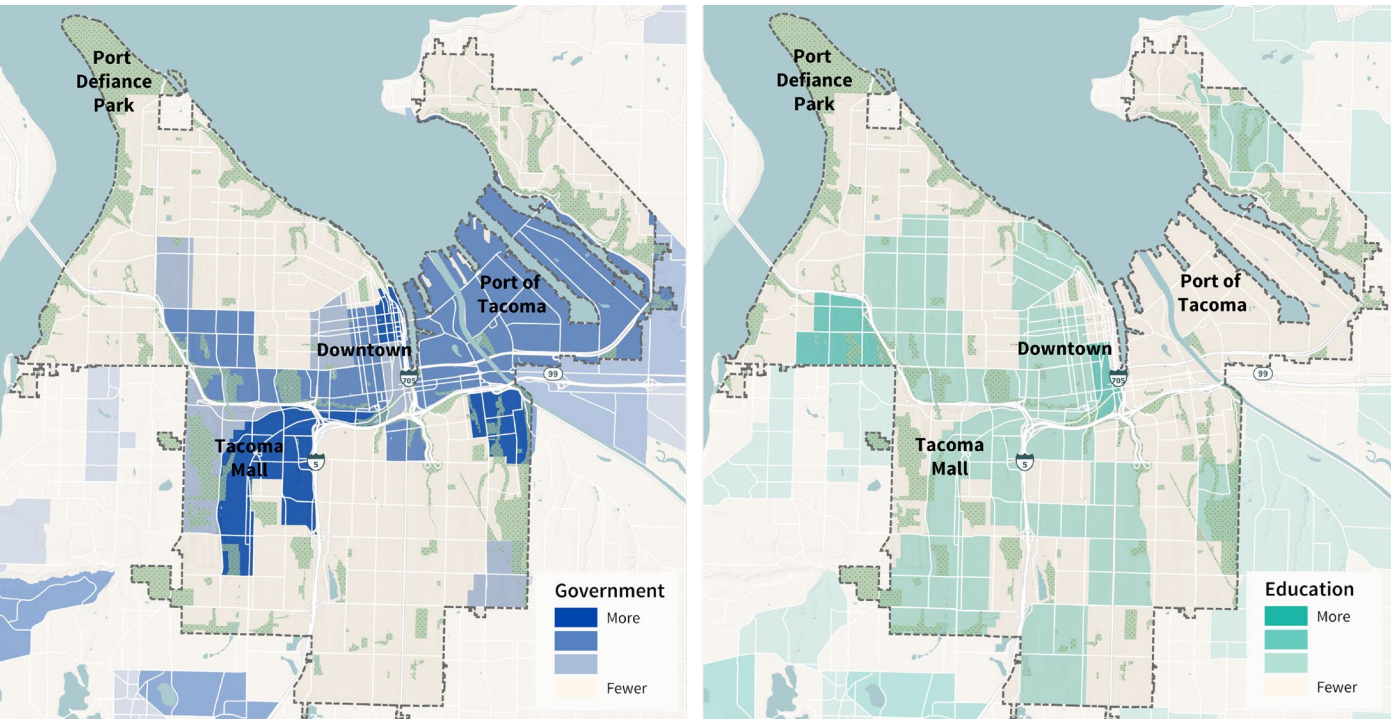
Exhibit 54. Employment Density, City of Tacoma, 2022



Source: PSRC, 2024; Seva Workshop, 2024

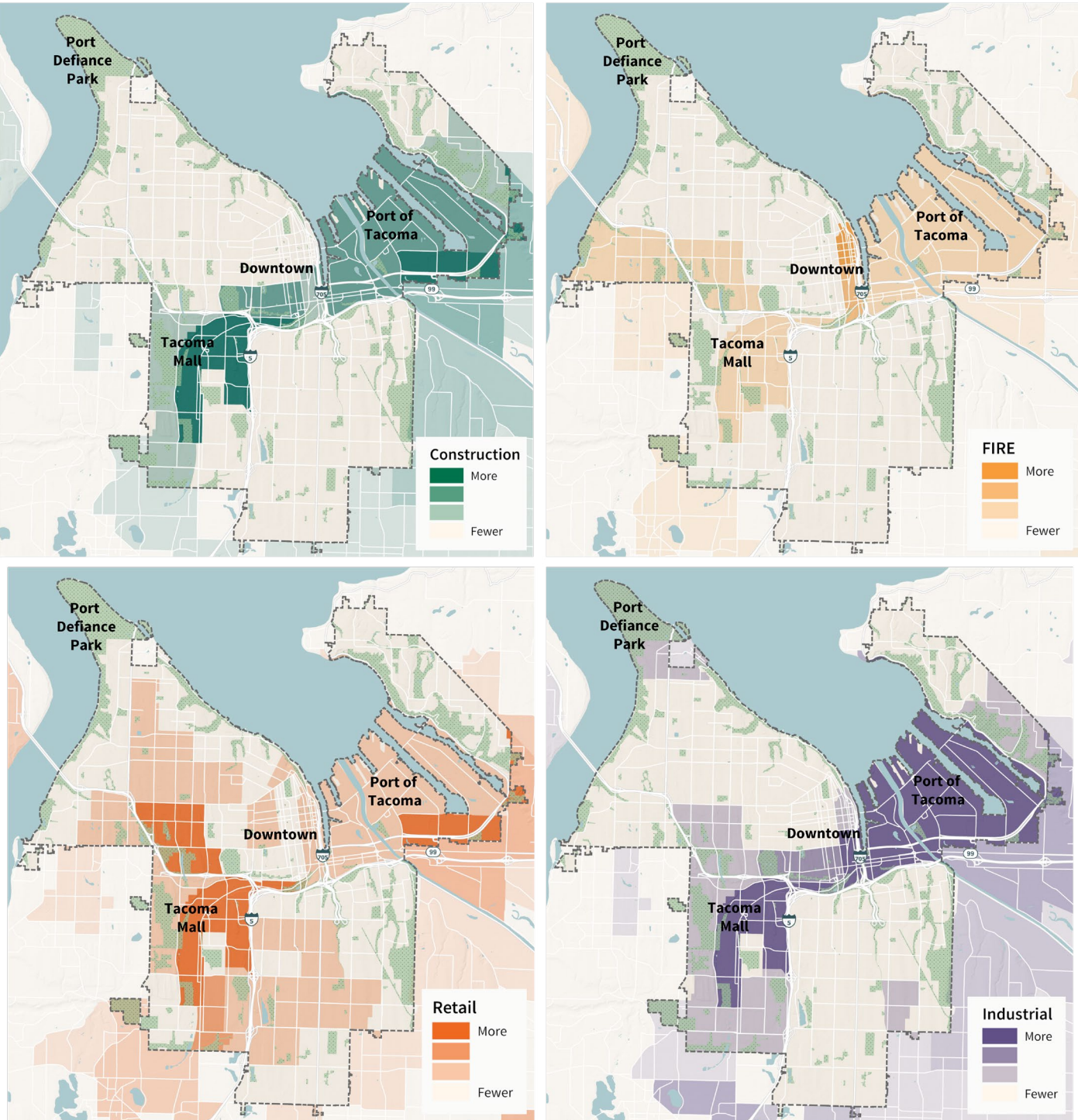
The distribution of employment across the city varies by industry. Exhibit 55 illustrates the geographic distribution of major employment sectors and their relative employment density across the city. For example, retail employment is most concentrated in the Tacoma Mall, while industrial employment is largely limited to the city’s two MICs. Understanding where industries are concentrated within the city has implications on how to plan for their needs and future growth. Examples include transportation infrastructure needs and impacts, the ability for people to live and work within their neighborhoods, and residents’ access to basic needs and services.

Exhibit 55. Employment Concentration by Major Sector, City of Tacoma, 2022





Employment Concentration by Major Sector, City of Tacoma, 2022 cont.



Note: FIRE includes the finance, insurance and real estate sectors. Source: PSRC, 2024; Seva Workshop, 2024

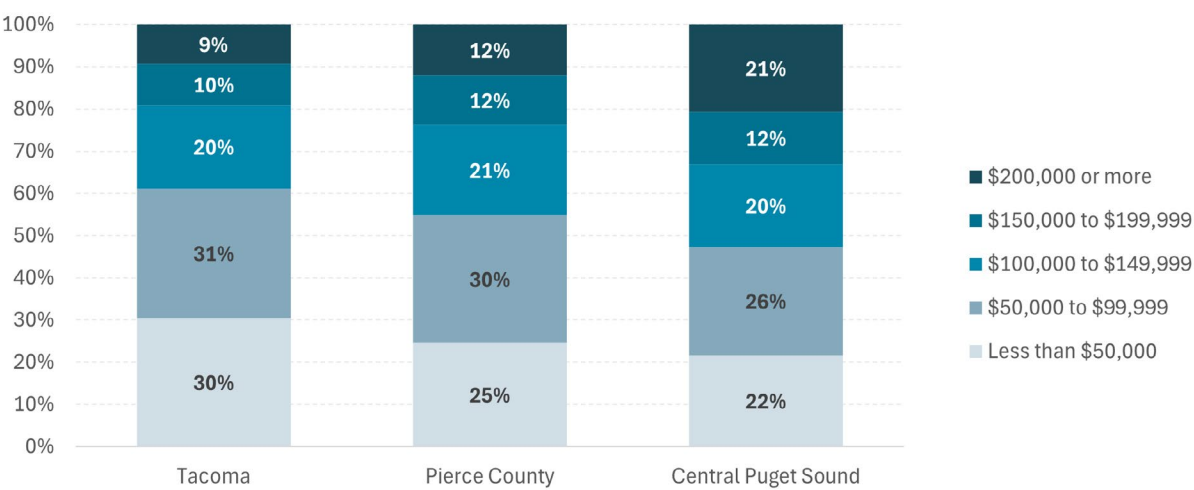


The areas surrounding Tacoma also heavily influence the city and its industries. A significant employment center of note is JBLM. Though outside of Tacoma city limits, according to the recent JBLM Regional Economic Impact Study, JBLM was the largest employer in Pierce County and the fourth largest employer in the state, as of 2022. JBLM employed around 57,000 military and civilian workers in 2022 and had contracts totaling over \$581 billion, with private firms located within Pierce County. The study estimates JBLM’s regional economic direct impact was \$8 billion.

Income and educational attainment are key indicators in understanding a city’s economy and workforce. Compared to the county and larger region, Tacoma has a larger proportion of households with incomes below \$35,000 (Exhibit 56). A third of Tacoma’s households fall into this income bracket, whereas the share is 25% for Pierce County and 22% for the central the Puget Sound region. Relative to the region, Tacoma also has a slightly higher percentage of residents with a high school diploma or less (Exhibit 57). These two socioeconomic indicators are related, as level of education is strongly correlated with income.

