



Pierce County
Economic Development Division

Economic Action Agenda Report Card

Third Quarter 2008

GOAL 1

Enhance the Economic Development Division's Role and Responsibilities to Encourage Expanded Business Growth

CREATE A CENTRAL POINT OF CONTACT AND ADDITIONAL FOCUS ON BUSINESS GROWTH

- ✓ The Economic Development Division (EDD) works with partners to serve as a one-stop shop for disseminating resources and contact information for inquiry types ranging from statistical data requests to the County's or other jurisdiction's permitting processes; with this model, customers are quickly and efficiently connected to the appropriate resource(s).
- ✓ The EDD met with a local manufacturing company to discuss the unintended consequences of utilizing the Rural County Sales and Use Tax Deferral/Waiver Program. The company hired an employee from the Community Empowerment Zone (CEZ) by utilizing a community program designed to assist unemployed, underemployed, and at-risk individuals gain employment; as part of the process, the company was able to apply for a tax incentive. The employee became a valued staff member and earned more and moved out of the CEZ. As a result, the company was required to repay the sales tax on facility construction that had been deferred plus penalties totaling over \$100,000. The Economic Stimulus Report recommends making the reform of this program a Pierce County legislative agenda item.

SUPPORT THE COUNTY'S MILITARY BASES AS AN INTEGRAL PART OF THE ECONOMY

- ✓ Staff worked with Facilities Management on continued progress of Clear Zone acquisition.

CONDUCT OUTREACH AND COMMUNICATE EDD'S SERVICES AND CAPABILITIES TO CITIES AND TOWNS, AND ECONOMIC DEVELOPMENT ENTITIES REGIONALLY

- ✓ The EDD website and online brochures serve as an interactive resource guide that can be shared with clients and partners.
- ✓ COUNTY BIZ, the Economic Development Division's quarterly newsletter, featured an article on the Economic Stimulus Report. Bruce Kendall, the Economic Development Board (EDB) President and CEO, is featured in the Faces in Economic Development section.
- ✓ The EDD hosted two Economic Development Practitioner meetings in the third quarter. Newly hired partners Tammy Blount, Tacoma Regional Convention and Visitor Bureau Executive Director and James McMahan, World Trade Center Tacoma Executive Director, provided updates on what they are doing in their new roles. A growing trend in business' interest in transit for employees was recognized by several of our partners. We therefore held our second Practitioner meeting with Pierce Transit. They discussed how the agency is dealing with a rapid growth in ridership in the face of revenue shortfalls.



CONTINUE TO ACTIVELY PARTICIPATE IN REGIONAL ECONOMIC DEVELOPMENT EFFORTS

- ✓ Several key regional meetings were attended including the following: Prosperity Partnership's Military Industry Cluster Tour and the Trade Development Alliance's Board Meetings.
- ✓ The EDD participates in a quarterly Economic Development Marketing & Communications Network group including staff from the Port of Tacoma, Pierce County Communications Department, the City of Tacoma, and the Tacoma Pierce County Chamber of Commerce in an effort to determine how to share/cross promote areas of the group's economic development related marketing and communications work and how to stay informed on current events and opportunities.

CONTINUE TO SUPPORT DEVELOPMENT OF THE CHAMBERS CREEK PROPERTIES

- ✓ The Public Works and Utilities Department opened both North and Central Meadows located on Chambers Bay Properties. North Meadow is six acres in size with parking for 38 vehicles and Central Meadow is 22 acres in size with parking for 84 vehicles. A new restroom facility will serve both trail users and other visitors to the site. A Skins Game was held in quarter three at Chambers Bay Golf Course to raise funds for community charities.
- ✓ Since the announcement of the award to Chambers Bay of the US Amateur and US Open, staff has received a number of requests for presentation of the results of our economic impact estimates. In addition to discussing the results with several individuals, presentations were made to University Place Council members and the Technology Alliance annual meeting.
- ✓ Staff facilitated a tour of the properties with a national hotel developer, and a tour of the golf course with a Trade Representative from Scotland.

