



six



ECONOMIC DEVELOPMENT



ECONOMIC DEVELOPMENT GOALS

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GOAL EC-1 Diversify and expand Tacoma’s economic base to create a robust economy that offers Tacomans a wide range of employment opportunities, goods and services.

GOAL EC-2 Increase access to employment opportunities in Tacoma and equip Tacomans with the education and skills needed to attain high-quality, living wage jobs.

GOAL EC-3 Cultivate a business culture that allows existing establishments to grow in place, draws new firms to Tacoma and encourages more homegrown enterprises.

GOAL EC-4 Foster a positive business environment within the City and proactively invest in transportation, infrastructure and utilities to grow Tacoma’s economic base in target areas.

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

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

SIX

ECONOMIC DEVELOPMENT

WHAT IS THIS CHAPTER ABOUT?

The goals and policies in this chapter convey the City's intent to:

- Diversify and expand Tacoma's economic base to create a robust economy that offers Tacomans a wide range of employment opportunities, goods and services; leverage Tacoma's industry sector strengths such as medical, educational, and maritime operations and assets such as the Port of Tacoma, Joint Base Lewis McChord, streamlined permitting in downtown and excellent quality of life to position Tacoma as a leader and innovator in the local, regional and state economy.
- Increase access to employment opportunities in Tacoma and equip Tacomans with the education and skills needed to attain high-quality, living wage jobs.
- Cultivate a business culture that allows existing establishments to grow in place, encourages new firms to locate in Tacoma and facilitates growth of homegrown enterprises.
- 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.
- Establish a City brand and image that supports economic growth and leverages existing cultural, community and economic assets.
- 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; and
 - Strengthening Tacoma's role as a regional industrial center by preserving its industrial land and encouraging investment in industry-related sectors.

Book I: Goals + Policies

- 1 Introduction + Vision
- 2 Urban Form
- 3 Design + Development
- 4 Environment + Watershed Health
- 5 Housing
- 6 **Economic Development**
- 7 Transportation
- 8 Parks + Recreation
- 9 Public Facilities + Services
- 10 Container Port
- 11 Engagement, Administration + Implementation
- 12 Downtown

Book II: Implementation

Programs + Strategies

- 1 Shoreline Master Program
- 2 Capital Facilities Program
- 3 Downtown Regional Growth Center Plans
- 4 Historic Preservation Plan

WHY IS THIS IMPORTANT?

As one of five designated Metropolitan Cities in the Puget Sound Regional Council's (PSRC) VISION 2040, Tacoma is planning for 97,000 new jobs by 2040. The city has more than enough physical and land use zoning capacity to accommodate this growth, based on the most recent Buildable Lands report, but to work towards this 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. Figure 23 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.

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 Economic Development 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 absolutely essential because land use, transportation and housing, to name a few, all play critical roles in fostering a thriving economy.

At the community scale, creating a diversified economy with a wide variety of living wage job opportunities will help to improve the livelihoods of Tacomans. Enhancing access to these jobs is absolutely essential, however. 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.

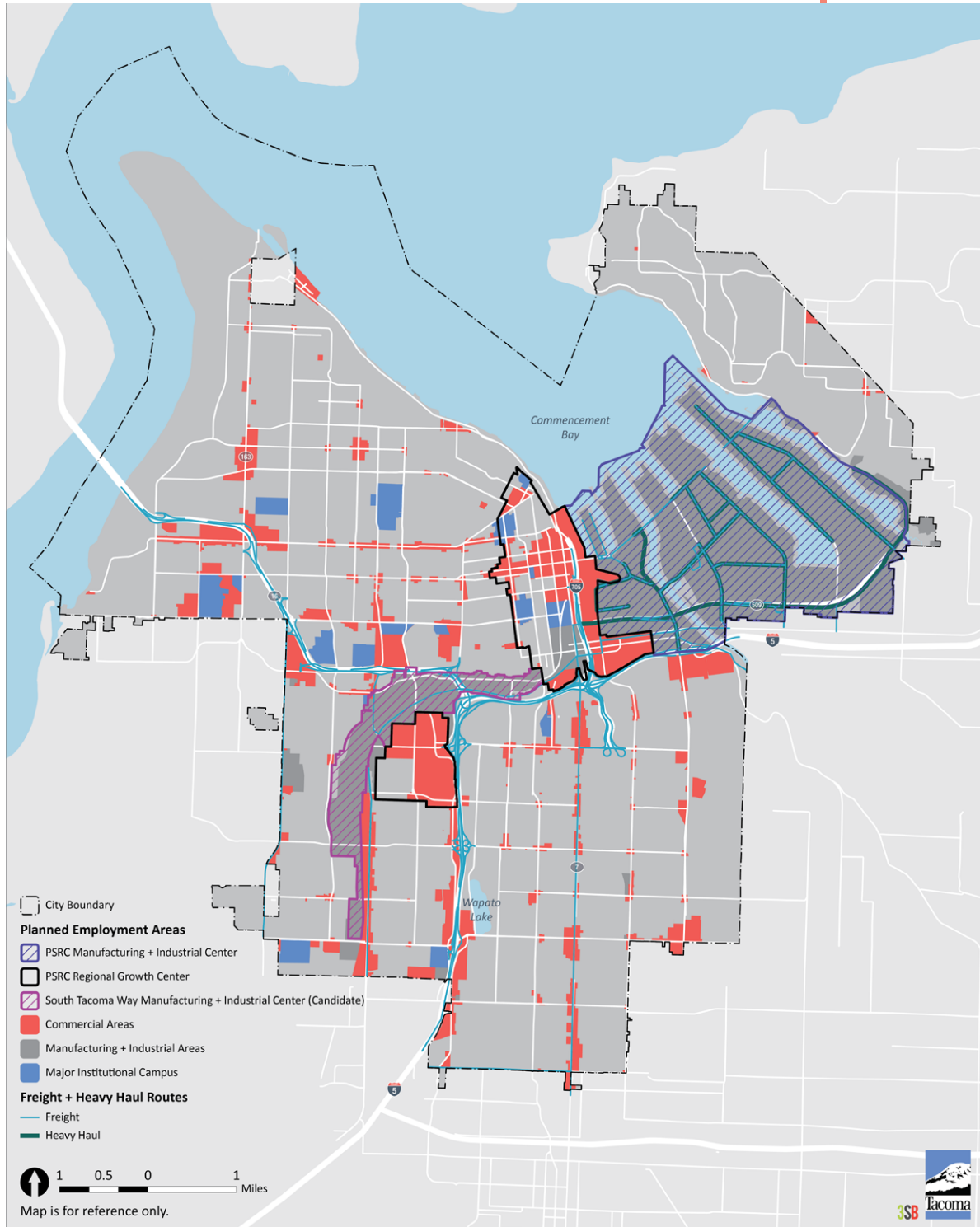


FIGURE 23. Planned Employment Areas

It is important to recognize on-going efforts and partnerships throughout the City related to economic development.