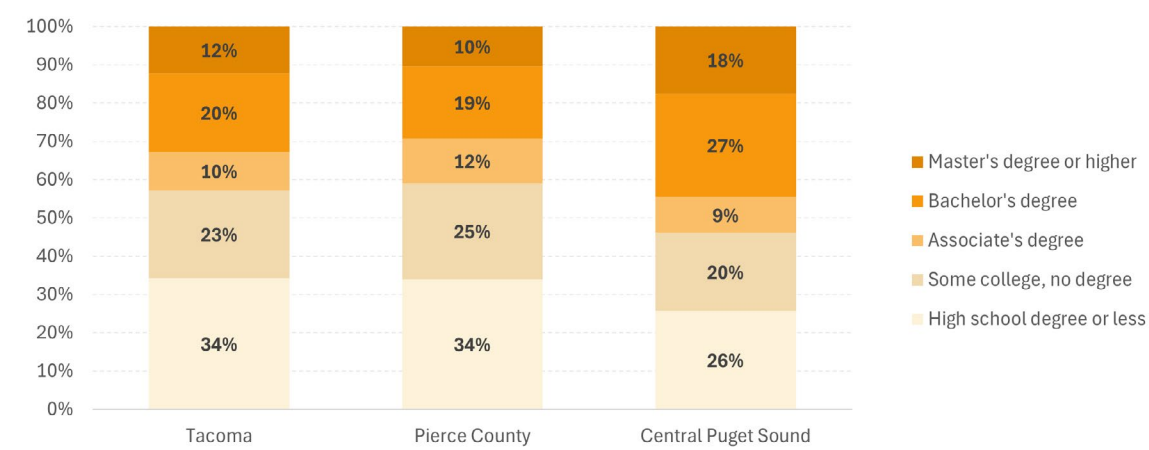
In 2023, Median Family Income for a family of 4 in the Tacoma Metro area was \$112,600. However, living wage calculations suggest that an annual income of \$124,259 is what is needed to provide for the full range of basic needs and costs of living (Living Wage Institute, 2025). This discrepancy suggests that the median Tacoma household is falling short of the living wage definition, and Tacoma must proactively invest in improving access to living-wage employment opportunities for community members.

Exhibit 56. Household Income, City of Tacoma, Pierce County and Region, 2022



Source: U.S. Census Bureau, ACS 5-year Estimates, 2018-2022

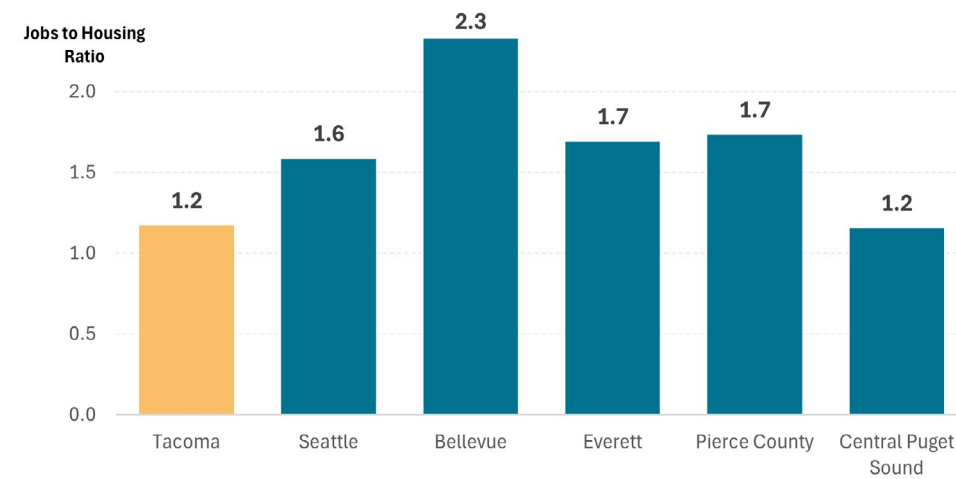
Exhibit 57. Educational Attainment, City of Tacoma, Pierce County and Region, 2022



Source: U.S. Census Bureau, ACS 5-year Estimates, 2018-2022

The jobs to housing ratio compares the count of jobs to the count of households in an area, providing insight into whether the community functions more as an employment center or bedroom community. A ratio above 1.0 leans toward employment center, while a ratio below 1.0 leans toward a bedroom community. Tacoma’s job to housing ratio is 1.2, mirroring that of the Puget Sound region as a whole (Exhibit 58). If current housing and employment targets are met for Tacoma in 2050, this ratio will trend upward and Tacoma will become even more of an employment center than it is today.

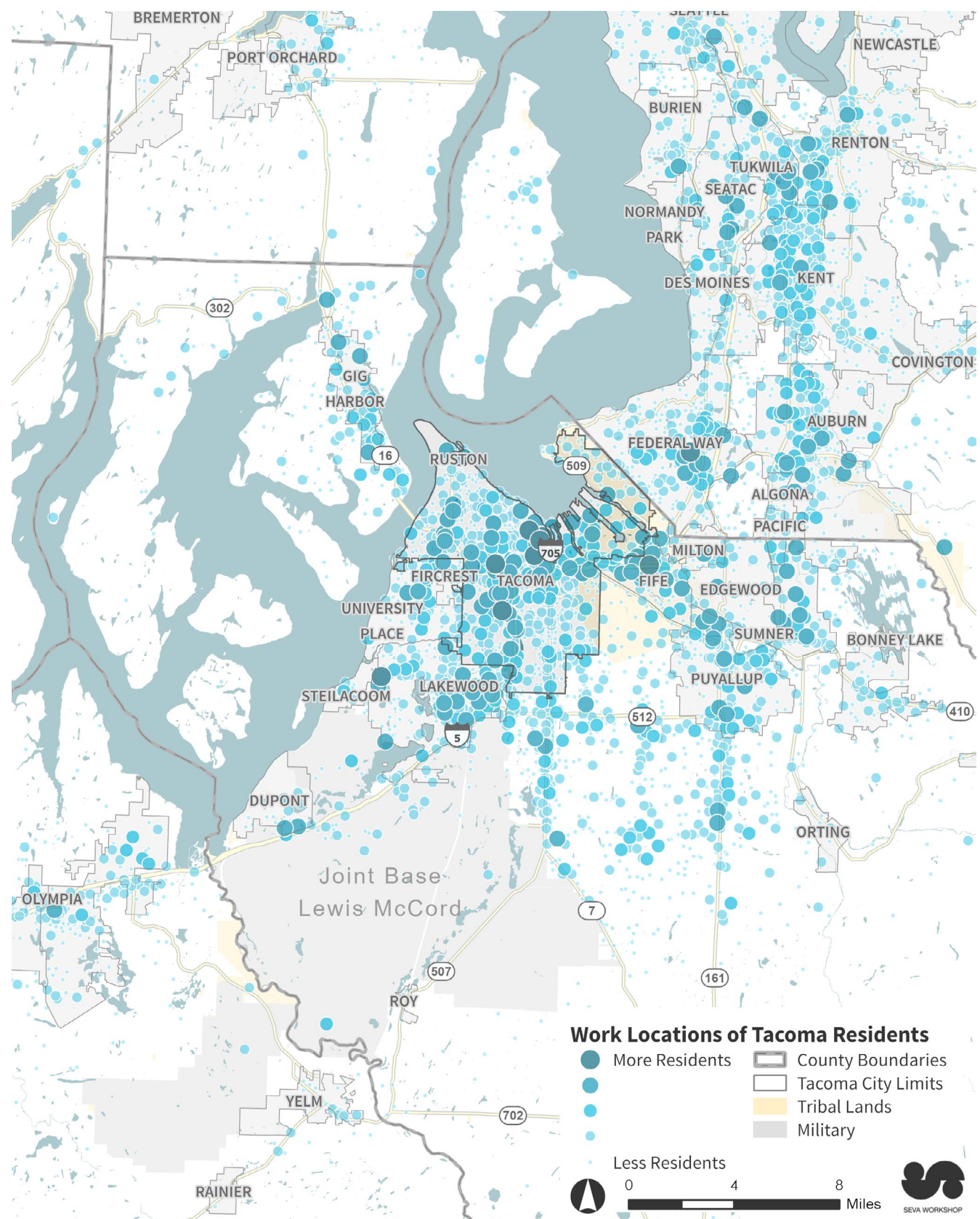
Exhibit 58. Jobs to Housing Ratio, City of Tacoma and Comparison Cities, 2022



Note: Central the Puget Sound region includes King, Snohomish, Pierce, Kitsap Counties. Sources: PSRC, 2022; OFM, 2022; Seva Workshop, 2024.

**Employment locations for Tacoma residents.** According to the 2021 census data, roughly one third of Tacoma residents live and work in Tacoma, while 12% commute to Seattle (Exhibit 59). Other employment destinations include Lakewood, Kent, and communities north of Tacoma, such as Fife and Federal Way. Exhibit 59 indicates that Tacoma residents work throughout the region and their places of employment are dispersed.

