Department of Community Development - Nora Gierloff, AICP, Director

TO: Planning Commission

FROM: Nancy Eklund, AICP, Long Range Planning Manager

**DATE**: September 12, 2023

SUBJECT: Tukwila 2024-2044 Comprehensive Plan – Draft Economic Development Element

### **ISSUE**

This is a briefing to the Planning Commission on the proposed updates to the Economic Development Element of the Comprehensive Plan.

### **BACKGROUND**

At the June 8, 2023, Planning Commission Meeting, the City's Economic Development Administrator, Derek Speck, presented the themes that guided the City's revisions to the Economic Development Strategy<sup>1</sup>.

Over the summer, the Economic Development division has continued to refine the Economic Development **Strategy** to reflect input from focus groups, interviews, and the Economic Development Advisory Committee. Staff have incorporated that input into the Economic Development strategy.

The Comprehensive Plan's Economic Development **Element** correlates closely to the Economic Development division's Strategy. In addition, the Element has been augmented by the regional policy guidance required by the Puget Sound Regional Council and the King County Countywide Planning Policies.

Staff have also reviewed the Implementation Strategies listed in the Economic Development Element of 2015 Comprehensive Plan are updating those to reflect the list of actions needed to implement the 2024 Policies. The final list will be provided to the PC later this year.

#### **RECOMMENDATION**

Staff recommends that the Planning Commission consider the draft Economic Development Element and move it forward to a later date in late winter 2024 when the entire draft Plan (including the Implementation Strategies) will be available for review, followed by a public hearing.

### **ATTACHMENTS**

- A. Economic Development Element (proposed changes integrated)
- B. Economic Development Element (strikeout/underline version)

<sup>&</sup>lt;sup>1</sup>For previous report, please see attachments to 6/22/23 Planning Commission meeting packet in the digital records system: <a href="http://records.tukwilawa.gov/weblink/1/edoc/392315/Planning%202023-06-22%20Item%207B%20-%20Economic%20Development%20Engagement%20Themes.pdf">http://records.tukwilawa.gov/weblink/1/edoc/392315/Planning%202023-06-22%20Item%207B%20-%20Economic%20Development%20Engagement%20Themes.pdf</a>

### **Existing Comprehensive Plan (with proposed changes)**

Put sources/explanations for amended texts in footnotes

#### WHAT YOU WILL FIND IN THIS CHAPTER:

- A description of Tukwila's economic setting,
- A discussion of issues that affect economic development in the City, and
- Goals, policies, and strategies for enhancing the community's economic well-being.

### **PURPOSE**

The overriding goal of this element is to enhance the community's economic well-being. The Economic Development element recognizes the City's economy is strongly and directly influenced by the regional economy, while it still identifies policies and strategies the City can use to guide our local economy. The Economic Development element is a key component integrating all elements of the Comprehensive Plan, suggesting ways in which the City and its partners can use effective economic strategies in order to achieve the goals of the Plan.

There are four primary ways in which the City can affect local economic activity:

- Land use, transportation, and utility planning that determine, within the local regulation and infrastructure capacity, the space available for residential and nonresidential development;
- Providing quality public services such as public safety, transportation, and recreation;
- Directly or indirectly influencing private sector decisions as to location, operation, and development of business real estate, and
- Helping coordinate public and private sector efforts to enhance the employability and job advancement potential of the residential population.

The City's general approach to enhancing the community's economic well-being can be summarized as follows:

- Sustain moderate growth in the sectors of retail and entertainment, advanced manufacturing, aerospace, clean technology, information technology, life-sciences, and tourism
- Attract and retain businesses generating positive financial benefits for the City
- Target family wage and higher salary industries
- Improve and support the opportunities for education, skills training, and job acquisition for all Tukwila residents
- Provide capacity to meet Tukwila's employment targets as set by the Countywide Planning Policies
- Encourage growth into certain areas through the use of zoning and developmental regulations
- Encourage the retention and growth of existing local businesses, particularly for Black, Indigenous, and other People of Color, immigrant, refugee, LGBTQIA+, disabled, and women owned businesses
- Encourage entrepreneurs, local startups and businesses to establish in Tukwila
- Provide efficient and timely administration of City services
- Respond to specific requests for assistance from local firms
- Provide quality public services and infrastructure including public safety, transportation, utilities, and recreation to existing and future needs of the economic sector
- Support job enhancement programs to increase residents' employability through coordination of private and public sector activities.

The following are potential tools available to the City to enhance economic development in the City:

- Put sources/explanations for amended texts in footnotes
  - Business Improvement Areas (BIAs)
  - Local Improvement Districts (LIDs)
  - Transportation Benefit Districts
  - Tax Increment Financing (TIF)
  - Multi-family property tax exemption (MFTE)
  - Lodging tax and tourism promotion area (TPA) fees for tourism
  - Local, state, and federal government funding and private resources
  - Strategic sales of City property
  - Use of infrastructure investment
  - Funded, staffed, and administered economic development work group

### **ECONOMIC SETTING**

The following statistics help set the background for economic development policies. The Economic Development Background Memo contains additional supporting information, including employment and housing growth targets per the Countywide Planning Policies.

## POPULATION, INCOME AND REVENUE

The population of Tukwila in 2023 was 22,780, an increase of approximately 3,264 from 2015 (OFM). The City's daytime population is estimated to be between 150,000 and 170,000. Taxes collected in 2015 were \$45.2 million, which are projected to increase to \$51.4 million in 2023.

During the same period (2015 to 2023), the assessed valuation of the City grew from \$5.00 billion to \$8.98 billion. In 2015, there were 7,832 housing units; by 2023, this number had increased to 9,194 units.

In 2021, the median age of Tukwila residents was 36.1 years; over 11% of all citizens were 65 or older; and 22.1% of the residents were under 20. In 2021, residents of color were 67.4% of the population. Foreign-born residents account for 39.2% of the population, and more than 70 languages are spoken in the Tukwila School District.

The median household income in the City in 2021 was \$71,688, up from \$45,923 in 2015. While Tukwila's median household income is still far below King County's median income of \$106,326, this represents a substantial increase, consistent with regional trends.

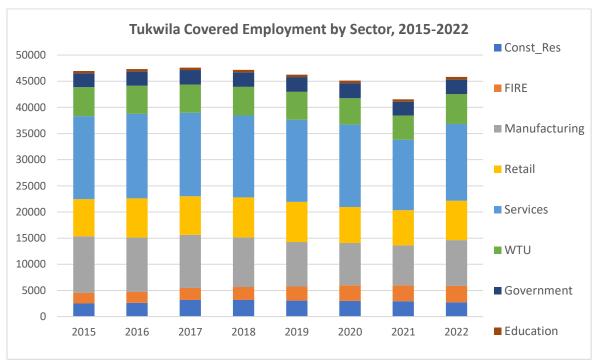
## **EMPLOYMENT**

In 2015, Tukwila had 2.41 jobs per resident, this number decreased to 2.01 in 2022 with a slight decrease in total jobs and slight increase in population. This ratio of jobs to residents is extremely high compared to other King County cities and regionally. There were at least 2,291 licensed businesses of all types in Tukwila in 2022. The total number of jobs in Tukwila has fluctuated since 2015, with impacts from COVID-19 seen across almost all sectors. In 2015, the City had approximately 47,000 jobs, whereas, by 2022 the total number of jobs in the City had fallen 2.4% to just under 46,000, with some rebounding

Put sources/explanations for amended texts in footnotes

trend from pandemic impacts. The Service sector composes the largest sector of jobs, with 32% of all jobs.