EXAMPLE PARTNER ORGANIZATIONS:

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

EXAMPLE EFFORTS:

*Downtown Office
Recruitment
Space Works
Tacoma Means
Business Campaign
Establishment of Auto Row
BRE Program
with Economic
Development Board
Start up weekends for
Tech entrepreneurs*

ALIGNMENT WITH EXISTING PLANS

How has Tacoma Approached Economic Development?

The City of Tacoma has initiated a variety of efforts related to economic development and adopted a number of these. The text box at right provides a brief snapshot of some efforts and organizations tied directly to economic development. In addition, the City has developed a number neighborhood-specific subarea plans in addition to strategic documents such as *Tacoma 2025*. The goals and policies established for the Economic Development Element are tailored to provide high-level support of all of these efforts, regardless of scale, so that they are well coordinated and supported by the City's land use policy.

Considerations for Integrating the Economic Development Element

- Consider how the economic development element is communicated not only within the Comprehensive Plan, but through all of the City's economic development efforts.
- Coordinate all of the City's economic development efforts in one place in order to effectively track and monitor progress.
- The economic development element is not a strategy, but it can be leveraged to justify and support an actionable economic development strategic plan for the City.

Figure 24 illustrates how the Economic Development Element will serve the City and integrate with other established economic development efforts in the City.

Vision + Goals

*Support of
Vision + Goals*

*Implementation
of Vision + Goals*



COMPREHENSIVE PLAN
Economic Development Element

*Economic Development Strategic
Framework + Action Plan*

FIGURE 24. Integration of the Economic Development Element

GOALS + POLICIES

DIVERSIFYING + 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 level 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.

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GOAL EC-1 Diversify and expand Tacoma's economic base to create a robust economy that offers Tacomans a wide range of employment opportunities, goods and services.

Policy EC-1.1 Strive to capture 46% of urban Pierce County's employment growth by 2040.

Policy EC-1.2 Ensure that there is sufficient zoning and development capacity to accommodate the 2040 employment growth allocations.

Policy EC-1.3 Coordinate and explore partnerships with the state, counties, other cities, businesses and organizations engaged in diversifying and expanding the economic base of the central Puget Sound region.

Policy EC-1.4 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-1.5 Encourage commercial and industrial development by ensuring the availability of suitable sites for development and providing appropriate zoning and infrastructure.

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.

Policy EC–1.6 Develop relationships, partnerships and programs to promote international business and trade opportunities in Tacoma.

Policy EC–1.7 Support creation of public development authorities where appropriate to promote prosperity and economic development in Tacoma.

Policy EC–1.8 Encourage the establishment and expansion of commercial businesses that produce goods locally, increase local spending and provide needed goods and services to local residents and businesses in Tacoma.

Policy EC–1.9 Encourage the development of specialty businesses that reflect the diverse ethnic and cultural groups of the Tacoma community.

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.

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:

- a. Bio-medical and medical
- b. Information technology and cyber security
- c. Professional services
- d. Industrial and manufacturing
- e. Tourism and hospitality
- f. Creative economy
- g. International trade
- h. Finance and Insurance

EQUITABLE HOUSEHOLD PROSPERITY

Equitable and broadly-spread 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 service provision to historically underrepresented people. Improving equitable outcomes is not solely about fairness and social justice; nationally, research by Chris Benner and Manual Pastor has demonstrated that the equitable distribution of benefits and impacts lead to greater economic growth for society as a whole. 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.

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GOAL EC-2 Increase access to employment opportunities in Tacoma and equip Tacomans with the education and skills needed to attain high-quality, living wage jobs.

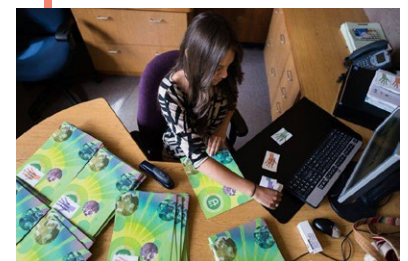
Policy EC-2.1 Maintain adequate employment land and public facilities that support living wage jobs that do not require a 4-year college degree and facilitate career advancement for low income people.

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 Improve access to contracting opportunities for minority-owned, woman-owned, and emerging small businesses.

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.

Policy EC-2.5 Facilitate efforts of businesses, educational institutions, neighborhood organizations and major civic/government entities in the development of programs that meet the current and future needs of employers and employees, as well as those seeking employment.



*SummerJobs253,
a youth summer
employment program*



Tacoma Community College



Bates Technical College

Policy EC–2.6 Promote expansion and addition of higher education programs at institutions in industries with growing demand, such as computer science and healthcare, and encourage links between schools and local businesses for training and job skill programs.

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 of all levels 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 employment and business opportunities.

BUSINESS RETENTION, EXPANSION + ATTRACTION

Tacoma's economy is diverse, benefitting 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 vast green fields in which to develop new business parks for major manufacturing plants. 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 historic buildings, brownfields redevelopment, and strategic investment in infrastructure to support job creation are essential.

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 market place, 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.

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GOAL EC-3 Cultivate a business culture that allows existing establishments to grow in place, draws new firms to Tacoma and encourages more homegrown enterprises.

Policy EC-3.1 Support efforts to attract, expand and retain large, medium and small businesses that offer high quality jobs, generate local tax revenue and/or provide needed goods or 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 knowledge- and innovation-based industry clusters and expand the creative industries in Tacoma.

Policy EC-3.4 Support and expand incubator space in Tacoma for existing and future small businesses, particularly those seeking to commercialize innovative products and services.

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 Support development of flexible workspaces where people with shared interests can meet, collaborate and develop their business ideas and products.

Policy EC-3.7 Facilitate development of programs to support small businesses and entrepreneurs, particularly minority-women-owned businesses and military personnel.

Policy EC-3.8 Establish business attraction efforts that focus on businesses within emerging and growing business sectors as well companies in City-identified priority sectors.

Policy EC-3.9 Develop and expand programs to recruit entrepreneurs associated with priority sectors to build an entrepreneurial culture locally and encourage relocation from higher cost locations.



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



Tacoma farmers' markets

Policy EC-3.10 Promote key retail, office and manufacturing opportunity sites, as identified in the City's Economic Development Strategic Plan, Subarea Plans and other planning documents.

Policy EC-3.11 Maintain and expand a robust Business Retention and Expansion visitation program to existing Tacoma companies.

Policy EC-3.12 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-3.13 Promote the establishment of Business Improvement Areas.

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.

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GOAL EC-4 Foster a positive business environment within the City and proactively invest in transportation, infrastructure and utilities to grow Tacoma's economic base in target areas.

Policy EC-4.1 Provide a positive, accessible and customer-oriented atmosphere to those seeking municipal services.

Policy EC-4.2 Promote a culture throughout the City organization that continuously improves the quality, predictability, timeliness and cost of the development process.

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

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

Policy EC-4.7 Assess Tacoma's competitiveness and businesses environment by periodically assessing applicable economic indicators and established performance measures.

Policy EC-4.8 Encourage the construction and maintenance of utility, communications and technology infrastructure that will help attract business and industry to the Tacoma community.