Exhibit 59. Place of Work for Residents of Tacoma, Top 10 Destinations, 2021

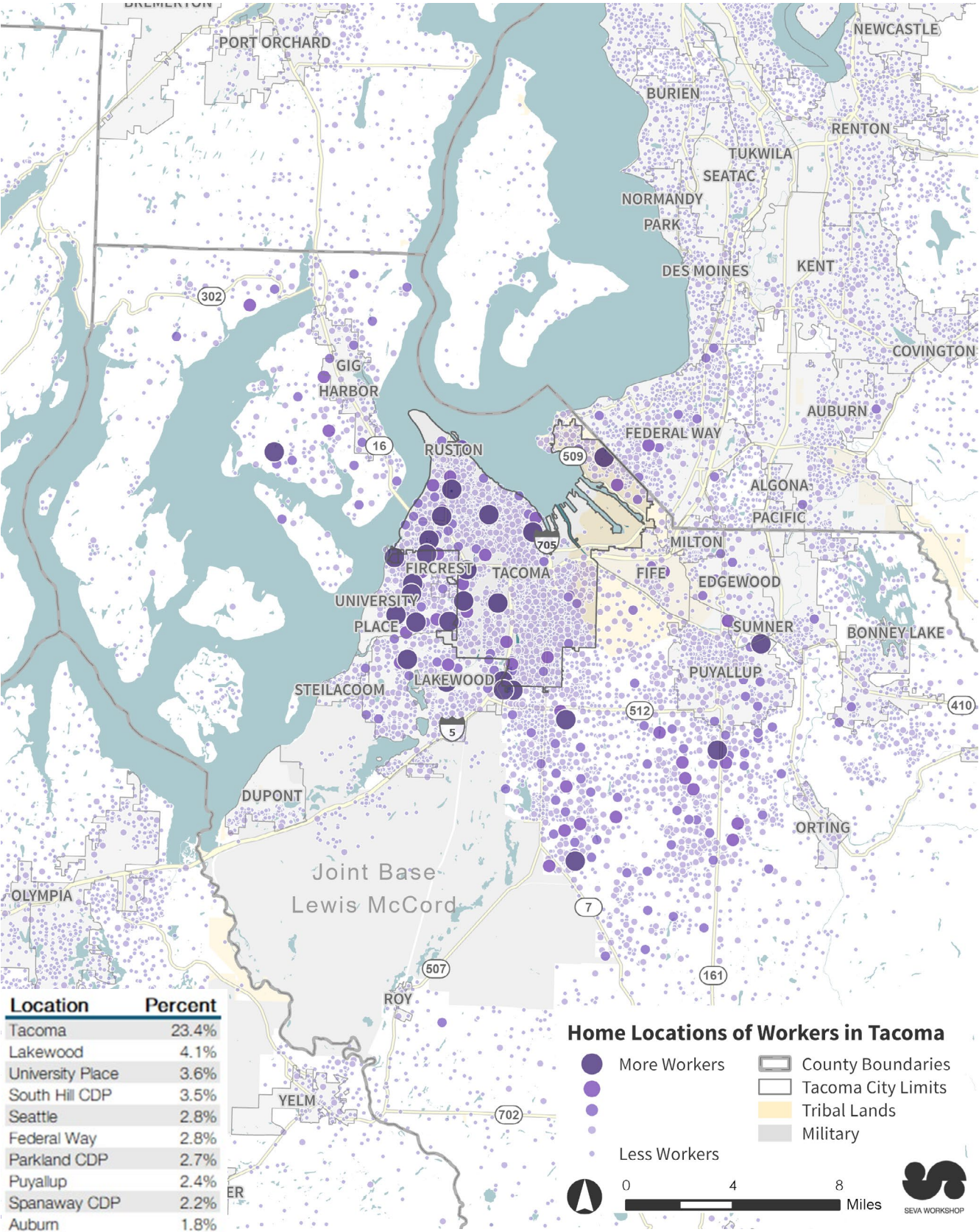


Source: U.S. Census LEHD Data, 2021

Housing locations of Tacoma's workforce. Of all people who work in Tacoma, twenty-three percent (23%) live in Tacoma, with most of the remainder traveling from communities in north Pierce County and south King County (Exhibit 60). People who work in Tacoma are generally more concentrated in Pierce County, with fewer people commuting from the Seattle and Bellevue area, demonstrating Tacoma's role as a regional employment center within the South Sound region. Increasing jobs in Tacoma provides many benefits to Tacomans, not the least of which are spending less time and money commuting.



Exhibit 60. Place of Residence for Workers in Tacoma, Top 10 Destinations, 2021

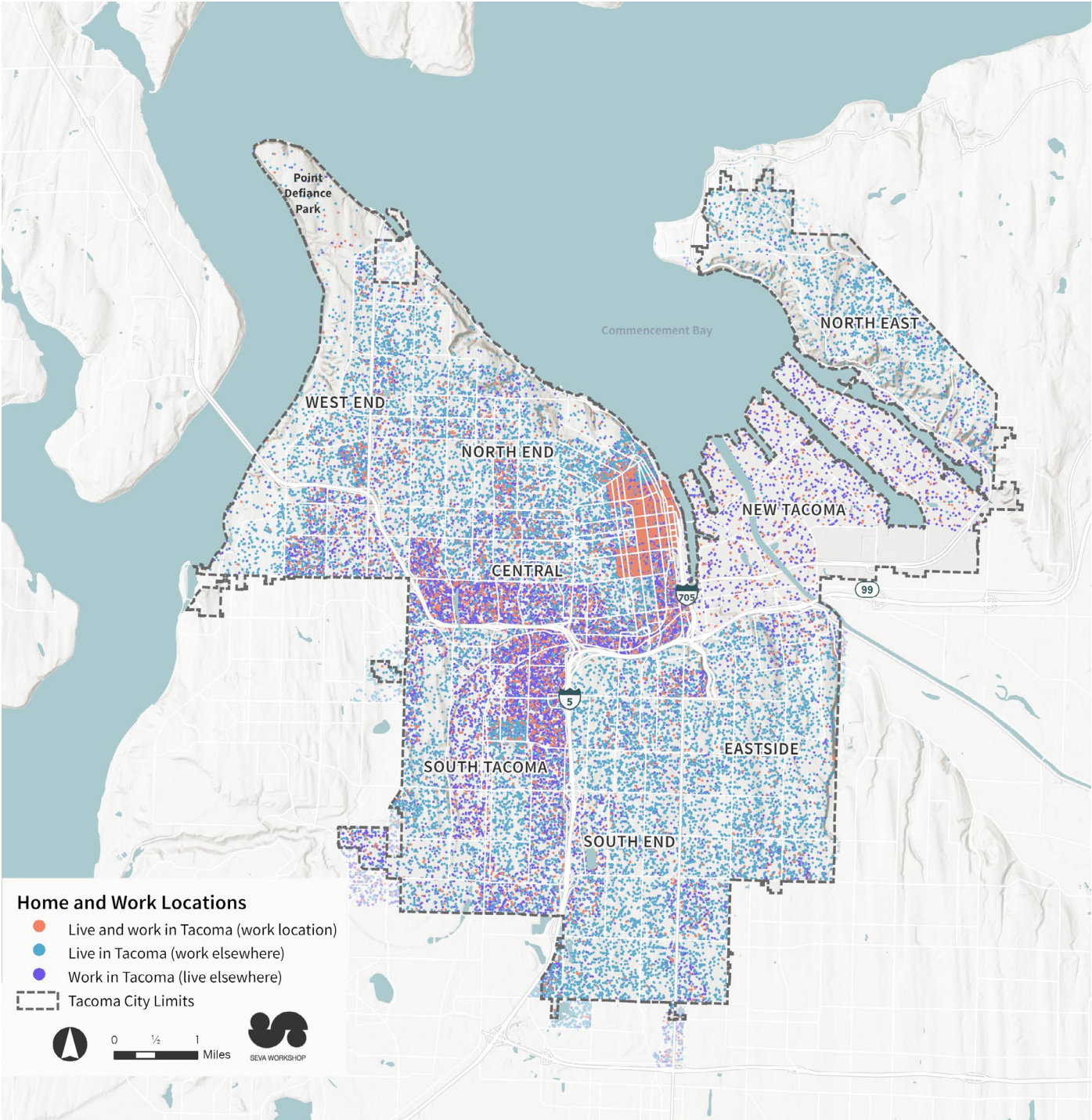


Source: U.S. Census LEHD Data, 2021



A large proportion of workers who both live and work in Tacoma are in Downtown Tacoma. Industrial areas in the Tideflats and South Tacoma attract workers from across the region and serve as both regional and local employment hubs (Exhibit 61).

Exhibit 61. Home and Work Locations in Tacoma, 2021



Source: U.S. Census LEHD Data, 2021

## 7.2 Goals and Policies

### DIVERSIFYING AND EXPANDING THE ECONOMY

Cities with employment across a wide range of industries are typically better positioned to weather inevitable fluctuations in the global, regional, and local economy. Though all communities suffer job losses and subsequent decreases in tax revenue during economic downturns, more robust, diversified economies are able to rebound relatively quickly, creating new job opportunities to replace those lost. Expanding and diversifying Tacoma's economic base will make it more stable and provide more opportunities for people to live and work in their community.

An economy with a wide range of employment options in different sectors offers Tacomans with varying levels of skills and education greater opportunities to attain living wage jobs. This goal and its associated policies seek to diversify and grow Tacoma's economy in a way that will benefit all of its residents.

**GOAL EC-1:** A diverse economic base and robust economy offers Tacomans a wide range of employment opportunities, goods and services.

**Policy EC-1.1:** Plan to meet regional employment growth target for adding 94,000 new jobs by 2050.

**Policy EC-1.2:** Ensure that there is sufficient zoning and development capacity to accommodate the 2050 employment growth allocations. Monitor land supply over time and take reasonable measures if necessary to increase the availability of land for economic activity.

**Policy EC-1.3:** Provide an equitable distribution of employment lands to ensure neighborhood and community access to daily essentials, goods, and services, as well as access to living wage employment opportunities.

**Policy EC-1.4:** Coordinate and expand partnerships with the state, counties, other cities, businesses, and organizations engaged in diversifying and growing the economic base of the central the Puget Sound region.

**Policy EC-1.5:** Maintain and implement an Economic Development Strategic Plan that identifies short- and mid-term goals and strategies to diversify and expand the Tacoma economy.

**Policy EC-1.6:** Encourage commercial and industrial development, especially green businesses and industries, by ensuring the availability of suitable sites for development and providing appropriate zoning and infrastructure.

**Policy EC-1.7:** Develop and grow relationships, partnerships, and programs to promote regional, inter-state, and international business and trade opportunities in Tacoma.

**Policy EC-1.8:** Encourage the establishment and expansion of locally-owned businesses that generate profits that are reinvested in Tacoma, prioritizing those meeting the needs of Tacomans and for export.

**Policy EC-1.9:** Support the development of BIPOC and culturally-relevant businesses that meet the needs of Tacoma's diverse populations.

**Policy EC-1.10:** Leverage Tacoma's industry sector strengths and assets to position Tacoma as a leader and innovator in the local, regional, and state economy.



Tacoma has a robust economy and network of support organizations to offer Tacomans a variety of fulfilling career paths. The city's deep-water port, educational and research institutions, proximity to JBLM, and connection to the regional technology sector all support the development of emerging opportunities. In addition, Tacoma's reliance on carbon-free electricity and affordable utility rates offers an attractive destination for environmentally conscious businesses. Tacoma's Green Economy Strategy prescribes a series of steps for making these assets work in tandem to position Tacoma as a thriving center of innovation and opportunity. Much of the groundwork has been laid for success, and the hands-on work needed to realize the outcomes will take place in the coming years.

**Policy EC-1.11:** Identify and regularly update Tacoma’s target industries to better leverage the City’s economic position within the region and to respond to strategic opportunities as they arise.

**Policy EC-1.12:** Actively seek investments to grow Tacoma’s presence in the following target industries:

- ▶ Healthcare
- ▶ Information technology and Cybersecurity
- ▶ Advanced manufacturing
- ▶ Tourism and hospitality
- ▶ Professional services
- ▶ International, interstate, and regional trade
- ▶ Circular economy
- ▶ Maritime
- ▶ Cleantech
- ▶ Clean energy
- ▶ Sustainable building and construction
- ▶ Creative Economy

**Policy EC-1.13:** Implement the Green Economic Development Strategy as a means of advancing economic development objectives, improving health and equity outcomes, and incorporating socially and environmentally sustainable business practices into the local economy.

**Policy EC-1.14:** Promote the equitable geographic distribution of retail goods and services to support multi-modal access to essential items.

- ▶ Analyze best practices in developing solar energy projects a) on new commercial and industrial development for sizing, cost, etc. and recommend code to implement requirements to including solar on these uses; and, b) above surface parking for sizing, cost, etc. and recommend code to implement requirements to install solar projects on these uses.