Manufacturing is next with 19.1% of jobs in the City. The number of manufacturing jobs has been decreasing within Tukwila prior to this planning period, reflecting regional trends. Between 2015 and 2022 Tukwila lost almost 2,100 manufacturing sector jobs. This trend likely reflects the diminished presence of jobs with Boeing and other manufacturing firms in the City's industrial areas. In 2022, retail accounted for 16.4% of jobs in Tukwila. Warehousing, transportation, and utilities made up 12.5%.



Services composed the largest percentage of jobs in 2022, with 32% of all jobs. Manufacturing (19.1%); Retail (16.4%); and Warehousing, Transportation and Utilities (12.5%) also make up sizable shares of Tukwila's employment.

The shares of each sector, relative to each other, did not change significantly between 2015 and 2022. While the number of total jobs within Tukwila fluctuated between 2015 and 2022, most sectors remained fairly consistent in their share of total jobs. The Manufacturing and Service sectors displayed the largest decreases, at 4.0% and 1.7% respectively, while other sectors saw slight increases in share, with the FIRE (finance, insurance, and real estate) sector having the large proportional increase at 2.5%.

### **SMALL BUSINESS DEVELOPMENT CENTER (SBDC)**

The SBDC at Highline specializes in providing business and training services to entrepreneurs and existing businesses, in order to be successful in today's economy. The center provides:

- Knowledgeable, trusted, and confidential one-on-one advice on all aspects of a business.
- A link to 23 other SBDC centers in the Statewide network for additional advice.
- Guidance on the purchase of an existing business or a franchise.

- Put sources/explanations for amended texts in footnotes
  - Assistance in finding sources of capital to grow a business.
  - Ideas about how an established businesses can move to the next level.
  - Benchmarking a company's performance with others to identify improvement opportunities.
  - Matching a businessperson with resources to accelerate the success trajectory of a business.
  - Developing prospect lists through targeted database searches.
  - Information about training and funding that can assist in growing a business.

## **ISSUES**

There are a number of issues and trends affecting economic development in the City of Tukwila:

## **Financial Challenges**

- Retail Sales Tax: While Tukwila continues to enjoy the dominant role in attracting retail, dining, and
  entertainment spending in South King County, sales tax has not grown as fast as inflation. Retail
  sales tax in 2022 was only 1.5% above 2019's pre-covid level. Retail and entertainment are still very
  strong in Tukwila, but sales tax growth has gone elsewhere due to competition from other retail
  centers, the State's change to destination-based sales tax, and consumer demand for online
  shopping.
- Property Tax: In 2001 Washington State voters passed an initiative that restricts cities' ability to levy
  their annual property tax to only 1% above their prior highest lawful levy. New construction is
  added to the tax rolls above the 1% limit, but then becomes part of the taxing district's levy and
  grows at a maximum of 1%. This law limits Tukwila's property tax growth and poses challenges for
  funding City services when the inflation rate is greater than 1%.

## Public Safety and Public Image

• Tukwila has an excellent police department but still faces public safety challenges. Because Tukwila has millions of square feet of retail and is located at one of the busiest interchanges in the Pacific Northwest, it is a convenient location for shoplifting, car prowls, and other property crimes. The public perception of crime is often magnified because security businesses publish crime statistics on a per capita basis. Tukwila has a much higher crime rate per capita due to the large business sector and daytime population, compared to its small number of residents. In addition, the region's opioid and fentanyl crises have further blemished the public's perception of safety in the City.

### **Other Challenges**

- Compared to King County as a whole, Tukwila's population has a significantly lower per capita income, \$36,673 compared to \$59,843, and higher poverty rate (12.4% compared to 9.4%) for 2021. Household median income is also lower than the county median at \$71,688 compared to \$106,326. Low per capita and household median incomes relative to the region limit funds available for Tukwila residents to support basic needs, save for larger purchases, and leaves them more susceptible to increasing or unexpected costs.
- The Tukwila South area presents a significant opportunity for new development, but it is so large that it is challenging to find a developer that can make a large enough investment to ensure a coordinated and cohesive mixed-use development.

- Put sources/explanations for amended texts in footnotes
  - Nearly all of the portion of Tukwila that lies on the valley floor south of I-405 and east of I-5 is
    protected by the Green River flooding by levees and embankments. The protection system is
    working, but maintenance, repairs, and improvements are becoming more complex and expensive,
    especially given the challenges of protecting the environment and endangered species in the river
    system.
  - Housing costs in the Seattle region have increased significantly. This has led to some new single family and multi-family housing investments in Tukwila but as housing prices increase, the risk of residential displacement increases.
  - Tukwila would like to receive additional office development since it can further support the retail sector, but the market demand for new office development is very limited. This is, in part, because office businesses preferred to be in downtown Seattle, Bellevue, or Redmond. Due to the significant increase in remote work, those office concentrations now have excess capacity.
  - Boeing has been downsizing some of their facilities in Tukwila, but there is strong demand for manufacturing, warehouse, and distribution facilities. ProLogis and Amazon recently opened large, new facilities in Tukwila's manufacturing and industrial center (MIC).
  - The Tukwila International Boulevard neighborhood has an active and entrepreneurial business community but many of the businesses generate income insufficient to afford to make significant investments in physical improvements or growth.

## **GOALS, POLICIES AND STRATEGIES**

The following goals and policies provide the pathway how the City can realize its economic development vision that as a vibrant community with a strong and sustainable economy that celebrates and empowers its diversity, supports economic prosperity for all residents, and sustains a foundation for businesses of all sizes.

## GOAL 1: A Vibrant, Diverse, and Resilient Economy

- Policy 1.1 Continue to strengthen and balance economic and workforce development with strategic housing growth in Tukwila to ensure an adaptable and diverse economic base that leverages Tukwila's many assets and ensures the City's financial stability.
- **Policy 1.2** Attract and retain office, research and development, advanced manufacturing, aerospace, food manufacturing, and life sciences businesses, including those that provide services for export.<sup>1</sup>
- Policy 1.3 Encourage commercial and mixed-use development that provides a range of job opportunities throughout the county to create a closer balance between the locations of jobs and housing.<sup>2</sup>
- **Policy 1.4** Maintain support for and strengthen Tukwila's robust retail, hospitality, and experiential sectors.