Policy EC-4.9 Maintain and improve the transportation network as necessary to facilitate the efficient movement of goods and attract economic activity.



Infrastructure improvements under construction in Tacoma

Policy EC–4.10 Use innovative finance methods and seek regional funding opportunities for Tacoma’s infrastructure to support the city’s continued economic vitality.

Policy EC–4.11 Anticipate infrastructure systems and facilities needs and prioritize public investments necessary to support catalytic economic development and redevelopment projects.

CITY IMAGE + 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, 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 city-wide 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.

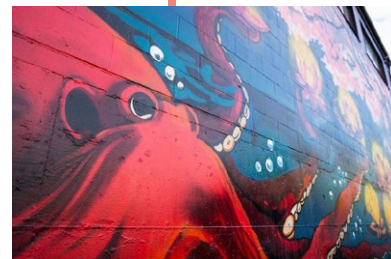
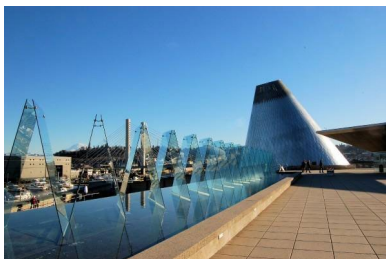
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GOAL EC–5 Create a city brand and image that supports economic growth and leverages existing cultural, community and economic assets.

Policy EC–5.1 Promote Tacoma as a livable community and excellent place to do business by showcasing the community’s competitive advantages and economic and community assets, through the development of a unique brand and related marketing program.

Policy EC–5.2 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 EC–5.3 Maintain and enhance the social and cultural amenities of the City (such as attractive public spaces, historic building inventory, restaurants, sidewalk cafes, and art galleries) to help attract creative, artistic, skilled, and innovative people (the creative class) to the Tacoma community.



Policy EC–5.4 Maintain and implement programs specifically designed to improve Tacoma’s community appearance problems (graffiti, litter, abandoned vehicles, illegal dumping, weed abatement, property maintenance, illegal signs, etc.).

Policy EC–5.5 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 EC–5.6 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 EC–5.7 Promote Tacoma as an international City, highlighting diverse cultural attractions, traditions and communities in the neighborhoods and business districts as well as downtown.

Policy EC–5.8 Leverage Tacoma’s major institutions to attract businesses that serve their populations as well as businesses seeking a trained and educated workforce.

Policy EC–5.9 Encourage preservation and adaptive reuse of the City’s historic building inventory and leverage such efforts in branding and marketing efforts.

Social and cultural amenities, major institutions, and adaptive reuse in Tacoma (clockwise from top left)

Tacoma Dome from Interstate-5

UW Tacoma in the renovated Garretson Woodruff & Pratt building

Entrance to the Point Defiance Zoo & Aquarium

Tacoma Murals Project art wall along Court D between 17th and 19th Streets

A local artist hangs work in the Old Post Office lobby as part of Spaceworks Artscapes

Fountain at the Museum of Glass

**Downtown Regional
Growth Center**



*Greater Convention Center
and LINK light rail station*



*Woolworth Building at 11th
Street and Broadway*



Pacific Avenue

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, having policy that supports the infrastructure and land use needs of existing and future businesses will be an integral piece of the City'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. This goal and its supporting policies are organized into four categories: Regional Growth Centers, Commercial Districts, Major Campus Institutions 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.

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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

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 support mixed use and job creation projects in priority areas.

Policy EC-6.4 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–6.5 Maintain the Tacoma Mall Regional Growth Center as a regional retail destination.

Policy EC–6.6 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–6.7 Support additional high density residential infill that drives new markets for commercial development in the Tacoma Mall Regional Center

Policy EC–6.8 Conduct a subarea plan for the Tacoma Mall Regional Growth Center and pursue funding, incentives and strategies to implement the plan.

Commercial Districts

Policy EC–6.9 Provide for the growth, economic equity and vitality of the city’s commercial districts and ensure that employment centers are well-positioned to accommodate emerging industries, such as cyber security.

Policy EC–6.10 Continue to 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–6.11 Identify opportunities for potential zones and cultural districts to develop creative clusters and encourage economic development in these neighborhoods and within mixed-use centers, such as the Lincoln Neighborhood Center.

Policy EC–6.12 Enhance opportunities for cooperation and partnerships between public and private entities that promote commercial revitalization efforts, sustainability initiatives and transportation demand management for communities most disconnected from the regional economy.

Policy EC–6.13 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.

**Tacoma Mall Regional
Growth Center**



Tacoma Mall



Townhomes



Lincoln International District



UW Tacoma



Multicare's Tacoma
General Hospital in the
Hilltop neighborhood

Policy EC–6.14 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

Policy EC–6.15 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–6.16 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–6.17 Encourage the development of long-range plans (i.e. master plans) for hospitals, universities and other major institutions as part of project review to insure compatibility with adjacent land uses in the neighborhood area, to provide predictability and reduce piecemeal permits.

Policy EC–6.18 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.

Manufacturing/Industrial Centers

Policy EC–6.19 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 a widely accessible base of living wage jobs, particularly for underserved and underrepresented people.

Policy EC–6.20 Strictly limit Comprehensive Plan Map amendments that convert industrial land and consider the potential for amendments to otherwise diminish the economic competitiveness or viability of prime industrial land.

Policy EC–6.21 Protect and preserve sufficient land use capacity for water-dependent and related industrial uses within the city’s industrial shorelines.

Policy EC–6.22 Maintain properties currently developed with industrial users and strive to offset the reduction of development capacity with the addition of prime industrial capacity that includes consideration of comparable site characteristics.

Policy EC–6.23 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 transportation, logistics and international trade.

Policy EC–6.24 Coordinate with the Port to market and recruit businesses to vacant and undeveloped Port-owned properties.

Policy EC–6.25 Take advantage of trade relationships established by the Port of Tacoma to promote business attraction and expansion.

Policy EC–6.26 Promote and administer a sister cities program that encourages international partnerships and exchanges focused on education, culture, trade, foreign direct investment and business attraction.

Policy EC–6.27 Explore expansion of the Urban Clean Water Technology Innovation Partnership Zone and continue to support marketing of available properties.



Port of Tacoma



The “Friend Ship Box,” a cargo container hand-painted during Maritime Fest, was shipped from the Port of Tacoma to Busan, Korea—the other side of the box was painted by kids in Korea and shipped back to Tacoma

BACKGROUND INFORMATION

Tacoma serves as a regional employment center with a diverse range of businesses and industries. Its economic landscape includes employment hubs within industrial centers, its downtown commercial core as well as in its commercial districts. Tacoma not only serves as key industrial and commercial hub within the greater Puget Sound region, it also serves as a major civic and institutional center for Pierce County and surrounding communities. Knowing where people work, what industries they work in and where they are coming from is vital to establishing economic development goals and policies.