**Policy EC-1.15:** Identify and strategically develop underutilized land parcels suitable for commercial or light industrial activity, prioritizing locations that:

- ▶ Manage impacts to existing residential neighborhoods.
- ▶ Promote compatibility with surrounding land uses through thoughtful design and mitigation strategies.
- ▶ Generate good-paying jobs and opportunities for economic advancement in communities historically underserved by inequitable development.



As the global economy grows increasingly digital, Cybersecurity will play a critical role in protecting national security and preserving the country’s intellectual property. As hackers and hostile entities grow more sophisticated in their attacks, the standards used to protect data are growing more rigorous. The Department of Defense will soon require defense contractors to obtain and maintain Cybersecurity Maturity Model Certification Level 2 certification. Because Tacoma’s economy is heavily involved in the aerospace and defense industry, proactively growing a robust Cybersecurity workforce will assure that local contractors have access to the talent and resources needed to obtain valuable contracts.

## EQUITABLE HOUSEHOLD PROSPERITY

Equitable and broadly shared prosperity through employment is a key objective for Tacoma’s economic development efforts. The benefits of increased access to jobs should be available to all Tacomans. Equity has been identified by the City as a top priority, and through its Equity and Empowerment Initiative, it has taken steps to improve services to historically underrepresented communities. While creating more high-quality job opportunities is important, it is equally critical to enhance Tacomans’ skills and education to increase their access to these jobs. The goal and policies in this section outline the City’s intent for the city to have more living wage jobs and enhance workforce development and education for Tacomans.

**GOAL EC-2:** Tacomans enjoy increased access to employment opportunities in Tacoma and are equipped with the education and skills needed to attain high-quality, living wage jobs.

**Policy EC-2.1:** Maintain adequate employment land and public facilities that support living wage jobs that do not require a 4-year college degree and facilitate career advancement for economically disadvantaged individuals.

**Policy EC-2.2:** Encourage investment in, and alignment of, public efforts to reduce racial, gender, ethnic and disability-related disparities in income and employment opportunity.

**Policy EC-2.3:** Continue to expand access to contracting opportunities for minority-owned, woman-owned, and emerging small businesses. Provide more technical assistance, mentorship programs, and targeted outreach to address systemic barriers.

**Policy EC-2.4:** Collaborate with local educational institutions and other organizations to enhance the quality and relevance of education at all grade levels and improve access to continuing education, apprenticeship, upskilling, and workforce development opportunities to position residents to be equipped with the skills and training for emergent industries.

**Policy EC-2.5:** Facilitate efforts of businesses, educational institutions, neighborhood organizations, and major civic/government entities in the development of programs that bridge the skills gap between employers and job seekers.

**Policy EC-2.6:** Promote expansion and addition of higher education programs at institutions in industries with growing demand.

**Policy EC-2.7:** Support efforts by educational institutions and other public and private organizations to develop educational opportunities in entrepreneurship and innovation.

**Policy EC-2.8:** Encourage educational institutions and related organizations to develop programs that prepare veterans to successfully transition into the civilian workforce.

**Policy EC-2.9:** Encourage educational institutions, government, and local employers to introduce local youth, particularly in underrepresented communities, to a wide variety of career pathways.

**Policy EC-2.10:** Develop green jobs workforce with relevant skills to prepare Tacomans for emerging opportunities in the green economy.

**Policy EC-2.11:** Maintain tax incentives and other programs that encourage hiring of Tacoma residents and creation of living wage jobs.

**Policy EC-2.12:** Collaborate with Pierce Transit to invest in public transit to major employment hubs.



Professional services refers to the network of firms that provide technical support to other businesses. This includes accounting, legal, IT, consulting, engineering and design, and a host of other functions. This sector is a significant source of living-wage jobs and plays an important role in all economic development.

## BUSINESS RETENTION, EXPANSION, AND ATTRACTION

Tacoma's economy is diverse and benefits from strong defense, medical, education, maritime, manufacturing, finance and insurance, and retail sectors. The increasing growth of technology innovation, such as cybersecurity, bio, and water technologies, as well as creative and craft industries such as breweries, furniture making, and artistic endeavors, rounds out an economic sphere in which many types of enterprises and



workers can thrive. As a built out urban community, Tacoma does not have access to large tracts of land for manufacturing uses. Instead, it must leverage its available talent, buildings, and land to attract enterprises that can afford to pay livable wages and provide the foundation of a healthy economy. Creative approaches to adaptive reuse of existing undeveloped land, historic buildings, brownfields redevelopment, and strategic investment in infrastructure to support job creation are essential. The Green Economy Strategy, adopted in 2023, offers a blueprint for maximizing the city's existing resources to these ends and leveraging federal resources to grow Tacoma's economy sustainably.

The City also recognizes the economic potential for growth in companies that start and expand locally. Therefore, in addition to policies related to retaining and attracting large companies and remaining competitive in the regional, national, and international marketplace, the City must also have policies that facilitate a culture of local entrepreneurship and investment. This goal and its associated policies provide guidance about how to retain and expand existing companies and nurture new companies and economic endeavors.

**GOAL EC-3:** Tacoma's business culture encourages existing establishments to grow in place, attracts new firms to the city, and supports new homegrown enterprises.

**Policy EC-3.1:** Support efforts to attract, expand, and retain businesses that offer high quality jobs, are consistent with the green economy strategy, generate local tax revenue, and/or provide needed goods and services to residents.

**Policy EC-3.2:** Coordinate with organizations that provide microloans, small business loans, and other financial resources to fund new businesses and business expansions, and encourage entrepreneurs to explore innovative financing strategies, such as crowdfunding.

**Policy EC-3.3:** Encourage the establishment and expansion of Tacoma's Creative Economy sector, such as craft and artisan manufacturing, arts and culture, and creative digital production.

**Policy EC-3.4:** Support and expand collaborative makerspaces, incubators, and shared workspaces for businesses and entrepreneurs to develop ideas, share equipment, and prototype new products.

**Policy EC-3.5:** Expand Tacoma's current business assistance programs to support robust attraction, retention, and expansion efforts, as well as a growing network of entrepreneurs and independent local businesses.

**Policy EC-3.6:** Maintain and expand programs that support small businesses and entrepreneurs, particularly minority and women-owned businesses and veterans transitioning to the civilian workforce.

**Policy EC-3.7:** Establish business attraction efforts that focus on City-identified priority sectors (EC-1.12).

**Policy EC-3.8:** Expand programs that recruit entrepreneurs associated with priority sectors and continue to build an entrepreneurial culture in Tacoma.

**Policy EC-3.9:** Promote key retail, office, and manufacturing opportunity sites as identified in the City's Economic Development Strategic Plan, Subarea Plans, and other planning documents.



The traded sector refers to products created in Tacoma and sold outside of Tacoma in regional, national, and international markets. By growing the traded sector, Tacoma's businesses can grow without competing against each other for local customers. This brings in revenue to the City, which can in turn support the investments needed to maintain Tacoma's edge as a premier destination for businesses.

**Policy EC–3.10:** Develop and deploy targeted Business Retention and Expansion visitation programs to proactively address concerns of existing Tacoma companies and expand awareness of growth incentives and emerging opportunities in the green economy.

**Policy EC–3.11:** Support establishment of temporary markets (farmers’ markets, craft markets, flea markets, etc.) and other temporary or mobile vending structures in the public realm that enable startup business activity and encourage their transformation into more permanent facilities.

**Policy EC–3.12:** Create tools and resources that prevent displacement and assist with relocation of existing Tacoma businesses amidst changing economic factors.

**Policy EC–3.13:** Promote the establishment of Business Improvement Areas with targeted plans based on community-specific needs.

**Policy EC–3.14:** Coordinate with agencies and community organizations in the proactive identification and remediation of brownfields.

**Policy EC–3.15:** Encourage the use of sustainability criteria for awarding contracts in the City’s procurement and contracting processes.

**Policy EC–3.16:** Leverage the City’s buying power to allow innovative startups to demonstrate proof-of-concept and establish headquarters in the region.

**Policy EC–3.17:** Support home occupations and microenterprises in accessing resources to scale businesses.

**Policy EC–3.18:** Develop strategy to prevent business displacement and assist in retaining businesses that require relocation assistance.

**Policy EC–3.19:** Commit to reducing unnecessary burdens on small businesses by simplifying permitting processes, ensuring all regulatory and infrastructure requirements are clearly defined in code, and local regulations are aligned with state and national standards wherever feasible.

**Policy EC–3.20:** Foster ongoing dialogue between the City and the small business community to identify and address regulatory challenges.

**Policy EC–3.21:** Ensure regulations are appropriately scaled to the size and scope of businesses.

**Policy EC–3.22:** Establish Service Level Agreements for key interactions with businesses, including response times to inquiries, permit applications, and other requests.

**Policy EC–3.23:** Seek to minimize displacement impacts of existing tenants and businesses as a result of the Tacoma Dome Link Extension (TDLE). As is feasible, provide ample relocation assistance, access to resources, and opportunities for participation in redevelopment planning. Explore opportunities to facilitate a collective space within a nearby development to house food vendors currently operating at Freighthouse Square, seeking to retain the existing food court atmosphere in close proximity to the TDLE Tacoma Dome station footprint.



#### WHAT IS A PUBLIC DEVELOPMENT AUTHORITY?

Special purpose quasi-municipal corporations, known as public development authorities, are authorized under Washington state law to achieve a variety of public purposes. Examples include management of development and redevelopment areas, facility management, cultural services, and historic district management.

## BUSINESS-FRIENDLY ENVIRONMENT

Creating an environment that promotes economic development depends on a multitude of factors, and the City has a key role in spurring private-sector investment and the creation of jobs by creating a business friendly climate. From the quality of the City's services and regulations to public investments in infrastructure and organizations, the City has significant influence on how people perceive the ease of doing business in Tacoma. This goal and its supporting policies stress the importance of customer service, organized and predictable permit procedures, a fair and effective regulatory environment, quality infrastructure, and the City's leadership role in creating a competitive, attractive business atmosphere.

In the 2024 Business Climate Survey, conducted by the Tacoma-Pierce County Chamber of Commerce and EMC Research, 87% of business owners named communication about policies affecting their businesses as important, and 58% named it very important. While the City maintains transparent lines of communication with businesses, a proactive approach to policy announcements should be prioritized. Businesses deserve to know what policies are changing, why they are changing, and what it means for their operations.

**GOAL EC-4:** The City has a positive business environment and proactively invests in transportation, infrastructure and utilities to grow Tacoma's economic base in target areas.

**Policy CN-4.1:** Provide a positive, accessible, and customer-oriented atmosphere to those seeking municipal services and coordinate with other departments such as Permitting and Tax and Licensing to promote a seamless, reliable customer experience.