<sup>&</sup>lt;sup>1</sup> King County Countywide Planning Policy K EC-6

<sup>&</sup>lt;sup>2</sup> King County Countywide Policy K\_EC-26

- Put sources/explanations for amended texts in footnotes
  - **Policy 1.5** Evaluate the performance of economic development policies and strategies in developing businesses and creating middle-wage jobs.<sup>3</sup>
  - Policy 1.6 Make local investments to maintain and expand infrastructure and services that support local and regional economic development strategies. Focus investment where it encourages growth in designated centers and helps achieve employment targets.<sup>4</sup>
  - Policy 1.7 Promote the local workforce through priority hire programs that create middle-wage employment opportunities, encouraging workforce development partnerships, and identifying pipeline education or training opportunities.<sup>5</sup>

## Regional Economy

- **Policy 1.8** Coordinate local and countywide economic policies and strategies with VISION 2050 and the Regional Economic Strategy. Emphasize support for those industry clusters that are integral to that strategy.<sup>6</sup>
- **Policy 1.9** Prioritize growth of a diversity of middle-wage jobs and prevent the loss of such jobs from the region.<sup>7</sup>

### **Regional Centers**

- **Policy 1.10** Concentrate economic and employment growth in designated regional, countywide, and local centers through local investments, planning, and financial policies.<sup>8</sup>
- **Policy 1.11** Support economic growth that, along with land use planning and infrastructure development, facilitates Tukwila meeting its designated regional growth targets.
- **Policy 1.12** Work to reduce the risk of industrial displacement through a variety of anti-displacement strategies. <sup>9</sup>

### <u>Partnerships</u>

- **Policy 1.13** Collaborate with the private sector to leverage catalytic development sites.
- **Policy 1.14** Build and maintain relationships with property owners and businesses.

## Site Selection and Development

<sup>&</sup>lt;sup>3</sup> King County Countywide Planning Policy K EC-4

<sup>&</sup>lt;sup>4</sup> King County Countywide Policy K\_EC-18

<sup>&</sup>lt;sup>5</sup> Combined King County Countywide Policy K\_EC-13, and PSRC Consistency tool: Economy. "...Expand access to economic opportunities through actions such as adopting a priority hire ordinance, encouraging workforce development partnerships, and identifying pipeline education or training opportunities...).

<sup>&</sup>lt;sup>6</sup> King County Countywide Policy K\_EC-1 and K\_EC-3.

<sup>&</sup>lt;sup>7</sup> King County Countywide Policy K EC-2, in part

<sup>&</sup>lt;sup>8</sup> King County Countywide Policy K EC-17; this policy requires a strategy

<sup>&</sup>lt;sup>9</sup> PSRC MIC Consistency Tool: Economy, Guidance; this policy requires a strategy

- Put sources/explanations for amended texts in footnotes
  - **Policy 1.15** Facilitate redevelopment of contaminated sites through local, county, and state financing and other strategies that assist with planning, site design, and funding for environmental remediation.<sup>10</sup>
  - **Policy 1.16** Continue working to achieve the vision in the Tukwila International Boulevard District and Southcenter District, emphasizing walkability, placemaking, and community gathering opportunities.

## GOAL 2: A Safe, Desirable, and Healthy Community with a Positive Identity

- Policy 2.1 Enhance Tukwila's public safety perceptions and sense of place and support a positive identity as a city in which to "Live, Work, Stay and Play" a community of choice for businesses, residents and visitors with outstanding transportation, quality housing, fun experiences, amenities, and supportive services.
- **Policy 2.2** Improve perceptions of public safety through crime reduction, visible enforcement, improved communications, and messaging.
- **Policy 2.3** Invest in placemaking efforts that stimulate and instill community pride, improve quality of life, and welcome visitors.
- **Policy 2.4** Promote positive aspects of the Tukwila community to the region.
- Policy 2.5 Add to the vibrancy and sustainability of our communities and community health and well-being by ensuring the provision of safe and convenient access to local services, neighborhood-oriented retail, purveyors of healthy food (e.g., grocery stores and farmers markets), and sufficient transportation choices.<sup>11</sup>
- Promote Tukwila's natural environment as a key economic asset and work to improve access to it as an economic driver. Work cooperatively with local businesses to protect and restore the natural environment in a manner that is equitable, efficient, predictable, and complements economic prosperity.<sup>12</sup>

## GOAL 3: Prosperity and Opportunity for Businesses, Workers, and Residents

- **Policy 3.1** Expand avenues of durable economic success for workers, entrepreneurs, business owners, and residents in Tukwila, including workforce development, with a focus on shared prosperity, opportunity, and social responsibility for local communities.
- **Policy 3.2** Promote the local workforce through priority hire programs that create middle-wage employment opportunities in historically disadvantaged communities.<sup>13</sup>

<sup>&</sup>lt;sup>10</sup> King County Countywide Policy K\_EC-24

<sup>&</sup>lt;sup>11</sup> King County Countywide Planning Policy K EC-19 (Edited from original)

<sup>&</sup>lt;sup>12</sup> King County Countywide Planning Policy K EC-20

<sup>&</sup>lt;sup>13</sup> King County Countywide Planning Policy K\_EC-13

Put sources/explanations for amended texts in footnotes

Policy 3.3 Direct investments to community and economic development initiatives that elevate equitable economic opportunity for those communities most marginalized and impacted by disinvestment and economic disruptions<sup>14</sup>.

## **Workforce Development and Partnerships**

- **Policy 3.4** Improve awareness of, and access to, education and workforce development resources.
- Policy 3.5 Facilitate connections between employers and education and workforce development institutions, seeking to increase graduation rates and develop a highly educated and skilled local workforce. Align and prioritize workforce development efforts with Black, Indigenous, and other People of Color communities; immigrant and refugees; and other marginalized communities.<sup>15</sup>
- **Policy 3.6** Act as a resource to residents and workers connecting them to workforce development organizations.
- Policy 3.7 Encourage private, public, and non-profit sectors to incorporate environmental stewardship and social responsibility into their practices. Encourage development of established and emerging industries, technologies and services that promote environmental sustainability, especially those addressing climate change and resilience.<sup>16</sup>
- **GOAL 4:** A Supportive Environment for Business and Entrepreneurs
- Policy 4.1 Maintain a strong, supportive environment for local, independent, small, and microbusinesses and the entrepreneurial ecosystem to ensure they continue to flourish in Tukwila while attracting new business activities to the City.
- **Policy 4.2** Where possible, ease regulations that challenge small businesses.
- **Policy 4.3** Ensure that business and entrepreneurial resources are accessible to all, including businesses owned by historically marginalized people, refugees, and immigrants.
- **Policy 4.4** Ensure that Tukwila projects an 'open for business' culture, and help businesses thrive through:
  - Transparency, efficiency, and predictability of local regulations and policies;
  - Communication and partnerships between business, government, schools, civic and community organizations, and research institutions; and
  - Government contracts with local businesses. 17

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<sup>&</sup>lt;sup>14</sup> King County Countywide Planning Policy K EC-16