Total covered employment in Tacoma was slightly over 100,000 in 2014. Since 2000, employment in the city has grown at an average rate of 0.1%, growing at a slower rate than both Pierce County and the larger central Puget Sound region (Table 7). Figure 25 provides a comparison of historical and targeted employment based on PSRC *VISION 2040* growth allocations.

TABLE 7. Covered Employment, Tacoma and Region, 2000–2014

LOCATION	COVERED EMPLOYMENT (1000S)	2000-14 GROWTH RATE
Tacoma	101.1	0.1%
Pierce County	273.2	1.1%
Central Puget Sound Region	1,832.4	0.7%

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

Source: PSRC, 2015

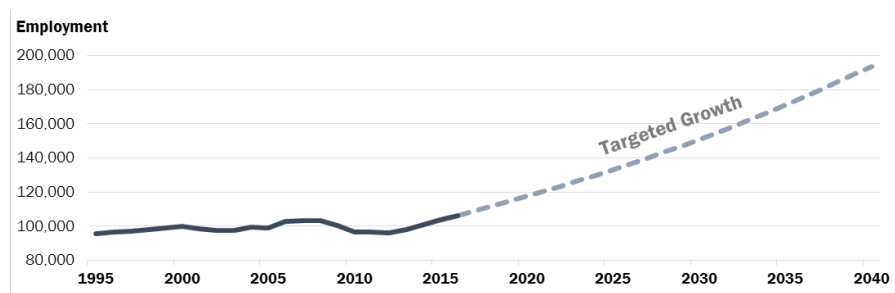


FIGURE 25. Historic and Targeted Employment, City of Tacoma, 2014

Source: PSRC, 2015

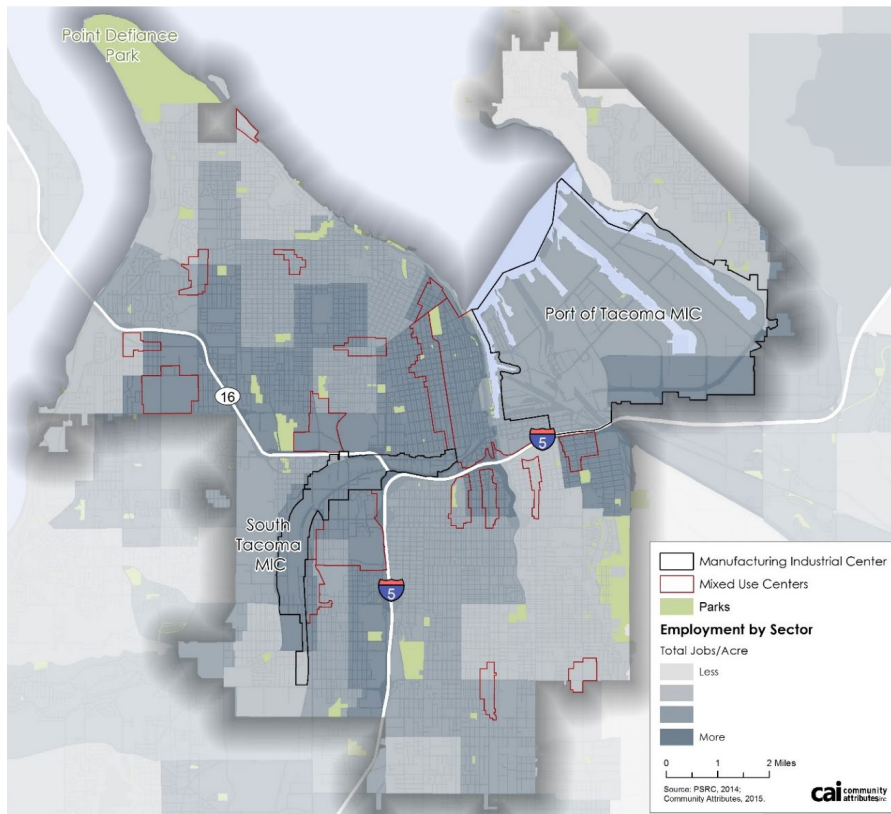


FIGURE 26. Employment Density, City of Tacoma, 2015

Source: PSRC, 2014

Employment has several areas that currently serve as employment hubs, or locations where employment is most concentrated. Figure 26 illustrates employment in Tacoma geographically. The most employment heavy areas are located in and around Downtown Tacoma, Tacoma Mall, 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 Puget Sound near 6th Ave and Pine Street to the north; and the Emerald Queen Casino in Lower Portland Avenue to the east.



Tacoma Community College



Downtown Tacoma

The industries and businesses that employ people in Tacoma are located across a diverse range of geographies within the City. Within Tacoma there are existing and emerging employment centers where industry clusters have grown and taken shape. Figure 27 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 Manufacturing Industrial Centers. 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.



Representatives from JBLM's four military services tossed simultaneous first pitches during the Tacoma Rainiers' annual military appreciation at Cheney Stadium

The areas surrounding Tacoma also heavily influence the City and its industries. A significant employment center of note is Joint Base Lewis-McChord (JBLM). Though outside of Tacoma city limits, according to the recent JBLM Joint Land Use Study, it was the largest employer in Pierce County and the second largest employer in the state, as of 2012. JBLM employed around 75,000 military and civilian workers in 2013 and, in 2014, had contracts totaling over \$228 million with private firms located within Pierce County, primarily for construction services.