SERVE AS A CENTRAL RESOURCE FOR COMPETITIVE SURVEY, MARKET, ANALYTICAL AND OTHER RESEARCH ISSUES

- ✓ Pierce County Council Resolution 2008-77s directed the EDD to review a variety of existing issues and to identify other options that might serve to stimulate the local economy. The Pierce County Economic Stimulus Report was delivered to County Council on September 15th. In order to get a report of this scale done within the allotted time frame, the EDD staff mobilized immediately. Guidelines were set in place, a plan was devised, a stakeholder list was developed, and assignments were distributed. In total, staff interviewed 68 stakeholders representing 48 organizations and agencies - including a variety of other Pierce County Departments. The end result included 41 recommendations - some near term and some more far reaching.
- ✓ Staff attended Frederickson Industrial Group and Performance Audit Committee meetings.
- ✓ Staff attended the Planning and Land Services (PALS) Audit Oversight Committee meetings to review implementation of the audit recommendations and continued discussions with developers to identify areas of concern within Pierce County's permitting agencies.
- ✓ Staff continues to meet with the Realtors Association, Association of General Contractors, and the Master Builders Association.

GOAL 2

Improve the County's Business Climate Through Targeted Initiatives

CONTINUE EDD'S BUSINESS RETENTION AND EXPANSION PROGRAM, IN PARTNERSHIP WITH THE TACOMA-PIERCE COUNTY ECONOMIC DEVELOPMENT BOARD (EDB)

- ✓ Business Retention and Expansion (BRE) staff visited with 31 firms, sent out 13 BRE outreach letters to small (fewer than five employees) companies, provided two additional firms with technical assistance services; work for two firms is on-going with technical assistance being provided over an extended period of time.
- ✓ Staff attended two joint EDD/EDB BRE meetings and continues to work together on coordination and information sharing between both outreach programs.
- ✓ Staff conducted two BRE meetings with the City of Lakewood's Economic Development Manager; both clients were appreciative of the local perspective offered by the City representative.
- ✓ A custom closet company was provided with tax incentive information for planned capital purchases and referred to WorkSource the Business Connection for assistance with planned hiring needs.
- ✓ Staff was able to assist a BRE client planning to pursue a major business and facilities expansion in the near term; the business owner was put in touch with another BRE client for a possible partnership.
- ✓ A machining company facing challenges related to the Boeing strike was connected with employment security resources.
- ✓ The EDD has refined its quarterly summary report that reflects depth and geographic reach of our BRE calls and can be used to identify business trends.
- ✓ Staff continues to utilize new resource for identifying companies including Employment Security data, Manta (D&B), Reference USA, and referrals from existing BRE clients.

WORK COOPERATIVELY WITH THE COUNTY'S ECONOMIC DEVELOPMENT PARTNERS

- ✓ During the quarter 66 technical assistance referrals were made including 14 referrals to WorkSource the Business Connection for companies requesting assistance finding qualified workers. Staff educated 15 companies about potential tax incentives and counseled six on government procurement procedures; four businesses were put in touch with a business technical assistance provider; staff made six referrals to the Division's loan officer; trade assistance was provided in three accounts, seven referrals were made to other jurisdictions, and six referrals were made to other county departments.
- ✓ EDD staff chairs the Tacoma Tall Ships Organization Board's economic development committee. The 2008 Tacoma Tall Ships Festival was held in early July and despite smaller than anticipated crowds the Festival was well received. Staff managed the onsite activities related to the economic impact study and assisted with the final draft of the economic impact study and presented the finished product to the Tacoma City Council Economic Development Committee.
- ✓ Staff attended the Milton Board of Economic Development Commissioners' meetings to provide input on the City economic development plan update.
- ✓ Staff met with the City of Orting's City Administrator to discuss light industrial development.

- ✓ Staff continues to assisted partners in everyday ways. A few examples of help this quarter included assisting the Tacoma Pierce County Chamber of Commerce with a letter of support for a bid package for the Association of Defense Communities Conference, coordinating with the Port of Tacoma regarding an inquiry about a publication feature, and assisting WorkSource the Business Connection by compiling samples of EDD, Tacoma Regional Convention and Visitor Bureau, Port of Tacoma, and the City of Tacoma marketing materials.
- ✓ Staff participates in the following activities on an ongoing basis: Board of Directors for the Trade Development Alliance, Washington Economic Development Association, Tall Ships 2008, the Milton Board of Economic Development Commissioners, Regional Access Mobility Partnership, Convention and Visitor Bureau Board, World Trade Center Executive Committee and Board of Directors, Chambers Creek Management Committee, Tacoma Regional Convention and Visitor Bureau Board and Executive Committee, EDB Investor Briefing, Regulation Review/Code Conflict Committee, Community Vision 2025, Master Builders Association, Leads Group and others as time permits.