<sup>&</sup>lt;sup>15</sup> King County Countywide Planning Policy K EC-12

<sup>&</sup>lt;sup>16</sup> King County Countywide Planning Policy K EC-21

<sup>&</sup>lt;sup>17</sup> King County Countywide Planning Policy K\_EC-5

### **Existing Comprehensive Plan (with proposed changes)**

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- Policy 4.5 Foster a broad range of public-private partnerships to implement economic development policies, programs, and projects, including partnerships with community groups. Ensure such partnerships share decision-making power with and spread benefits to community groups.<sup>18</sup>
- **Policy 4.6** Use partnerships to foster connections between employers, local vocational and educational programs, and community needs.<sup>19</sup>
- Policy 4.7 Identify, support, and leverage key regional and local assets to the economy, including assets that are unique to our region's position as an international gateway, such as major airports, seaports, educational facilities, research institutions, health care facilities, long-haul trucking facilities, and manufacturing facilities.<sup>20</sup>
- Policy 4.8 Support the regional food economy including the production, processing, wholesaling, and distribution of the region's agricultural food and food products to all King County communities. Emphasize improving access for communities with limited healthy, affordable, and culturally relevant food options.<sup>21</sup>
- Policy 4.9 Develop and implement systems that provide a financial safety net during economic downturns and recovery. Direct resources in ways that reduce inequities and build economic resiliency for those communities most negatively impacted by asset poverty.<sup>22</sup>
- GOAL 5: A Community that Celebrates and Invites Diversity
- **Policy 5.1** Foster a business community in Tukwila that welcomes and empowers residential and business diversity in all its forms while capturing increased market share and building resilience to economic shocks.
- **Policy 5.2** Seek to understand the dynamics, needs, and relationships that characterize the minority and immigrant owned business community in Tukwila.
- **Policy 5.3** Celebrate the cultural diversity of local communities as a means to enhance social capital, neighborhood cohesion, the county's global relationships, and support for cultural and arts institutions.<sup>23</sup>
- **Policy 5.4** Promote business diversity by signaling public sector support and ensure public investment decisions protect culturally significant economic assets and advance the

<sup>&</sup>lt;sup>18</sup> King County Countywide Planning Policy K\_EC-8

<sup>&</sup>lt;sup>19</sup> King County Countywide Planning Policy K\_EC-9

<sup>&</sup>lt;sup>20</sup> King County Countywide Planning Policy K EC-10

<sup>&</sup>lt;sup>21</sup> King County Countywide Planning Policy K\_EC-11

<sup>&</sup>lt;sup>22</sup> King County Countywide Planning Policy K EC-27

<sup>&</sup>lt;sup>23</sup> King County Countywide Planning Policy K\_EC-14

Put sources/explanations for amended texts in footnotes

business interests of Black, Indigenous, and other People of Color communities; immigrant and refugees; and other marginalized communities.<sup>24</sup>

- **Policy 5.5** Eliminate and correct for historical and ongoing disparities in income, employment, and wealth by building opportunities for Black, Indigenous, and other People of Color; women; and other intersecting marginalized identities.<sup>25</sup>.
- Promote an economic climate that is supportive of business formation, expansion, and retention, and that emphasizes the importance of small businesses, locally owned businesses, women-owned businesses, and businesses with Black, Indigenous, and other People of Color; immigrant and refugee; LGBTQIA+; disabled; and women-owned or -led businesses, in creating jobs.<sup>26</sup>
- Policy 5.7 Stabilize and prevent the economic displacement of small, culturally relevant businesses and business clusters during periods of growth, contraction, and redevelopment.

  Mitigate displacement risks through monitoring and adaptive responses.<sup>27</sup>

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#### **RELATED INFORMATION**

King County Countywide Planning Policies (2022)

Vision 2050 (2021)

Economic Development Element Background Memo (when available)

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<sup>&</sup>lt;sup>24</sup> King County Countywide Planning Policy K EC-28

<sup>&</sup>lt;sup>25</sup> King County Countywide Planning Policy K\_EC-15

<sup>&</sup>lt;sup>26</sup> King County Countywide Planning Policy K\_EC-7

<sup>&</sup>lt;sup>27</sup> King County Countywide Planning Policy K EC-29

Chapter 2

### **Existing Comprehensive Plan (with proposed changes)**

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#### WHAT YOU WILL FIND IN THIS CHAPTER:

- A description of Tukwila's economic setting,
- A discussion of issues that affect economic development in the City, and
- Goals, and policies, and strategies for enhancing the community's economic well-being.

### **PURPOSE**

The overriding goal of this element is <u>to</u> enhance<u>ing</u> the community's economic well-being. <u>The Economic Development element recognizes the City's economy is strongly and directly influenced by the regional economy, while it still identifies policies and strategies the City can use to <u>affectguide our local economy</u>. <u>Through policy recommendations</u>, the <u>Economic Development element identifies a means of stimulating economic improvement for business and the community as a whole. It lays out a direction and strategies for dealing with economic variables and adjusting to economic forces that cannot be <u>predicted or controlled</u>. <u>It The Economic Development element</u> is a key component integrating all elements of the Comprehensive Plan, suggesting ways in which the City and its partners can use effective economic strategies in order to achieve the goals of the Plan.</u></u>

There are three-four primary ways in which the City can affect local economic activity can be affected:

- Land use, transportation, and utility planning that determine, within the local regulation and
  infrastructure capacity, the space available for residential and nonresidential development;
- Providing quality public services such as public safety, transportation, and recreation;
- Directly or indirectly influencing private\_-sector decisions as to location, operation, and development
  of business real estate\_by maintaining vibrant commercial districts and a supportive regulatory
  environment; and
- Helping coordinate public and private sector efforts to enhance the employability and job progression advancement potential of the residential population.

The City's general approach to enhancing our the community's economic well-being
The Economic Development element presents a focused approach to enhancing our City's economic well-being. This approach can be summarized as follows:

- Sustain moderate growth in the sectors of retail and entertainment, advanced manufacturing, aerospace, clean technology, information technology, life-sciences, and tourism-
- Attract and retain businesses generating positive financial benefits for the City-

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- Target <u>family wage and higher</u> salary industries
- Improve and support the opportunities for education, skills training, and job acquisition for all Tukwila residents
- Provide capacity to meet Tukwila's employment targets as set by the Countywide Planning Policies
- Encourage growth into certain areas through the use of zoning and developmental regulations
- Encourage the retention and growth of existing local firms-businesses, particularly for Black,
   Indigenous, and other People of Color, immigrant, refugee, LGBTQIA+, disabled, and women owned businesses
- Encourage entrepreneurs, local startups and businesses to establish in Tukwila

- Put <u>sources/</u>explanations for amended texts in footnotes
  - Provide efficient and timely administration of City services

The City of Tukwila emphasizes the following activities in order to accomplish it's economic development goals:

- Responding to specific requests for assistance from local firms
- Supporting the development of new businesses and expansion of current businesses that are minority-, veteran- and women-owned.
- Expanding efforts to engage with and understand the economic development needs and priorities of traditionally under represented groups in Tukwila neighborhoods
- Emphasizing business development to encourage existing businesses to expand
- <u>Provid</u>Provide quality public services and infrastructure including public safety, transportation, utilities, and recreation to <u>Maintaining public works and utilities so the City's infrastructure can</u> meet both existing and future needs of the economic sector
- Supporting job enhancement programs to increase residents' employability through coordination of private and public sector activities.

The following are potential tools available to the City to enhance economic development in the City:

- Industrial revenue bonds for certain areas
- Business Improvement Areas (BIAs)
- Local Improvement Districts (LIDs)
- Transportation Benefit Districts
- Tax Increment Financing (TIF)
- Multi-family property tax exemption (MFTE)
- Lodging tax and tourism promotion area (TPA) fees for tourism
- Targeted Local, state, and federal government funding and private resources
- Targeted local, State and federal funds
- Strategic sales of City property
- Use of infrastructure investment to attract new firms and development to designated areas
- Funded, staffed, and administered economic development work group
- Timely, predictable customer -oriented permitting and City services
- Lodging tax for tourism promotion

In this way, local government can play an important role in the economic vitality of the community. The policies developed in this element are aimed at implementing that role.