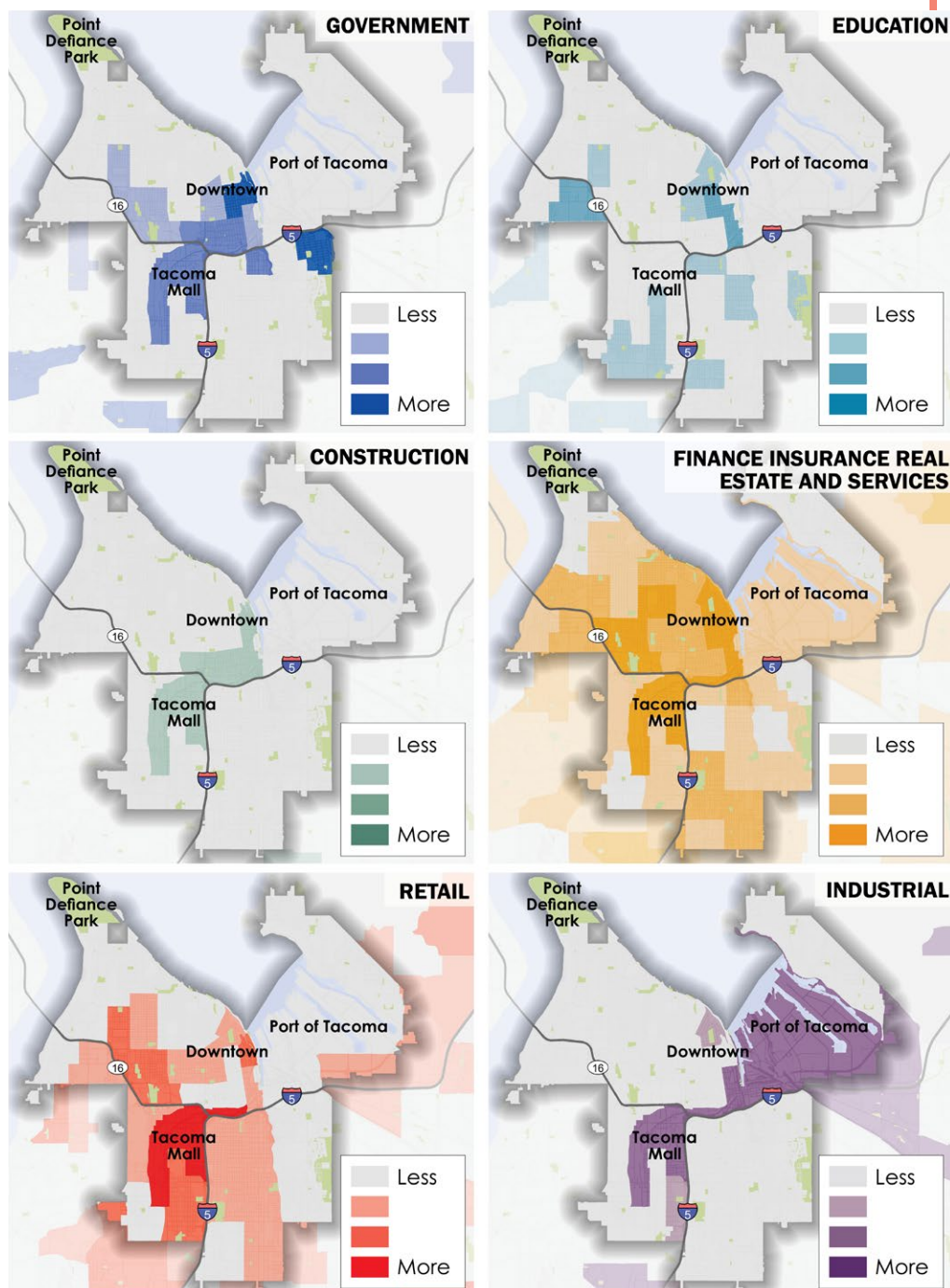


FIGURE 27. Employment Concentration by Major Industry, City of Tacoma, 2013

The above maps illustrate the relative concentrations of employment by industry within Tacoma. The darker the color, the more concentrated employment is in that particular industry.

Source: Puget Sound Regional Council, 2014



*Hilltop Regional
Health Center*

Recently, Tacoma has seen the most growth in services-related employment, with a net gain of 5,128 jobs between 2000 and 2014 (Figure 28). Services clearly dominate 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 5,982 jobs over the same time period, indicating that this growing sector has offset losses in other service sectors. The government sector has experienced the second greatest increase in jobs, with a net gain of 2,215 jobs.

As shown in Figure 28, Tacoma's changes in employment patterns are generally similar to the region as a whole in the areas of construction and resource, FIRE, manufacturing, services, and government. In the area of education, the City has lost jobs, in contrast to gains in the county and region. Overall, Pierce County gained 38,561 jobs between 2000 and 2014, compared to 1,243 in Tacoma.

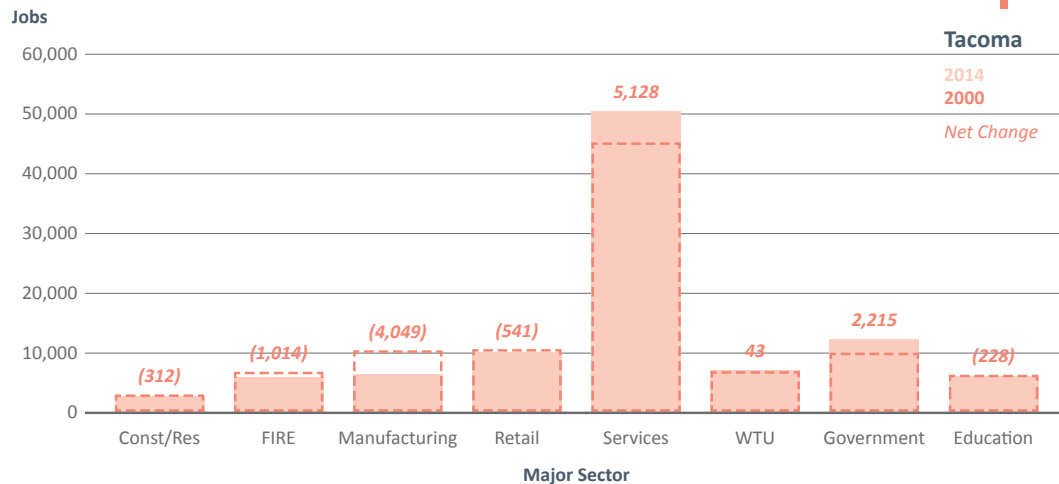
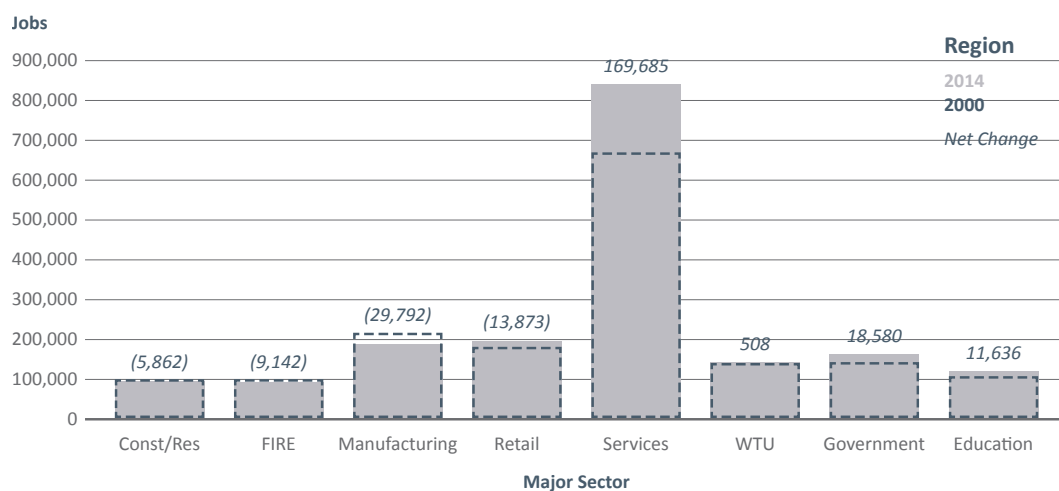
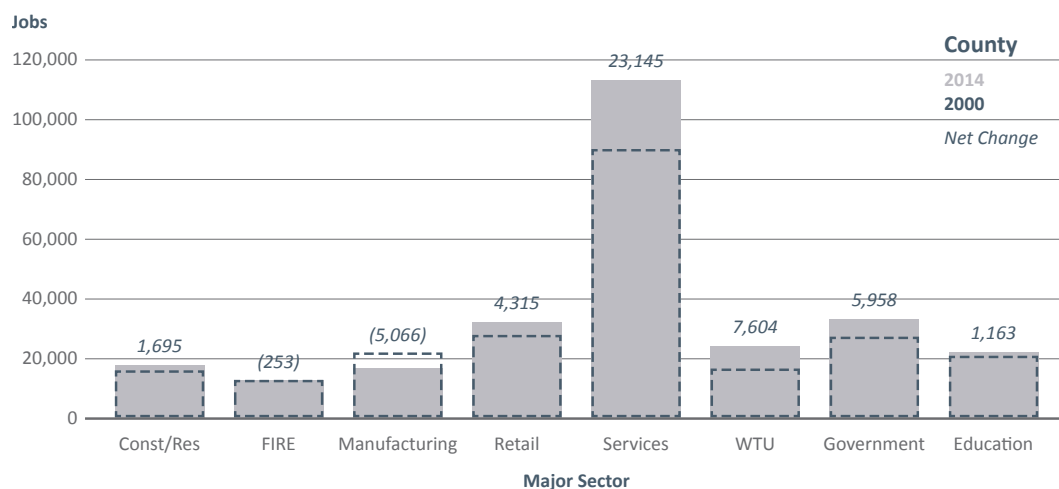