**Policy CN-4.2:** Promote a culture throughout the City's departments that continuously improves the quality, predictability, timeliness, and cost of the development process.

**Policy CN-4.3:** Encourage predictability and consistency in the City's land use regulations, while also allowing for flexibility and creativity in the site development process.

**Policy CN-4.4:** Review development regulations periodically to ensure that new use types that are consistent with the intent of the Comprehensive Plan can locate within the city.

**Policy CN-4.5:** Review and improve code requirements to facilitate cost-feasible adaptive reuse of heritage and historic buildings for modern business enterprises, job creation, and work-live operations.

**Policy CN-4.6:** Encourage active cooperation and communication between the City and local businesses concerning economic development issues, including support for businesses that have specialized infrastructure, building design, and transportation needs.

**Policy CN-4.7:** Collaborate with Neighborhood Business District Associations in engagement that better reflects demographic diversity and the range of interests within the areas they represent, and that advances economic development goals.

**Policy CN-4.8:** Assess Tacoma's competitiveness and business environment by periodically reviewing applicable economic indicators and established performance measures.



In 2024, the City introduced the Tacoma Work Opportunity Tax Credit, which allows employers to claim a \$1000 business and occupation tax credit when they hire a person who meets the vocational rehabilitation referral qualifications for the federal Work Opportunity Tax Credit. This credit supports the hiring of individuals with physical and intellectual disabilities, expanding opportunities for everyone to thrive in Tacoma's economy.

**Policy CN-4.9:** Encourage the construction and maintenance of utility, communications, broadband, and wireless and technology infrastructure that will help attract business and industry to the Tacoma community.

**Policy CN-4.10:** Use innovative finance methods and seek regional funding opportunities for Tacoma's infrastructure to support the city's continued economic vitality.

**Policy CN-4.11:** Anticipate infrastructure systems and facilities needs and prioritize public investments necessary to support catalytic economic development and redevelopment projects.

**Policy CN-4.12:** Encourage commercial implementation of advanced technologies such as applied artificial intelligence that improves safety and productivity while preserving employment opportunities.

**Policy CN-4.13:** Support programs that expand access to childcare to grow workforce participation opportunities.

Businesses consider a wide range of factors when choosing where to locate. In a 2023 survey by Area Development, factors such as quality of life, energy costs, broadband access, highway accessibility, and oceanport accessibility were among the top 30 location factors (Gambale, 2023). But the benefits of these investments go beyond attracting and retaining businesses. Properly implemented, infrastructure investments can improve the quality of life for all Tacomans by streamlining transportation, improving connectivity, and reducing cost of living.





**Policy CN-4.14:** Support a Community Benefit Agreement (CBA) or similar agreement with Sound Transit to provide a design framework of the TDLE terminus. This agreement should deliver tangible benefits to the community, such as: adopting a set of design principles for the TDLE terminal station, affordable housing within the station area, local hiring preferences, workforce development programs, improved non-motorized and transit access to the Downtown Core and nearby Mixed Use Centers like McKinley Hill and Lincoln District, and ongoing community engagement.

## CITY IMAGE AND REPUTATION

Within a larger region, a city's image and reputation can be a deciding factor for where people and businesses choose to locate. Abundant amenities, excellent transportation infrastructure, unique character, commitment to sustainability, clean and safe streets, and good schools represent a handful of the components that make great cities and attract economic development. In Vision 2025, Tacomans have articulated an image and vision for their city. Neighborhood themes and assets throughout Tacoma can help support and define this citywide identity, which can be further developed into a brand that clearly communicates community priorities and interests. This goal and its supporting policies aim to increase economic investment in Tacoma by enhancing its image and reputation in the region.

**GOAL EC-5:** Create a city brand and image that supports economic growth and leverages existing cultural, community and economic assets.

**Policy CN-5.1:** Continue to market Tacoma's brand as a livable community and excellent place to do business by showcasing the community's competitive advantages, and economic and community assets.

**Policy CN-5.2:** Continue efforts to position Tacoma as a leader in the green economy and an incubation hub for emerging green industries.

**Policy CN-5.3:** Collaborate with businesses, business organizations, and the community to organize and promote events and festivals that help residents and visitors develop positive associations with the Tacoma community.

**Policy CN-5.4:** Maintain and enhance social and cultural amenities, such as attractive public spaces, historic building inventory, restaurants, sidewalk cafes, and art galleries, to foster an environment that retains and attracts businesses.

**Policy CN-5.5:** Partner with Neighborhood and Community Services and Environmental Services to improve Tacoma's community appearance, addressing graffiti, litter, abandoned vehicles, illegal dumping, weed abatement, property maintenance, illegal signs, etc.



Spaceworks Tacoma is a joint initiative of the City of Tacoma and the Tacoma-Pierce County Chamber of Commerce, which makes space, business training, and technical assistance available to artists, creative entrepreneurs, organizations, and community groups who are transforming Tacoma into an economically stronger and culturally vibrant city.



**Policy CN-5.6:** Encourage new development to include site, architectural, and landscape design features that enhance the appearance and reputation of the city and its neighborhoods and business districts.

**Policy CN-5.7:** Collaborate with partner organizations to promote the city's distinctive character, historic inventory, public art, cultural and recreational activities, retail businesses, business districts, and attractions to make Tacoma a destination city.

**Policy CN-5.8:** Promote Tacoma as an international city, highlighting diverse cultural attractions, traditions, and communities in the neighborhoods and business districts as well as Downtown.

**Policy CN-5.9:** Leverage Tacoma's major institutions to attract businesses that serve their populations, as well as businesses seeking a trained and educated workforce.

**Policy CN-5.10:** Encourage preservation and adaptive reuse of the city's historic building inventory and leverage such efforts in branding and marketing campaigns. Proactively and fully utilize rehabilitation incentives and develop new tools to accomplish these goals.

**Policy CN-5.11:** Support the following general principles for station design should the TDLE light rail project necessitate demolition of Freighthouse Square, ensuring that the replacement station is a symbol of civic pride and a dynamic, mixed-use environment that honors the history of the site and serves as a community hub, with principles potentially including, but not limited to:

- ▶ An enclosed, weather-protected station
- ▶ Vibrant mixture of transit and non-transit uses
- ▶ Authentic, local materials
- ▶ Reclaimed existing materials
- ▶ Recognized historical significance
- ▶ Integrated public services, and
- ▶ Improved public realm.

These proposed principles are enumerated further below:

- ▶ **An enclosed, weather-protected station:** The replacement station should be fully enclosed from the ground level to the station platform, providing a safe, secure, welcoming and weather protected environment for visitors and passengers in Tacoma's wet climate. This enclosure should be integrated into the overall design aesthetic, honoring the structured, open concourse character of Freighthouse Square. The train and passenger platform may incorporate elements of enclosure and openness to support a sense of place.
- ▶ **Vibrant mixture of transit and non-transit uses:** The station should foster a vibrant and inclusive community hub through a diverse mix of public and private transit and non-transit uses within the station that support local economic opportunity and enhance the quality of life for residents and visitors, such as flexible spaces for retail, food, beverages, community gathering, public art, public services and information.
- ▶ **Authentic, local materials:** Prioritize the use of natural, durable materials and design elements that reflect the unique character of Tacoma. This includes maximizing natural light, incorporating locally sourced wood, stone or other natural materials as finishes, and celebrating the region's natural beauty and cultural heritage. The current Tacoma Amtrak station can be used as a form of design guidance, as it has received significant recent community input.



Measuring the success of a growing economy goes beyond GDP. While traditional indicators such as number of jobs created, tax receipts, and new businesses are the principal objectives of economic development, the direction of growth is equally important. Equity and environmental measures round out the picture of Tacoma's progress. Monitoring the racial and gender opportunity gaps will help guide Tacoma's future towards a more equitable economy. Measures that track energy efficiency investments from local businesses can shed light on regional environmental progress.

- ▶ Reclaimed existing materials: Encourage the salvage and reuse of materials from the existing structure in the new station's design, including potential elements from the current Sounder and Amtrak Stations.
- ▶ Recognized historical significance: Incorporate design elements and interpretive displays that acknowledge the cultural and historical significance of Freighthouse Square, the Milwaukee Road, and Amtrak Station relocation, including engagement with and recognition of the Puyallup Tribe of Indians.
- ▶ Integrated public services: The station will be designed to accommodate a range of essential public services, such as access to drinking water, power, Internet access, public restrooms, fostering a vibrant and accessible community resource with an outstanding rider experience. This includes consideration for spaces suitable for services, such as: a satellite library branch, post office counter and other amenities useful for commuters and the general public.
- ▶ Improved public realm: Incorporate design improvements to nearby pedestrian-scale lighting, street trees, street furniture, and traffic calming, applying relevant principles of the City of Tacoma's Design Review program and Transit Oriented Development Toolkit. Ensure the TDLE terminal station is directly accessible to major destinations, such as the Tacoma Dome.

## EMPLOYMENT CENTERS

The ability to strengthen and diversify Tacoma's employment centers is directly related to the City's land use policy and infrastructure investments. As these employment centers continue to evolve, policy that supports the infrastructure and land use needs of existing and future businesses will be an integral piece of Tacoma's overall economic landscape. Through its economic development efforts, the City will need to work to retain, grow and attract employers. Strengthening employment centers through sound land use policy will result in a stronger and more diverse economic base for the city. In addition, concentrating employment supports development of mixed-use districts where people can live, work, shop, and play. The employment centers also help improve health outcomes and advance the 15-minute city goals in providing employment opportunities and essential goods and services in proximity to where people live. This goal and its supporting policies are organized into five categories: Regional Growth Centers, Commercial Districts, Major Campus Institutions, Industrial Districts, and Manufacturing/Industrial Centers. Policies are tailored to support the unique characteristics of employment centers and the varying role that each plays within the context of the city's economy and overarching land use policy.



Through the Equity in Contracting program, the City proactively assists BIPOC-owned businesses in navigating the City contracting process and maintains robust equity criteria when evaluating Requests for Proposals. This program is one step towards addressing the historical opportunity gap and creating pathways for entrepreneurial success for BIPOC business owners.

**GOAL EC-6:** Create robust, thriving employment centers and strengthen and protect Tacoma's role as a regional center for industry and commerce.

## REGIONAL GROWTH CENTERS

Regional Growth Centers are at the heart of VISION 2050's approach to growth management and characterized by compact, pedestrian-oriented development, with a mix of office, commercial, civic, entertainment, and residential uses. Regional growth centers are envisioned as major focal points of higher-density population and employment, served with efficient multi-modal transportation infrastructure and services. Tacoma's Regional Growth Centers include the Downtown Tacoma Regional Growth Center and Tacoma Mall Regional Growth Center.

**Policy EC-6.1:** Continue to position the Downtown Tacoma Regional Growth Center as the area with the highest concentration of employment in Tacoma and the preeminent employment center for the South Sound.