### **ECONOMIC SETTING**

The following statistics help set the background for economic development policies. The Economic Development Background Memo contains additional supporting information, including employment and housing growth targets per the Countywide Planning Policies.

# POPULATION, INCOME AND REVENUE

Chapter 2

#### **Existing Comprehensive Plan (with proposed changes)**

Put <u>sources/</u>explanations for amended texts in footnotes

In 2003, tThe population of Tukwila was 17,270; estimated in 202113 population was 21,5452,78019,210, an increase of approximately 4,5003,264 from 201500 (OFM). The City's daytime population is estimated to be between 150,000 to and 170,000. Taxes collected in 2003 2015 were estimated to be \$28.245.2 million, which are projected to increased to \$42.451.4 million in 2013 2023.

During the same period (2015 to 2023), the assessed valuation of the City grew from \$35.34-00 billion to \$48.47-98 billion. In 20022015, there were 7,832628 housing units; by 20132023, this number had increased to 8,0399,194 units.

In 20102021, the median age of Tukwila residents was 33.66.1 years; nearly over 811% of all citizens were older than 6565 or older; and 2422.1% of the residents were under 2018. In 20102021, residents of color were 50.167.4% of the population. Foreign-born residents account for 36.29.2% of the population, and more than over 70 languages are spoken in the Tukwila School District.

The median household income in the City in 2010-2021 was \$44,27171,688, up from \$45,923 in 2015. While Tukwila's median household income is still far below King County's median income of \$66,174106,326, this represents a substantial increase, consistent with regional trends. Adjusting for inflation, Tukwila's median income fell between 2000 and 2010. Tukwila's 2000 adjusted median income (in 2010 dollars) was \$53,127. Thus, real median income in the City fell 16.67% from 2000 to 2010.

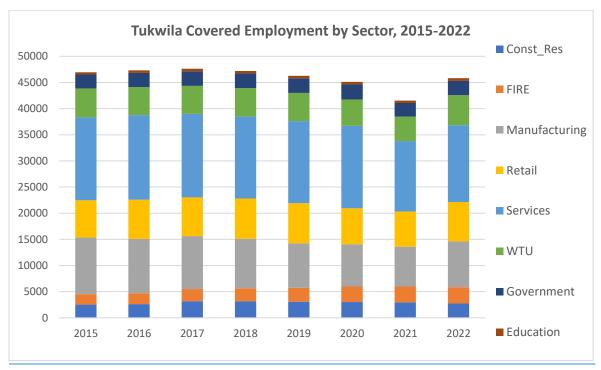
### **EMPLOYMENT**

In 2000, Tukwila had nearly three times as many jobs as it had residents, but that number fell to 2.27 in 2010. In 2015, Tukwila had 2.41 jobs per resident, this number decreased to 2.01 in 2022 with a slight decrease in total jobs and slight increase in population. This ratio of jobs to residents is extremely high compared to other King County cities and regionally. -There were over at least 2,575-291 licensed businesses of all types in Tukwila in 2013/2022. The total number of jobs in Tukwila has declined since 2000 fluctuated since 2015, with impacts from COVID-19 seen across almost all sectors. In 2015/00, the City had approximately 48,0007,000 jobs-, By 2013, whereas, by 2022 the total number of jobs in the City had fallen 2.417% to just under over 40/46,000, with some rebounding trend from pandemic impacts. The S

Employment within Tukwila is distributed among a number of different sectors. See Ervice sector composes the largest percentage sector of jobs, with 32% of all jobs.

In  $\frac{20102022}{2022}$ , retail accounted for  $\frac{1416.4}{2022}$  of jobs in Tukwila. Warehousing, transportation, and utilities made up 12.5%.

Put sources/explanations for amended texts in footnotes



#### **Graphic**

Employment within Tukwila is distributed among a number of different sectors. Services composed the largest percentage of jobs in 20102022, with 32% of all jobs. Manufacturing (2519.1%); Retail (1416.4%); and Warehousing, Transportation and Utilities (12.5%) also make up sizable shares of Tukwila's employment.

The shares of each sector, relative to each other, did not change significantly between 2000-2015 and 2010-2012. While the number of total jobs within Tukwila fluctuated between 2015 and 2022, most sectors remained fairly consistent in their share of total jobs. The Manufacturing and Service sectors displayed the largest decreases, at -of-4.0% and 1.7% respectively, while other sectors saw slight increases in share, with the FIRE (finance, insurance, and real estate) sector ashaving the large proportional increase at 2.5%. All sectors, with the exception of Construction, showed slight decreases. The finance, Insurance and Real Estate (FIRE) sector decreased the most with a 3.7% decrease. Retail and Manufacturing also saw decreases of 2.3% and 2.4%, respectively.

## **SMALL BUSINESS DEVELOPMENT CENTER (SBDC)**

In Especial training services to entrepreneurs and existing businesses, in order to be successful in today's economy. The center provides:

- Knowledgeable, trusted, and confidential one-on-one advice on all aspects of your a business.
- A link to 23 other SBDC centers in the Statewide network for additional advice.
- Guidance on the purchase of an existing business or a franchise.
- Assistance in finding the best-sources of capital to grow your-a business.

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- Put <u>sources/</u>explanations for amended texts in footnotes
  - A proven-Ideas about how an pathway to breakout growth for established businesses can ready to move take their business to the next level.
  - Benchmarking your a company's performance with others in your industry to uncover identify improvement opportunities.
  - Matching <del>you a businessperson</del> with resources to hat can best accelerate the success trajectory of a <del>your</del>-business.
  - Developing prospect lists through targeted database searches.
  - Information about little-known-training and funding that can assist in to growing a your business.
  - A "can do" attitude about anything you need to successfully grow your business

### **RETAIL SALES**

While Tukwila remains a strong attractor of consumer spending, the City has experienced a significant reduction in taxable retail sales, once adjustments are made for inflation. When adjusted for inflation, taxable retail sales in 2013 were lower than they were in 2003. The City's sales tax decline began to occur roughly around the late 1990s. Competition for retail sales among regional retail centers has grown stronger over the last ten years.

### **ISSUES**

<u>Current and existing economic trends suggest a variety of issues and needs for There are a number of issues and trends affecting</u> economic development in the City of Tukwila:

### **Financial Challenges**

- Financial Challenges
  - Retail Sales Tax: While Tukwila continues to enjoy the dominant role in attracting retail, dining, and entertainment spending in South King County, sales tax has not grown as fast as inflation. Retail sales tax- in 2022 was only 1.5% above 2019's pre-covid level. Retail and entertainment are still very strong in Tukwila, but sales tax growth has gone elsewhere due to competition from other retail centers, the State's change to destination-based sales tax, and consumer demand for online shopping.
- Property Tax: In 2001 Washington State voters passed an initiative which that restricts cities' ability to levy their annual property tax to only 1% above their prior highest lawful levy. New construction is added to the tax rolls above the 1% limit, but then becomes part of the taxing district's levy and grows at a maximum of 1%. This law limits Tukwila's property tax growth and poses challenges for funding City services when the inflation rate is greater than 1%.
- Public Safety and Public Image
- Tukwila has an excellent police department but still faces public safety challenges. negative public perceptions of safety. Because Tukwila has millions of square feet of retail and is located at one of the busiest interchanges in the Pacific Northwest, it is a convenient location for shoplifting, car

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prowls, and other property crimes. The public perception of crime is often magnified because security businesses publish crime statistics on a per capita basis. Tukwila has a much higher crime rate per capita due to the large business sector and daytime population, compared to its small number of residents. In addition, the region's opioid and fentanyl crises haves further blemished the public's perception of safety in the City.