FIGURE 28. Net Change in Employment, City of Tacoma, Pierce County and Region, 2000–2014

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

Source: PSRC, 2014



A closer look at Tacoma's industry mix reveals the importance of the healthcare industry, which represented over 23% of the city's total covered employment in 2013 (Figure 29). MultiCare Health System and CHI Franciscan Health, which operates St. Joseph Medical Center as well as 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 13% of employment in the City. Other industries of note are Retail Trade, which had the third largest share of employment, and Administrative and Support Services, which accounted for some of the growth in the services sector. The latter category includes businesses that provide services for other companies, such as customer service and job placement.

Compared to Pierce County and the region as a whole, Tacoma has a significantly larger proportion of employment in health care (approximately 23% in Tacoma compared to 12% in the region and 15% in Pierce County) and relatively less employment in the areas of WTU and construction and resource. Compared to the region, both Tacoma and Pierce County have relatively less employment in manufacturing, professional, scientific and technical services, information and management of companies and enterprises (see Figure 29).

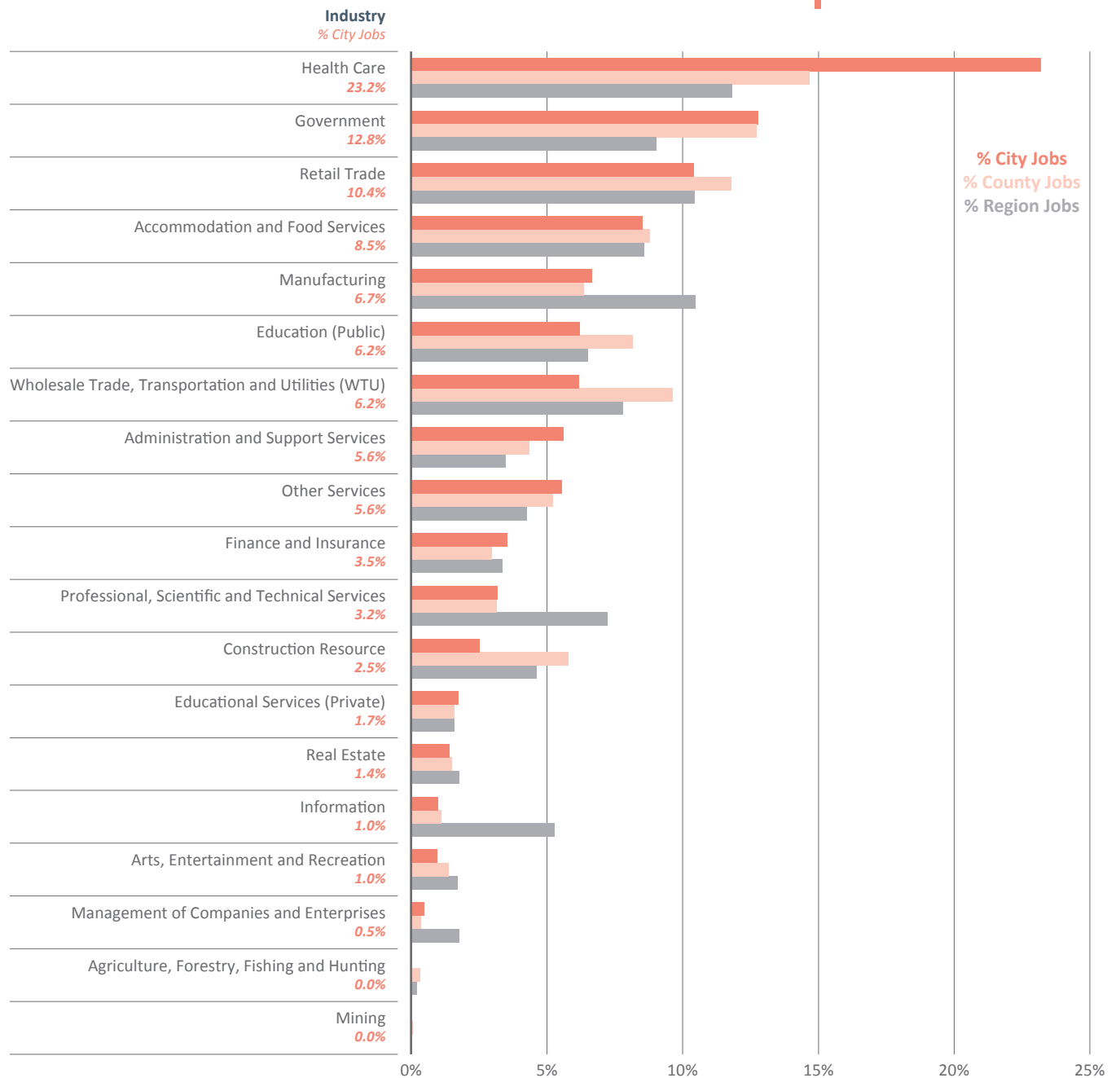


FIGURE 29. Employment Mix, City of Tacoma, Pierce County and Region, 2013

Source: PSRC, 2014

Income and educational attainment are key indicators in understanding a City's economy and workforce. A quick glance at Tacoma reveals that compared to the county and larger region, Tacoma has a larger proportion of households with incomes below \$35,000 (Figure 30). A third of Tacoma's households fall into this income bracket, whereas the share is 28% for Pierce County and 25% for the central Puget Sound region. Tacoma also has a higher percentage of residents with a high school diploma or less (Figure 31). These two socioeconomic indicators are related, as level of education is strongly correlated with income.