**Policy EC-6.2:** Continue to carry out the policies of the Downtown Element and implement the Downtown Subarea Plans.

**Policy EC-6.3:** Facilitate infrastructure improvements to increase multi-modal access to mixed-use areas and related job opportunities.

**Policy EC-6.4:** Invest in high-capacity transit projects, including light rail extensions, to connect Tacoma's regional growth centers with each other, to MUCs within one mile of Downtown, and to the Sound Transit regional transit system.

**Policy EC-6.5:** Improve high-capacity broadband to support high wage technology sector roles.

**Policy EC-6.6:** Encourage the development of a hospitality and entertainment business cluster within Downtown Tacoma and other appropriate locations to improve opportunities for shopping, dining, arts and entertainment, lodging, business conventions, and cultural events.

**Policy EC-6.7:** Maintain the Tacoma Mall Regional Growth Center as a regional retail destination while supporting a transition to mixed-used lifestyle center, to strengthen multi-modal infrastructure and access, and support entrepreneurial and employment opportunities.

**Policy EC-6.8:** Support the development of ancillary businesses in the Tacoma Mall Regional Growth Center that build on the strength of the current retail attractions.

**Policy EC-6.9:** Support additional high density residential infill that drives new markets for commercial development in the Tacoma Mall Regional Center.

**Policy EC-6.10:** Pursue funding, incentives, and strategies to implement the Tacoma Mall Regional Growth Center subarea plan.

## COMMERCIAL DISTRICTS

Tacoma has a range of Commercial Districts that play an important role in Tacoma's 15-minute neighborhood vision in providing access to employment and entrepreneurial opportunities and to essential goods and services. Commercial areas are the activity centers of the community.

Commercial areas are distributed across the city in a pattern that reflects zoning regulations, urban development history, especially streetcar development, and population density. These areas cater to both local and regional needs, with a mix of small businesses, retail hubs, and larger commercial centers.

Downtown Tacoma serves as the city's primary commercial hub, with a concentration of office buildings, retail stores, restaurants, and cultural attractions. The Foss Waterway and Thea Foss Marina host commercial activities, including dining, entertainment, and recreational services. The Tacoma Mall is a major regional shopping destination, surrounded by additional commercial properties, including big-box retailers, restaurants, and service-based businesses.

Several designated smaller business districts serve local neighborhoods. These include 6th Avenue, Proctor, Lincoln, and Stadium Districts.

Tacoma's Commercial land use designations include Neighborhood Commercial and General Commercial that accommodate various scales of commercial activities and intensities. Neighborhood Commercial is characterized primarily by small-scale neighborhood businesses with some residential and institutional uses, and greater emphasis on small businesses and development that is compatible with nearby, lower intensity residential areas. General Commercial allows for medium to high intensity commercial and other uses that serve a large community base with a broad range of larger scale uses and are generally located along major transportation corridors.

Consistent with the 15-minute city vision, this Plan supports a range of commercial districts that meet diverse needs, from regional retail destinations like the Mall, to historic neighborhood business districts like Fern Hill, to smaller-scale enterprises integrated into residential areas through neighborhood spaces and home occupations.

**Policy EC-6.11:** Provide for the growth, economic equity, and vitality of the city's commercial districts.

**Policy EC-6.12:** Support efforts of commercial districts to improve their physical attributes by encouraging infill, adaptive reuse, and other strategies to create more walkable places with historic character that enhance neighborhood livability.

**Policy EC-6.13:** Enhance opportunities for cooperation and partnerships between public and private entities that promote commercial revitalization, sustainability initiatives, and transportation demand management.

**Policy EC-6.14:** Encourage concentrations of commercial services, amenities, and employment opportunities in centers and create connections between centers, institutions, and major employers to reinforce the centers' roles as vibrant hubs of activity.

**Policy EC-6.15:** Promote development or redevelopment of vacant, underutilized, or surplus properties, particularly those with potential to serve as a catalyst for economic development, through the use of incentives and other assistance. Collaborate with other entities to identify economic and service needs that could be met through the marketing and development of such sites.



## MAJOR CAMPUS INSTITUTIONS

Major Campus Institutions are centers of employment and serve a broader population than that of the neighborhood in which they are located. These uses include hospitals, medical centers, colleges, universities, and high schools typically greater than 10 acres in size. The designation recognizes the unique characteristics of these institutions and is intended to accommodate the changing needs of the institution while enhancing the livability of surrounding residential neighborhoods and the viability of nearby business areas.

**Policy EC–6.16:** Support the stability and growth of Tacoma’s major campus institutions as essential service providers, centers of innovation and community activity, workforce development resources, and major employers.

**Policy EC–6.17:** Protect the livability of surrounding neighborhoods through adequate infrastructure and campus development standards and provide for context-sensitive, transitional uses and development at the edges of campus institutions to enhance their integration into surrounding neighborhoods.

**Policy EC–6.18:** Encourage the development of long-range plans (i.e. master plans) for hospitals, universities, and other major institutions as part of project review to ensure compatibility with adjacent land uses in the neighborhood area, provide predictability, and reduce piecemeal permits.

**Policy EC–6.19:** Encourage the expansion of local colleges, trade schools, and technical training institutes to increase local employment opportunities within the education sector and increase the number of students in Tacoma.



In partnership with Maritime Blue and Khasm, the City installed a first-in-the-nation private 5G EDGE network in the Tacoma Tideflats, enabling real-time data exchange and creating a testbed for new technologies. The City can invest in similar collaborative infrastructure projects to make Tacoma a world-class destination for innovative companies and startups.

## INDUSTRIAL DISTRICTS

Tacoma has a range of Industrial Districts that support industrial activities across different levels of intensity. These Industrial Districts allow for more intensive land uses while applying greater limitations on housing and uses incompatible with industrial activities. PSRC has identified that economic activity on industrial lands significantly contributes to the region’s growth and prosperity, and Tacoma’s industrial areas are no exception. Industrial areas are also important in providing employment opportunities that are oftentimes lower barrier to entry and provide higher than average wages.

### INDUSTRIAL LAND SUPPLY

**Policy EC–6.20:** Provide industrial land and encourage investment in necessary services that support industrial business retention, growth, and traded sector competitiveness as a West Coast trade and freight hub, a regional center of diverse manufacturing and clean industry, and a widely accessible base of low barrier to entry living wage jobs, particularly for underserved and underrepresented people.

**Policy EC–6.21:** Strictly limit Comprehensive Plan Map amendments that convert industrial land or that would otherwise diminish the economic competitiveness or viability of prime industrial land.

**Policy EC–6.22:** Protect and preserve sufficient land use capacity for water-dependent and related industrial uses within the city’s industrial shorelines.



Through the Business Services and Workforce Partnerships division, the City leads educational workshops offering guidance on starting, funding, and growing a business along with industry-specific seminars.

**Policy EC-6.23:** Preserve existing properties with industrial uses and work to build prime industrial capacity with similar site features to make up for any losses in development capacity.

**Policy EC-6.24:** Pursue regional capital improvement opportunities to provide a competitive advantage for Tacoma's industrial districts and ensure that industrial districts have the necessary infrastructure and capacity to support businesses engaged in activities such as manufacturing, transportation, logistics and international trade, and the green economy.

**Policy EC-6.25:** Coordinate with the Port to market and recruit businesses that meet the subarea's vision for vacant and undeveloped Port-owned properties.

**Policy EC-6.26:** Take advantage of trade relationships established by the Port of Tacoma to promote business attraction and expansion.

**Policy EC-6.27:** Promote programs that encourage international partnerships and exchanges focused on education, culture, trade, foreign direct investment, and business attraction.

## **ENVIRONMENT AND CLIMATE**

**Policy EC-6.28:** Encourage new industrial development that employs sound environmental practices and does not adversely impact air or water quality.

**Policy EC-6.29:** Encourage the use of sustainable design techniques in industrial site and building design. Examples include low impact development techniques to manage stormwater on-site, energy efficient building design, green infrastructure, and the use of recycled and other environmentally friendly building materials.

**Policy EC-6.30:** Ensure industrial development advances and align with the goals of the Economic Green Zone, including being sensitive to and not adversely impacting the South Tacoma Groundwater Protection District and other critical aquifer recharge areas.

**Policy EC-6.31:** Require tree canopy and landscaping standards to improve occupational conditions; to help mitigate heat island effect; to provide environmental, human health, and aesthetic benefits; and to act as buffer to neighboring uses.



# BALANCING JOB CREATION AND ENVIRONMENTAL RESTORATION IN TACOMA'S ECONOMIC DEVELOPMENT FUTURE

Community priorities of equity, opportunity, public health, safety, and sustainability are integrated across all elements of this Plan, creating mutually reinforcing actions and opportunities for inter-departmental collaboration on some of the city's most complex and pressing issues. This strategic integration paves the way for smart investments that address multiple benefits at once. An example of this is the Plan's focus on policies that advance both environmental restoration and green job creation.

Goals and policies in this element include strategies to help existing businesses transform their products, processes, and business models so that they can tap new green market opportunities, grow new businesses and industries that are developing and deploying green technologies, and prepare workers – especially people of color and women – to thrive in this new economy.

Some examples of policies include:

- ▶ Support for a collaborative network of leaders: Forming connections among Tacoma's economic institutions to guide and implement green economic initiatives.
- ▶ Engaging with existing businesses: Conducting meetings to understand their challenges and sharing resources to facilitate the transition to greener processes and products.
- ▶ Upskilling the workforce: Preparing Tacoma's workforce for green economy jobs through targeted training and education programs. For example, specific policies include support for programs that introduce local youth, particularly in underrepresented communities, to a wide variety of career pathways and prepare veterans to successfully transition into the civilian workforce.
- ▶ Deploying emerging technologies: Positioning Tacoma as a real-world testbed for new green technologies, encouraging innovation and adoption.
- ▶ Supporting small and minority contractors: Providing comprehensive services to help these businesses enter and succeed in the green economy.

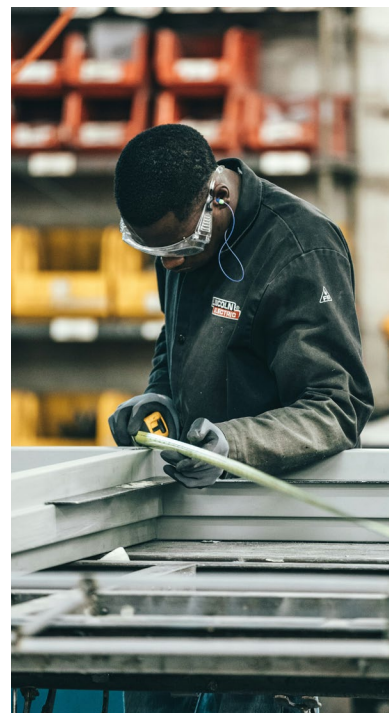
The Comprehensive Plan also supports investments in industry sectors with significant growth potential in Tacoma's local economy:

**Clean energy:** Focusing on advancements in clean hydrogen, electrification, and renewable fuels.

**Industrial symbiosis:** Promoting innovative approaches like reusing products formerly considered waste, leveraging Tacoma's robust logistics and transportation infrastructure.