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• Tukwila has an excellent police department but still faces negative public perceptions of safety. Because Tukwila has millions of square feet of retail and is located at one of the busiest interchanges in the Pacific Northwest, it is a convenient location for shoplifting, car prowls, and other property crime. The public perception of crime is often magnified because security businesses publish crime statistics on a per capita basis. Tukwila has a much higher crime rate per capita due to the large business sector and daytime population compared to the small number of residents. In addition, Tukwila faces the same challenges with the region's opioid and fentanyl crises and its relationship with homelessness and property crimes.

## **Other Challenges**

- Provide access to the regional highway, transit and air transportation system in a way that does not handicap local property development and redevelopment efforts.
- Compared to King County as a whole, Tukwila's population has a significantly lower per capita income, f (\$36,673 compared to \$59,843, )-and higher poverty rate (12.4% compared to 9.34%) according to Census QuickFacts for 2021. Household median income is also lower than the county median at \$71,688 compared to \$106,326. Low per capita and household median incomes relative to the region limit funds available for Tukwila residents to support basic needs, save for larger purchases, and leaves them more susceptible to increasing or unexpected costs. Explore possible City actions to increase the median income of Tukwila's residents, including support for entrepreneurship, small business startups, and vocational training, particularly among low income or low English proficiency communities.

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- Establish coordinated transit hubs throughout the City including, but not limited to, the Southcenter area, Tukwila South, Tukwila International Boulevard, Interurban Avenue South, and the Manufacturing Industrial Center that efficiently mix modes of travel and stimulate development of real estate associated with transportation facilities.
- Study and understand the factors causing the inflation-adjusted reduction in the City's overall taxable retail sales.
- The Tukwila South area presents a significant opportunity for new development, but it is so large that it is challenging to find a developer that can make a large enough investment to ensure a coordinated and cohesive mixed-use development.
- Nearly all of the portion of Tukwila that lies on the valley floor south of I-405 and east of I-5 is protected by the Green River flooding by levees and embankments. The protection system is working, but maintenance, repairs, and improvements are becoming more complex and expensive, especially given the challenges of protecting the environment and endangered species in the river system.

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- Housing costs in the Seattle region have increased significantly. This has led to some new single family and multi-family housing investments in Tukwila but as housing prices increase, the risk of residential displacement increases.
- Tukwila would like to receive additional office development since it can further support the retail sector, but the market demand for new office development is very limited. In part, Tehis is, in part, because office businesses preferred to be in downtown Seattle, Bellevue, or Redmond. Due to the significant increase in remote work, those office concentrations now have excess capacity.
- Boeing has been downsizing some of their facilities in Tukwila, but there is strong demand for manufacturing, warehouse, and distribution facilities. ProLogis and Amazon recently opened large, new facilities in Tukwila's manufacturing and industrial center (MIC).
- The Tukwila International Boulevard neighborhood has an active and entrepreneurial business community but many of the businesses generate income insufficient to afford to make significant investments in physical improvements or growth.
  - Support further enhancement of commercial and residential areas in the City's neighborhoods.
- Foster environmental remediation (brownfield cleanup), land conversion and redevelopment in the Manufacturing Industrial Center (MIC) and Interurban Avenue areas.
- Increase the development, intensity and diversity of uses in the Southcenter area, including the development of housing and entertainment.
- Develop policies, programs, projects and plans that include input from diverse groups within the residential and business community, using innovative engagement models such as the Community Connector Program.
- Seek opportunities to join other organizational entities to accomplish effective public private partnerships to promote economic development in the City
- Enhance regional recognition of Tukwila as an economic hub, promoting the success and diversity of its businesses and focusing on its positive business climate.
- Explore strategies to maintain a favorable and diverse tax base, to support the needs of our daytime and nighttime populations.
- Meet the needs of our residential neighborhoods while maintaining the economic health of our business community.
- Ensure that adequate public services are in place to support existing and proposed commercial, mixed-use and industrial developments.
- Fund infrastructure and services by maintaining a solvent and diversified revenue stream.

## **VISION, GOALS, POLICIES AND STRATEGIES**

<u>Vision:</u>The following goals and policies provide the pathway how the City can realize its economic development vision that as a vibrant community with a strong and sustainable economy that celebrates and empowers its diversity, supports economic prosperity for all residents, and sustains a foundation for businesses of all sizes.

## **GOAL 1:** A Vibrant, Diverse, and Resilient Economy

Put sources/explanations for amended texts in footnotes

- Policy 1.1 Continue to strengthen and balance economic and workforce development with strategic housing growth in Tukwila to ensure an adaptable and diverse economic base that leverages Tukwila's many assets and ensures the City's financial stability.
- Policy 1.2 Attract and retain office, research and development, high-techadvanced manufacturing, aerospace, food manufacturing, and life sciences businesses, including those that provide services for export.<sup>1</sup>
- Policy 1.3 Encourage commercial and mixed-use development that provides a range of job opportunities throughout the county to create a closer balance between the locations of jobs and housing.<sup>2</sup>

Strategy 1.3.4 Promote the Tukwila International Boulevard neighborhood as an authentic, international district welcoming to visitors.

- Policy 1.4 Maintain support for and strengthen Tukwila's robust retail, hospitality, and experiential sectors.
- Policy 1.5 Evaluate the performance of economic development policies and strategies in developing businesses and creating middle-wage jobs.<sup>3</sup>
- Policy 1.6 Make local investments to maintain and expand infrastructure and services that support local and regional economic development strategies. Focus investment where it encourages growth in designated centers and helps achieve employment targets.<sup>4</sup>
- Policy 1.7 Promote the local workforce through priority hire programs that create middle-wage employment opportunities, encouraging workforce development partnerships, and identifying pipeline education or training opportunities.<sup>5</sup>

#### Regional Economy

Policy 1.8 Coordinate local and countywide economic policies and strategies with VISION 2050 and the Regional Economic Strategy. Emphasize support for those industry clusters that are integral to that strategy.<sup>6</sup>

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<sup>&</sup>lt;sup>1</sup> King County Countywide Planning Policy K EC-6

<sup>&</sup>lt;sup>2</sup> King County Countywide Policy K EC-26

<sup>&</sup>lt;sup>3</sup> King County Countywide Planning Policy K EC-4

<sup>&</sup>lt;sup>4</sup> King County Countywide Policy K EC-18

<sup>&</sup>lt;sup>5</sup> Combined King County Countywide Policy K\_EC-13, and PSRC Consistency tool: Economy. "...Expand access to economic opportunities through actions such as adopting a priority hire ordinance, encouraging workforce development partnerships, and identifying pipeline education or training opportunities...).