By looking at a City's relative mix of housing and employment one can better define its role locally and regionally. The jobs to housing ratio provides insight into whether a community functions more as an employment center or bedroom community. The higher the ratio, the more jobs a city has compared to housing units. What may be considered an ideal ratio varies from community to community, though having a ratio at or near 1.0 indicates that there is a healthy balance. Tacoma's jobs to housing ratio was slightly above that of the central Puget Sound region at 1.2 in 2014. While higher than Pierce County, other cities in the larger metro area have greater numbers of jobs relative to housing, indicating that they are attracting employees from throughout the region (Figure 32 on page 6-30). Tacoma's ratio has trended downward over time since 2000, as shown in Figure 33 on page 6-30, with housing unit increases outpacing job growth. Contrary to this historic trend, PSRC's housing and employment targets for 2040 show a large increase in Tacoma's jobs to housing ratio. These targets and the resulting shift in jobs to housing ratio illustrate the importance placed on Tacoma's ability to grow as a regional employment center.

It's also important to understand where Tacomans work and where people are coming from that work in Tacoma. What employment sectors do people work in that commute to Tacoma? Alternatively, what sectors do Tacomans that live and work in the City work in? This illustrates that housing, commuting patterns, neighborhood amenities, cultural attractions, etc. all influence the City's economy and how it approaches economic development.

According to the most recent data, one third of Tacoman residents live and work in Tacoma, while 10% commute to Seattle (Figure 34). Other

HH Income Bracket (%)

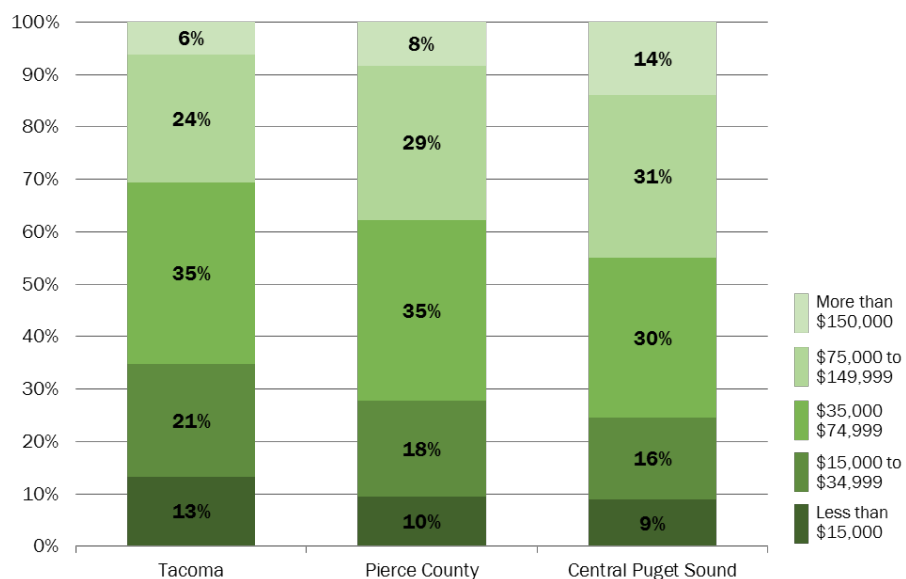


FIGURE 30. Household Income Distribution, City of Tacoma and Region, 2013

Source: U.S. Census Bureau, 2008–2012 5-Year American Community Survey

Educational Attainment (%)