**Green building products:** Capitalizing on the local manufacturing base to support the production of sustainable building materials.

**Maritime:** Developing smart port technologies and sustainable maritime practices.





## TACOMA'S MANUFACTURING INDUSTRIAL CENTERS

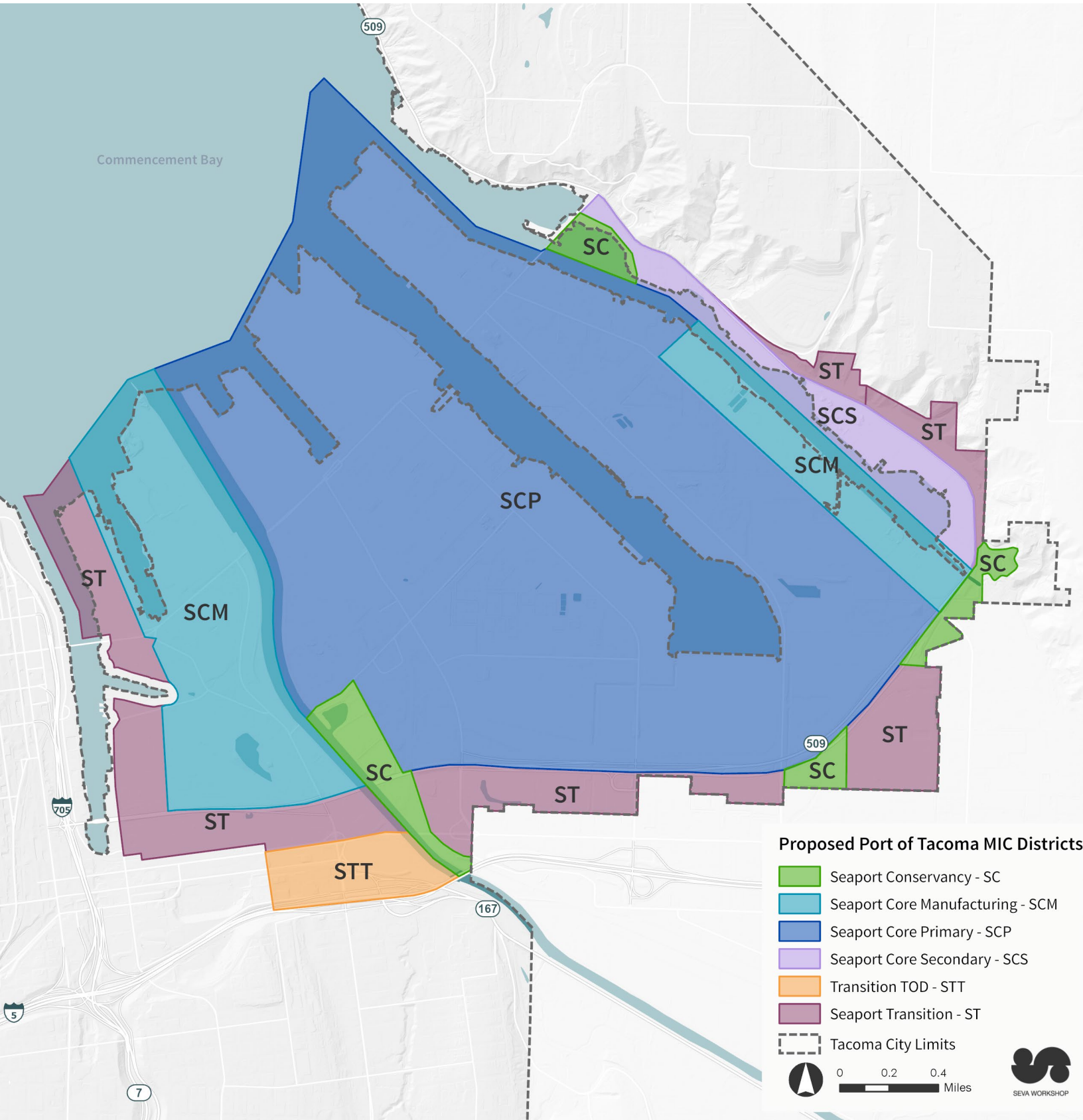
Recognizing the important economic role of industrial lands, the PSRC and Pierce County Regional Council have adopted policies intended to preserve industrial lands, including implementing a designated regional center framework to prioritize areas for targeted growth and investment in the region. MICs are existing employment areas with intensive, concentrated manufacturing and industrial land uses that cannot be easily mixed with other activities. MICs have a very important role in the region as they are intended to continue to accommodate a significant amount of regional employment and be areas of targeted future employment growth. MICs provide economic diversity, support national and international trade, and offer higher-than-average wages, while also generating substantial revenue for local governments. VISION 2050 calls for cities and counties to continue preserving industrial lands for manufacturing and industrial activities, and strictly limit incompatible land uses in MICs. As concentrated areas of economic activity and industrial operations, MICs can also pose significant environmental risks such as air pollution, depleted water quality, and habitat destruction. Effective planning for these centers helps balance industrial development with environmental sustainability.

Tacoma's two MICs, Tideflats and South Tacoma, are centers of concentrated employment that can provide a lower barrier to entry to living wage career pathways.

### TIDEFLATS MIC

The Tideflats MIC comprises over 5,000 acres of waterfront land and adjoining waterways on Commencement Bay. The center includes the natural deep-water port and industrial lands adjoining Hylebos Waterway, Blair Waterway, Sitcum Waterway, the Puyallup River, Saint Paul Waterway, Middle Waterway, and Thea Foss Waterway. The Port is home to Tacoma and Pierce County's highest concentration of industrial and manufacturing activity, a major part of which is focused on port and marine terminals, marine cargo, on-dock intermodal rail yards, container terminals, roll-on/roll-off facilities, non-containerized cargo facilities (moving grain, fruit, alumina, and wood chips), automobile import facilities, shipyards, boat building, and drydocks. The industrial development district includes warehousing, transloading, manufacturing, and fabrication and storage on sites close to marine cargo terminals. The Port also operates the Earley Business Center at the north end of Alexander Avenue on Commencement Bay. Earley Business Center facilities include piers and moorage designed for vessel lay-up, outfitting, maintenance, and repair, as well as rail-served manufacturing buildings and yard areas with overhead cranes. The center has excellent connections to two transcontinental railroads and the regional highway system. Exhibits 62-63 detail the proposed Port of Tacoma MIC districts and associated acreage.

Exhibit 62. Port of Tacoma MIC Districts (Proposed)



Source: Port of Tacoma, 2024

**Exhibit 63. Port of Tacoma MIC District Acreage (Proposed)**

PORT OF TACOMA DISTRICT	ACRES
Seaport Core Secondary - SCS	203
Seaport Conservancy - SC	144
Seaport Core Manufacturing - SCM	826
Seaport Core Primary - SCP	3,140
Seaport Transition - ST	620
Transition TOD - STT	109
Seaport Conservancy - SC	34

### SOUTH TACOMA MIC

Industrial uses within South Tacoma are extensive, extending from near Downtown through the old “Nalley Valley” corridor to the South Tacoma industrial area represented, in part, by the old Tacoma Industrial Airport. In 2004, this area was designated a Countywide MIC. The area is well served by a regional transportation system that includes rail, commuter rail, transit, and Interstate 5. The City intends for the South Tacoma MIC to redevelop with industrial uses and has applied an overlay zoning district for the area with the intent to provide additional protection to industrial and manufacturing uses by placing further restrictions on incompatible uses within this defined area. Community input has highlighted a desire to attract green industries and reduce the impact of the MIC on neighboring residential neighborhoods. Exhibits 64-65 detail the proposed South Tacoma MIC districts and associated acreage.

**Exhibit 64. South Tacoma MIC Acreage**

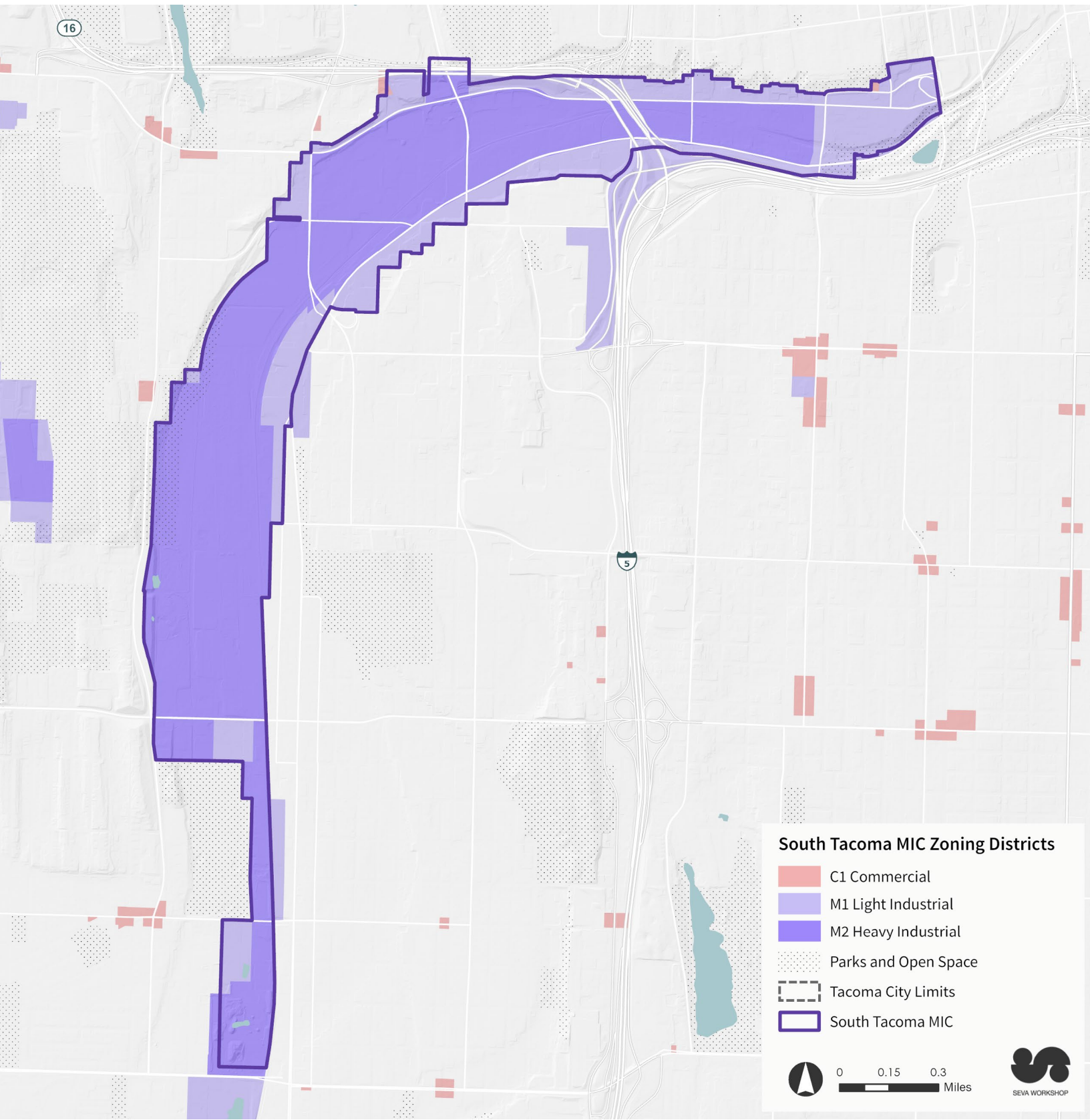
BASE ZONE	SOUTH TACOMA MIC
C1 Commercial	0.4
M1 Light Industrial	127
M2 Heavy Industrial	481
<b>Total Parcel Acreage</b>	<b>608</b>