<sup>&</sup>lt;sup>6</sup> King County Countywide Policy K EC-1 and K EC-3.

Put sources/explanations for amended texts in footnotes

Policy 1.9 Prioritize growth of a diversity of middle-wage jobs and prevent the loss of such jobs from the region.<sup>7</sup>

**Policy 1C.** Collaborate with the private sector to ensure that catalytic development sites improve the desirability of living, working, staying and playing in Tukwila.

### **Regional Centers**

- Policy 1.10 Concentrate economic and employment growth in designated regional, countywide, and local centers through local investments, planning, and financial policies.<sup>8</sup>
- Policy 1.11 Support economic growth that, along with land use planning and infrastructure development, facilitates Tukwila meeting its designated regional growth targets.
- Policy 1.12 Work to reduce the risk of industrial displacement through a variety of antidisplacement strategies.<sup>9</sup>

#### **Partnerships**

- Policy 1.13 Collaborate with the private sector to ensure that leverage catalytic development sites. improve the desirability of living, working, staying, and playing in Tukwila.
- **Policy 1.14** Build and maintain relationships with key property owners and businesses.

## Site Selection and Development

- Policy 1.15 Facilitate redevelopment of contaminated sites through local, county, and state financing and other strategies that assist with planning, site design, and funding for environmental remediation. 10
- Policy 1.16 Continue working to achieve the vision in the Implement the subarea plans for Tukwila International Boulevard District and the Southcenter District, with an emphasisemphasizing on walkability, placemaking, and community gathering opportunities.
- GOAL 2: A Safe, and Desirable, and Healthy Community with a Positive Identity
- Policy 2.1 Enhance Tukwila's public safety perceptions and sense of place and Enhance Tukwila's public safety perceptions and sense of place and support a positive identity as a city in which to "Live, Work, Stay and Play" a community of choice for businesses, residents

<sup>&</sup>lt;sup>7</sup> King County Countywide Policy K EC-2, in part

<sup>&</sup>lt;sup>8</sup> King County Countywide Policy K EC-17; this policy requires a strategy

<sup>&</sup>lt;sup>9</sup> PSRC MIC Consistency Tool: Economy, Guidance; this policy requires a strategy

<sup>&</sup>lt;sup>10</sup> King County Countywide Policy K EC-24

Put sources/explanations for amended texts in footnotes

and visitors with outstanding transportation, quality housing, fun experiences, amenities, and supportive services.

- Policy 2.2 Improve perceptions of public safety through crime reduction, visible enforcement, improved communications, and messaging.
- Policy 2.3 Invest in placemaking efforts that stimulate and instill community pride, improve quality of life, and welcome visitors.
- **Policy 2.4** Promote positive aspects of the Tukwila community to the region.
- Policy 2.5 Add to the vibrancy and sustainability of our communities and community health and well-being by ensuring the provision of safe and convenient access to local services, neighborhood-oriented retail, purveyors of healthy food (e.g., grocery stores and farmers markets), and sufficient transportation choices.<sup>11</sup>
- Promote Tukwila's natural environment as a key economic asset and work to improve access to it as an economic driver. Work cooperatively with local businesses to protect and restore the natural environment in a manner that is equitable, efficient, predictable, and complements economic prosperity.<sup>12</sup>
- **GOAL 3:** Prosperity and Opportunity for Businesses, Workers, and Residents
- Policy 3.1 Expand avenues of durable economic success for workers, entrepreneurs, business owners, and residents in Tukwila, including workforce development, with a focus on shared prosperity, opportunity, and social responsibility for local communities.
- Policy 3.2 Promote the local workforce through priority hire programs that create middle-wage employment opportunities in historically disadvantaged communities.<sup>13</sup>
- Policy 3.3 Direct investments to community and economic development initiatives that elevate equitable economic opportunity for those communities most marginalized and impacted by disinvestment and economic disruptions<sup>14</sup>.

### Workforce Development and Partnerships

- **Policy 3.4** Improve awareness of, and access to, education and workforce development resources.
- Policy 3.5 Facilitate connections between employers and education and workforce development institutions, seeking to increase graduation rates and develop a highly educated and skilled local workforce. Align and prioritize workforce development efforts with Black,

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<sup>&</sup>lt;sup>11</sup> King County Countywide Planning Policy K EC-19 (Edited from original)

<sup>&</sup>lt;sup>12</sup> King County Countywide Planning Policy K EC-20

<sup>&</sup>lt;sup>13</sup> King County Countywide Planning Policy K EC-13

<sup>&</sup>lt;sup>14</sup> King County Countywide Planning Policy K EC-16

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<u>fIndigenous</u>, and other People of Color communities; immigrant and refugees; and other marginalized communities.<sup>15</sup>

- Policy 3.6 Ensure Act as a resource to residents and workers connecting them to workforce development organizations. feel like they can access jobs that fit their levels of experience and experience in Tukwila.
- Encourage private, public, and non-profit sectors to incorporate environmental stewardship and social responsibility into their practices. Encourage development of established and emerging industries, technologies and services that promote environmental sustainability, especially those addressing climate change and resilience.<sup>16</sup>
- GOAL 4: A Supportive Environment for Small-Business and Entrepreneurs
- Policy 4.1 Maintain a strong, supportive environment for local, independent, small, and microbusinesses and the entrepreneurial ecosystem to ensure they continue to flourish in Tukwila while attracting new business activities to the City.
- **Policy 4.2** Where possible, ease regulations that challenge small businesses.
- Policy 4.3 Ensure that business and entrepreneurial resources are accessible to all, including businesses owned by historically marginalized people, refugees, and immigrants.
- Policy 4.4 Ensure that Tukwila projects an 'open for business' culture, and help businesses thrive through:
  - Transparency, efficiency, and predictability of local regulations and policies;
  - Communication and partnerships between business, government, schools, civic and community organizations, and research institutions; and
  - Government contracts with local businesses.<sup>17</sup>
- Policy 4.5 Foster a broad range of public-private partnerships to implement economic development policies, programs, and projects, including partnerships with community

<sup>&</sup>lt;sup>15</sup> King County Countywide Planning Policy K EC-12

<sup>&</sup>lt;sup>16</sup> King County Countywide Planning Policy K EC-21

<sup>&</sup>lt;sup>17</sup> King County Countywide Planning Policy K EC-5

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groups. Ensure such partnerships share decision-making power with and spread benefits to community groups. <sup>18</sup>

- Policy 4.6 Use partnerships to foster connections between employers, local vocational and educational programs, and community needs.<sup>19</sup>
- Policy 4.7 Identify, support, and leverage key regional and local assets to the economy, including assets that are unique to our region's position as an international gateway, such as major airports, seaports, educational facilities, research institutions, health care facilities, long-haul trucking facilities, and manufacturing facilities.<sup>20</sup>
- Support the regional food economy including the production, processing, wholesaling, and distribution of the region's agricultural food and food products to all King County communities. Emphasize improving access for communities with limited healthy, affordable, and culturally relevant food options.<sup>21</sup>
- Policy 4.9 Develop and implement systems that provide a financial safety net during economic downturns and recovery. Direct resources in ways that reduce inequities and build economic resiliency for those communities most negatively impacted by asset poverty.<sup>22</sup>
- GOAL 5: A Community that Celebrates and Invites Diversity-
- Policy 5.1 Foster a business community in Tukwila that welcomes and empowers residential and business diversity in all its forms while capturing increased market share and building resilience to economic shocks.
- Policy 5.2 Seek to understand the dynamics, needs, and relationships that characterize the minority and immigrant owned business community in Tukwila.
- Policy 5.3 Celebrate the cultural diversity of local communities as a means to enhance social capital, neighborhood cohesion, the county's global relationships, and support for cultural and arts institutions.<sup>23</sup>
- Policy 5.4 Promote business diversity by signaling public sector support and ensure public investment decisions protect culturally significant economic assets and advance the