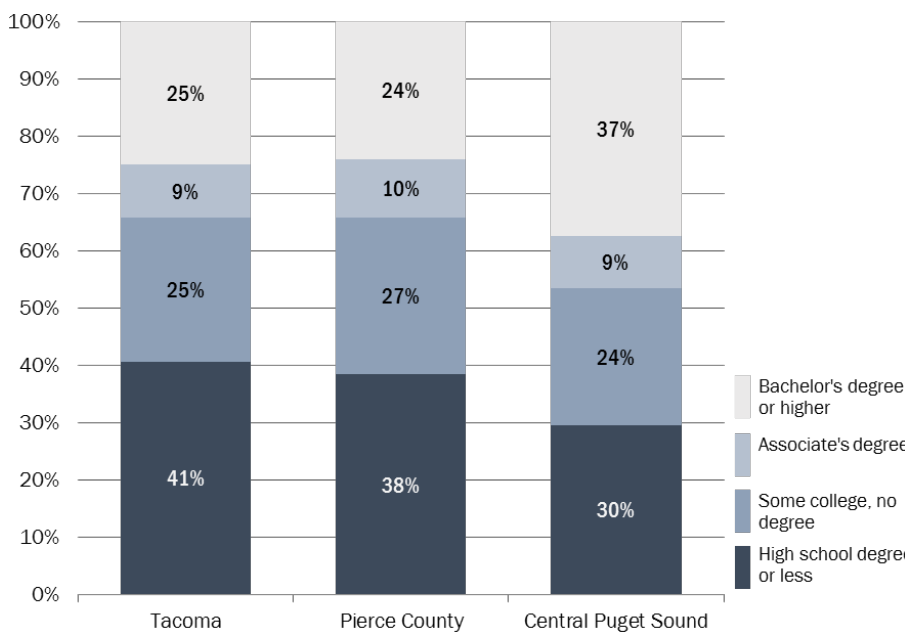


FIGURE 31. Educational Attainment, City of Tacoma and Region, 2013

Source: U.S. Census Bureau, 2008–2012 5-Year American Community Survey

Jobs to Housing Ratio

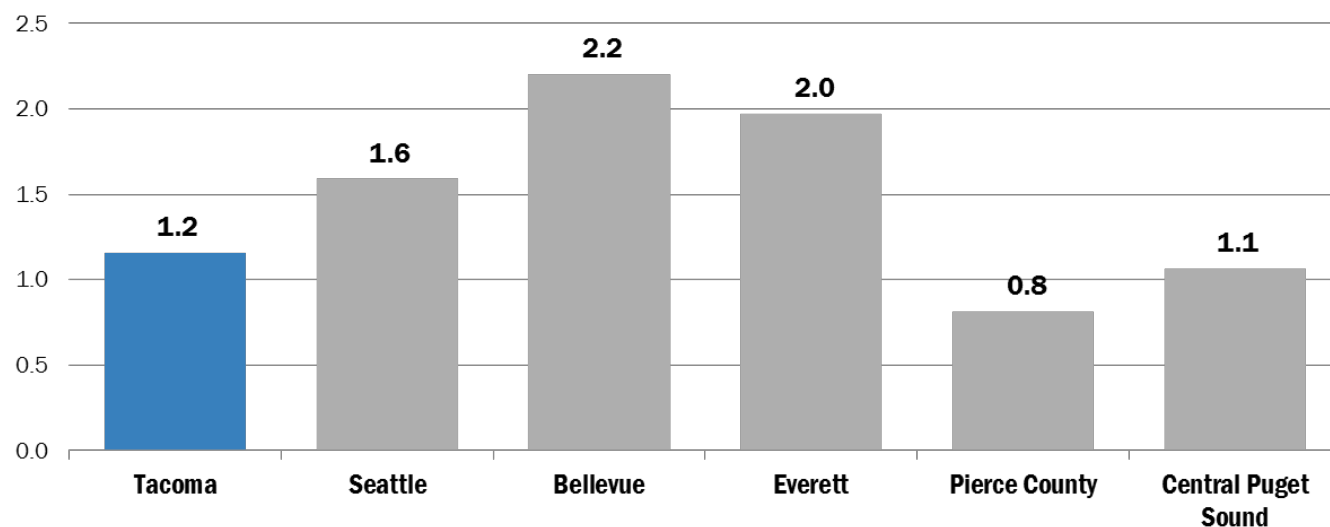


FIGURE 32. Jobs to Housing Ratio, City of Tacoma and Comparison Cities, 2014

Source: PSRC, 2014; Washington Office of Financial Management, 2015

Jobs to Housing Ratio

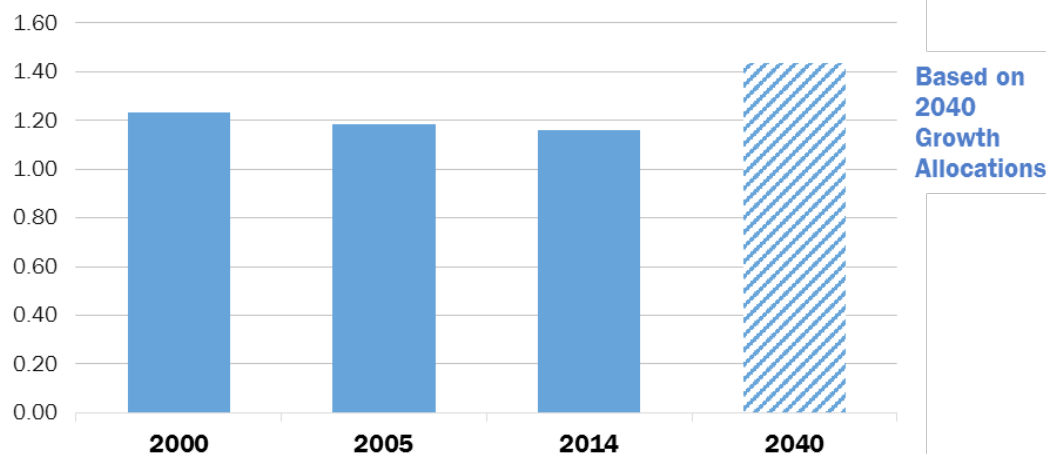


FIGURE 33. Jobs to Housing Ratio, City of Tacoma 2000–2040 Growth Allocations

Source: PSRC, 2014; Washington Office of Financial Management, 2015

employment destinations include Lakewood and communities north of Tacoma, such as Fife and Federal Way. Of all people who work in Tacoma, twenty-six percent (26%) live in Tacoma, with most of the remainder traveling from communities in north Pierce County and south King County

(Figure 35). The data indicates that Tacoma residents work throughout the region as shown in Figure 34 and their places of employment are dispersed. Alternatively, people who work in Tacoma are generally more concentrated in Pierce County as shown in Figure 35, with fewer people commuting from the Seattle and Bellevue area, demonstrating Tacoma's draw within the South Sound region. Increasing jobs in Tacoma provides myriad benefits to Tacomans, not the least of which are spending less time and money commuting.

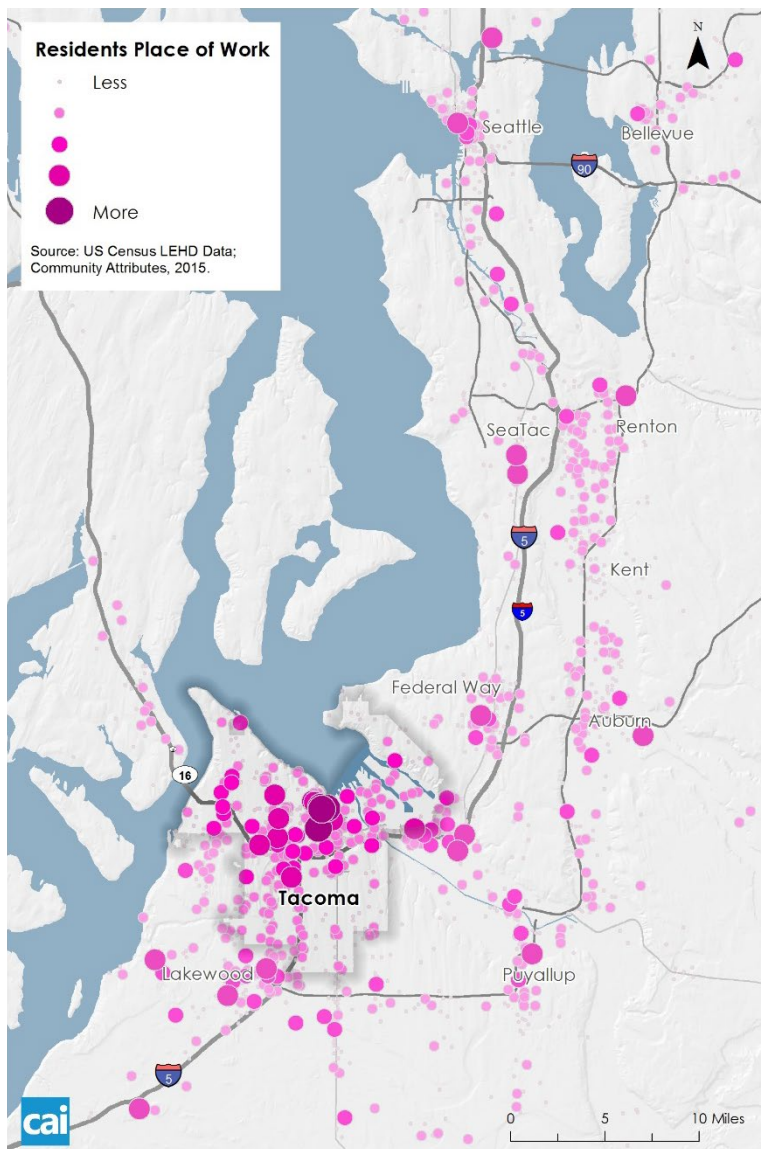


FIGURE 34. Place of work for residents of Tacoma, Top 10 Destinations, 2011

Source: U.S. Census LEHD Data

LOCATION	PERCENT
Tacoma	33%
Seattle	10%
Lakewood	5%
Fife	4%
Federal Way	4%
Kent	3%
Auburn	3%
Puyallup	3%
Bellevue	2.0%
Tukwila	2.0%

Source: US Census LEHD Data

FIGURE 35. Place of residence for workers in Tacoma. Top 10 Destinations, 2011

Source: U.S. Census LEHD Data

LOCATION	PERCENT
Tacoma	26.2%
University Place	4.2%
Lakewood	4.1%
South Hill CDP	3.6%
Parkland CDP	2.8%
Seattle	2.6%
Federal Way	2.6%
Puyallup	2.6%
Spanaway CDP	2.2%
Auburn	1.5%

Source: US Census LEHD Data