City's desired vision for an Economic Green Zone, includes a mix of policies, incentives, and zoning requirements that:

- ▶ Attract and retain low- and non-polluting industries, particularly those that are part of the emerging green economy.
- ▶ Support local workforce development that expands Tacoma's competitive advantage in attracting and retaining green employers.
- ▶ Reduce the impact of buildings and infrastructure in the EGZ on the environment and neighboring communities.
- ▶ Reduce the impact of business operations in the EGZ on the environment and neighboring communities (align with current Green Economy plan).

Exhibit 65. South Tacoma MIC Zoning





**LAND USE COMPATIBILITY**

**Policy EC–6.32:** Encourage industrial uses and activities that provide appropriate buffers, including visual line of sight and light intrusion, so as not to impact adjacent residential neighborhoods. Appropriate buffering and functioning should be in place that is concurrent with the occupancy of the industrial use.

**Policy EC–6.33:** Protect adjacent, less intensive land uses from the impacts of industrial uses through the use of performance standards.

**Policy EC–6.34:** Design industrial development to be compatible with adjacent uses and minimize offsite impacts.

**Policy EC–6.35:** Encourage existing and new industrial developments to enhance the aesthetic quality of the community through consideration of good architectural and site design, beautification measures, and proper maintenance.

**Policy EC–6.36:** Separate heavy industrial uses from incompatible adjoining uses with a buffer of less intensive uses such as light industry, commercial development, open space, or sharp topographical changes.

**Policy EC–6.37:** Require freight-reliant businesses and industries to mitigate the impacts of freight and other transportation on communities by investing in mitigation efforts, such as right-of-way tree plantings and green stormwater infrastructure, in impacted neighborhoods.

**Policy EC–6.38:** Develop appropriate zoning requirements, incentives, and policies to transition the South Tacoma MIC into an Economic Green Zone, reducing the impact of the MIC on the environment, surrounding neighborhoods, and workers.

**TRANSPORTATION**

**Policy EC–6.39:** Ensure adequate transportation facilities, services, and infrastructure is in place to facilitate development activity consistent with the vision within designated MICs.

**Policy EC–6.40:** Provide efficient, safe, and well-maintained infrastructure in manufacturing and industrial areas to divert freight truck operations and maintain direct, reliable connections to freeways. Encourage freight-reliant businesses to reduce vehicle trips and transition more goods to rail. Enhance facilities and infrastructure to provide safe, continuous, and comfortable multi-modal connections between manufacturing and industrial areas and surrounding neighborhoods to support equitable access to affordable transportation options for employees.

**Policy EC–6.41:** Leverage City resources and partner with transit and workforce development agencies and employers to bridge transportation to work gaps and to advance opportunities for transit-oriented manufacturing.

**Policy EC–6.42:** Collaborate with Pierce Transit to expand and enhance transit services—including fixed-route buses, on-demand rideshare options, and shuttle services—to manufacturing and industrial areas, with a focus on aligning transit schedules with shift work and improving last-mile connections.

**Policy EC–6.43:** Encourage private and public development of the infrastructure needed to support the transition of freight carriers and delivery fleets to alternative fuels and technologies, such as electrification of vehicles and conversion to renewable fuels.

**Policy EC–6.44:** Promote the reduction of single-occupancy vehicle trips by supporting programs, strategies, and public-private partnerships that offer alternatives such as ridesharing, transit, biking, walking, and other sustainable travel options.

**Policy EC–6.45:** Discourage the siting of new and limit the expansion of existing petroleum fuel facilities within the City’s manufacturing and industrial centers. Encourage clean fuel facilities, where compatible with the protection of environmental assets, that represent the most significant reduction in carbon intensity. Support state and federal clean fuel standards that reduce carbon intensity and programs that invest in alternatives to carbon based fuels such as electrification, transit service, and bike and pedestrian facilities.

## **RETENTION AND INVESTMENT IN INDUSTRIAL LANDS AND EMPLOYMENT**

**Policy EC–6.46:** Ensure that at least 75% of MICs land area be zoned for core industrial uses with monitoring of land supply and uses over time to ensure this threshold is met and that the city is not losing industrial land inventory.

**Policy EC–6.47:** Ensure that at least 50% of the employment in MICs be industrial employment with monitoring over time to ensure this threshold is met.

**Policy EC–6.48:** Support the preservation and growth of MICs by encouraging the concentration of high intensity manufacturing and industrial uses, and through zoning restrictions to protect them from incompatible land uses.

**Policy EC–6.49:** The City, in conjunction with other public and private parties, should encourage and/or pursue land assembly to promote redevelopment within MICs.

**Policy EC–6.50:** Work in conjunction with redevelopment authorities and other public and private parties to pursue additional funding for brownfield cleanup efforts.

**Policy EC–6.51:** Identify and pursue additional opportunities for recruiting manufacturing/industrial uses consistent with each center’s subarea vision and continue to coordinate efforts with other public and private parties.

**Policy EC–6.52:** Maintain and enhance employment opportunities in the MICs.

**Policy EC–6.53:** Support sectors locating in MICs that provide equitable opportunities for attaining living-wage employment, entrepreneurship, and business development across different operational scales, such as craft and artisan manufacturing, makerspaces and incubators, green economy, manufacturing, industrial symbiosis, and clean technology.

**Policy EC–6.54:** Support conducting a subarea plan or land use compatibility study for the South Tacoma MIC, surrounding neighborhoods, and MUC.

**Policy EC–6.55:** Prioritize the development and redevelopment of South Tacoma’s industrial land including transportation improvements and environmental cleanup that enhance the area’s marketability as an Economic Green Zone, particularly for low- and non-polluting industrial uses positioning Tacoma as a regional leader in supporting industrial and manufacturing businesses in the emerging Green Economy. Redevelopment activities should focus on alleviating truck traffic in adjacent neighborhoods, such as using rail to transport goods or designating a truck route to State Route 16.

**Policy EC–6.56:** Encourage development and land uses in the South Tacoma MIC that have less of a freight component and impacts.

**Policy EC–6.57:** Support transition of low employment density land use to industries that provide higher per-acre job concentration where appropriate.

**Policy EC–6.58:** Encourage facility development and utility infrastructure that allows for adaptive reuse of facilities towards higher output activities, such as small business creation, incubators, and manufacturing activities.



In 2024, the City of Tacoma partnered with Goodwill of the Olympics and Clover Park Technical College on a \$500,000 Environmental Protection Agency grant to train workers for brownfield remediation, targeting 140 trainees and 79 environmental job placements.



## 7.3 Actions

ACTION	LEAD
Develop an Equitable Retail Service and Recruitment Strategy.	CEDD (short-term)
Implement the recommended policies and actions of the Tideflats Subarea Plan.	PDS (short-term)
Conduct a Commercial Zoning Update that also addresses any identified gaps in implementing a 15-minute city throughout the city.	PDS (short-term)
Support Major Institutional Campuses in their master planning efforts.	PDS
<p>Conduct a subarea plan and environmental impact statement (EIS) to address compatibility between industrial lands and surrounding neighborhoods for the South Tacoma MIC.</p> <p>Integrate the following actions into future work planning:</p> <ul style="list-style-type: none"> <li>▶ Conduct land use compatibility review between industry (MIC) and residential/commercial uses (siting facilities to address nuisances, noise, odor, health risks)</li> <li>▶ Consider specific design and development code updates for industrial uses, including warehousing and other new development in the MIC</li> <li>▶ Consider establishment of industrial/commercial zoning transitions</li> <li>▶ Consider freight route planning</li> <li>▶ Consider land use compatibility within the MIC</li> </ul>	PDS
Partner with local and regional organizations to build and administer programs/pathways to living-wage job opportunities, especially serving economically disadvantaged communities, in priority and emerging industries.	CED
Work with City departments and partner organizations to plan, fund, and implement infrastructure and service improvements for greater multi-modal access to businesses, services, and workplaces.	PW, PDS, CED
Determine a process to inventory, assess, and market industrial properties for adaptive reuse, remediation, redevelopment, or acquisition to put lands to productive use.	CED, PDS, RPS



ACTION	LEAD
Collaborate with the Puyallup Tribe to support their economic development vision and goals.	CED, PDS, PW
Integrate sustainability criteria into the City's purchasing process to leverage buying power towards sustainability outcomes.	CED, ES (Medium-term)
Provide resources, information, and technical support to businesses seeking to reduce environmental impacts and produce goods and components for sustainable supply chains.	CED, ES (Short-term)
Develop an economic development strategy for the South Tacoma MIC to explore transitioning the economic base to include green manufacturing, research and development, maker spaces, incubators, and craft manufacturing uses.	CED, PDS
Develop methodology and mapping to regularly monitor zoning and land uses in the MICs to ensure no industrial land inventory is being lost and that there is compliance with regional policies, specifically in ensuring that at least 75% of MICs land area be zoned for core industrial uses.	PDS
Develop methodology and means for regularly monitoring employment in the MICs to ensure compliance with regional policies that at least 50% of the employment in MICs be industrial employment.	PDS



It is important to recognize ongoing efforts and partnerships throughout the city related to economic development.

**EXAMPLE PARTNER ORGANIZATIONS:**

- UWT
- Tacoma Institute for Technology
- Tacoma-Pierce County Chamber of Commerce
- Local non-profit organizations
- Economic Development
- Economic Development Board of Tacoma-Pierce County
- Bates Technical College
- University of the Puget Sound
- Clover Park Technical College
- Travel Tacoma

**EXAMPLE EFFORTS:**

- Downtown Office Recruitment
- Spaceworks
- Tacoma Means Business Campaign
- Establishment of Auto Row Business Retention and Expansion Program with Economic Development Board
- Start up weekends for tech entrepreneurs
- MakeItTacoma Website and branding materials