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<sup>&</sup>lt;sup>18</sup> King County Countywide Planning Policy K EC-8

<sup>&</sup>lt;sup>19</sup> King County Countywide Planning Policy K EC-9

<sup>&</sup>lt;sup>20</sup> King County Countywide Planning Policy K EC-10

<sup>&</sup>lt;sup>21</sup> King County Countywide Planning Policy K EC-11

<sup>&</sup>lt;sup>22</sup> King County Countywide Planning Policy K EC-27

<sup>&</sup>lt;sup>23</sup> King County Countywide Planning Policy K EC-14

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<u>business</u> interests of Black, Indigenous, and other People of Color communities; <u>immigrant and refugees</u>; and other marginalized communities.<sup>24</sup>

- Policy 5.5 Eliminate and correct for historical and ongoing disparities in income, employment, and wealth by building opportunities for Black, Indigenous, and other People of Color; women; and other intersecting marginalized identities.<sup>25</sup>.
- Promote an economic climate that is supportive of business formation, expansion, and retention, and that emphasizes the importance of small businesses, locally owned businesses, women-owned businesses, and businesses with Black, Indigenous, and other People of Color; immigrant and refugee; LGBTQIA+; disabled; and women-owned or -led businesses, in creating jobs. 26
- Policy 5.7 Stabilize and prevent the economic displacement of small, culturally relevant businesses and business clusters during periods of growth, contraction, and redevelopment.

  Mitigate displacement risks through monitoring and adaptive responses.<sup>27</sup>

## **Community Well-Being**

#### **GOAL 2.1**

Tukwila has a strong role as a regional business and employment center which allows it to enhance and promote the community's well-being

#### **POLICIES**

- 2.1.1 Develop the tools needed to improve the economic development climate.
- 2.1.2 Strengthen Tukwila's engagement and partnership with other jurisdictions, educational institutions, agencies, economic development organizations, and local business associations to encourage business creation, retention and growth, and to implement interlocal and regional strategies.
- 2.1.3 Expand access to quality, healthy, affordable and culturally appropriate food and groceries for Tukwila residents.

<sup>&</sup>lt;sup>24</sup> King County Countywide Planning Policy K EC-28

<sup>&</sup>lt;sup>25</sup> King County Countywide Planning Policy K EC-15

<sup>&</sup>lt;sup>26</sup> King County Countywide Planning Policy K EC-7

<sup>&</sup>lt;sup>27</sup> King County Countywide Planning Policy K EC-29

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  - 2.1.4 Monitor City actions and impacts on the local economy and review economic development incentives for all sizes of businesses.
  - 2.1.5 Continue to fund economic development staff to serve as a single contact point and information source for the business community.
  - 2.1.6 Leverage capital improvement funds to encourage in fill, land assembly, redevelopment, and land conversion for family wage jobs, but only if concurrent with substantial private actions.
  - 2.1.7 Partner with the private sector to fund infrastructure as part of a sub-area plan, in order to encourage redevelopment and as an inducement to convert outdated and underutilized land and buildings to high valued and/or appropriate land uses.
  - 2.1.8 Consider non-financial ways (such as brokering and interlocal agreements) to assist industrial land owners to comply with State and federal government environmental remediation requirements.
  - 2.1.9 Consider a public-private partnership to examine creating a small business incubator space in the City.
  - 2.1.10 Improve Tukwila's image, participation and influence in regional forums, especially those that influence Tukwila's future and interests.
  - 2.1.11 Promote understanding of the interdependencies and mutual interests among Tukwila businesses, residents and the City of Tukwila.
  - 2.1.12 Promote an economic climate that supports business formation, expansion and retention, emphasizing the importance of the City's entrepreneurs and small businesses in creating jobs.
  - 2.1.13 Seek funds from non-City sources for use by the City to directly encourage economic development.
  - 2.1.14 Design and support human service programs, such as partnerships for interns and job training in higher wage industries, to enhance the economic well being of the City's residents.
  - 2.1.15 Promote Tukwila as a regional confluence of commerce, housing and entertainment.
  - 2.1.16 Promote and preserve economic use of industrial lands outside the Manufacturing Industrial Center (MIC) through appropriate buffering requirements and use restrictions.
  - 2.1.17 Include standards in the development regulations for industrial uses that adequately mitigate potential adverse impacts on surrounding properties and public facilities and services.

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2.1.18 Actively promote development in the Southcenter area by supporting existing uses, proactively developing programs and incentives to attract new businesses, investing in infrastructure and public amenities, and encouraging business owners and developers to invest in the quality of both the built and natural environment.

## **Implementation Strategies**

- Develop an Economic Development Plan.
- Consider preparing overall area environmental impact statements for the Interurban/West
   Valley Highway corridor and Tukwila International Boulevard area.
- Develop a freight mobility plan that addresses the efficient and safe movement of freight in the City, while also ensuring that impacts to adjacent land uses are reduced and, where possible, eliminated.
- Zoning regulations that facilitate commercial in-fill development and redevelopment consistent with the Comprehensive Plan vision.
- Take joint owner-City-regulatory agency environmental remediation actions to facilitate brownfield redevelopment and in-fill.
- Focus public infrastructure investment to provide capacity in areas targeted for growth.
- Create Local Improvement Districts to finance specific transportation and utility in fill improvements.
- Identify and eliminate confusing or outdated regulations.
- Encourage redevelopment through an informed business and real estate community.
- Support collaborative marketing initiatives with businesses.
- Partner with a broad range of non-profits, businesses and public sector agencies to develop a facility for food-related workforce development and entrepreneurship training.
- Support environmentally sustainable practices by offering energy and resource consevation and solid waste and energy reduction assistance programs for businesses, property owners and managers.
- Encourage businesses to incorporate environmental and social responsibilities into their practices.
- Increase communication between the City of Tukwila and Tukwila businesses using innovative community engagement models.
- Support business skills training for entrepreneurs and small businesses through partnerships
  with universities, colleges, community colleges, community-based organizations and other third
  parties.
- Support the food economy, including production, processing, wholesaling and distribution, as a
  means to provide job training, employment opportunities and increased access to healthy food
  for the diverse community.
- Support public/private partnerships to enhance existing and future business activity in the Urban Center.
- Work with local chambers of commerce on business retention, business development, outreach and joint efforts to promote the City.
- Collaborate with local school districts to improve the educational opportunities for Tukwila school children.

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  - Consider providing information about City hiring processes and job openings at City-sponsored events and in City communications.

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## **RELATED INFORMATION**

King County Countywide Planning Policies (2022)

Vision 2050 (2021)

Economic Development Element Background Memo (when available)