CONTINUE TO ADVOCATE FOR ACTIONS THAT RESULT IN THE GROWTH OF PRIMARY JOB-GENERATING INDUSTRIES IN THE COUNTY

- ✓ Staff assisted a Pierce County branch of a Portland based company and offered to meet with company executives upon their next visit to the area.
- ✓ Staff provided business planning and marketing assistance to a local company; the client was also referred to a Small Business Assistance center counselor for additional help.
- ✓ Of the 33 BRE visits this quarter, 30 were within the target clusters identified by the Prosperity Partnership and the 2005 Pierce County Economic Profile and Strategy Assessment; staff continues to identify new target cluster companies for BRE visits.
- ✓ The EDD provided assistance with three new cases; more limited technical assistance was provided in 10 instances. Assistance ran the gamut from the traditional direct assistance for businesses needing permits to research concerning allowable uses within certain land use designations.

PROVIDE BUSINESS LOANS AND FINANCING TECHNICAL ASSISTANCE TO BUSINESSES

- ✓ Staff conducted outreach meetings with three lending institutions and participated in a panel presentation and discussion on loan programs and business services offered through Pierce County at the East Pierce County Chamber - Economic Summit held at Pierce College in Puyallup.
- ✓ We assisted with 12 lender inquiries and provided technical help with the following requests for assistance: funding for a pest control business, additional financing for the purchase of an owner-occupied facility for an insurance company, information on the RLF program for clients interested in purchasing owner-operated facilities, zoning inquiry for a client interested in starting a home based business in Spanaway, obtaining a Community Benefit Letter for a SBA 504 Loan, information on Tacoma's Tax Break Revitalization Program for a client interested in the tax incentive offered to developers for waterfront and Hilltop projects, funding for a prospective Orting business in search of additional working capital, SBA packaging assistance, financing program to assist in the purchase of an owner-occupied facility, financing for a start-up mobile repair business, information on alternate financing programs, and information regarding Pierce County veteran demographics for an article to be written by lenders. Staff also provided contract training and assistance to another county

department, assisted the City of Puyallup with a demographic request and assisted a lender by performing financial analysis and preparing a financial spreadsheet for a client.

- ✓ In addition to assisting lenders, the EDD worked directly with existing business owners and individuals hoping to start a new business. Staff assisted clients by providing information on Pierce County loan programs and requirements and provided technical assistance in the following areas: financing to assist with a home based electronic retail business, financing a Lakewood start-up restaurant franchise, directing a Lakewood home-based pastry business to the appropriate permitting agencies, providing a Port of Tacoma contact to a local wholesaler in need of help with delays caused by inspection requirements for shipped inventory, funding for a start-up franchise auto parts business in Steilacoom, providing business owners with Pierce County contracting opportunities, financing programs to fund working capital for a window manufacturer, financing to assist in purchasing an existing Puyallup beauty salon, funding for a paint finishing company's working capital, directing a client interested in starting a Spanaway Bed and Breakfast to the appropriate permitting and licensing agencies, funding for the purchase of an existing chiropractic practice in Gig Harbor, educating an existing business owner about loan programs that might help prospective buyers, financing to assist with the purchase of a franchise janitorial service, funding for a computer service company's capital needs for a service expansion proposal, and providing the City of Sumner with financing options for a business owner purchasing a property.

CONTINUE TO IMPROVE THE COUNTY'S PERMIT PROCESS TO ACHIEVE TIMELY AND PREDICTABLE PERMITTING

REVIEW REGULATORY REQUIREMENTS FOR CONSISTENCY AND SIMPLICITY

- ✓ The EDD staff worked with PALS, Public Works and Utilities and building industry officials to revise specific codes and regulations; recommendations were forwarded for County Council review early in the fourth quarter 2007; further direction is pending County Council action.

USE MASTER PLANS AND PLANNED ACTION SEPAS TO FACILITATE DEVELOPMENT IN TARGETED AREAS

SUPPORT TAX REFORM EFFORTS TO MAKE THE STATE MORE COMPETITIVE

SUPPORT THE DEVELOPMENT OF A PIERCE COUNTY BUSINESS ECONOMIC RECOVERY PLAN

- ✓ EDD staff worked with the Department of Emergency Management staff to develop an Emergency Operations Center-based business liaison role; staff attended training in preparation for an upcoming exercise.

GOAL 3

Plan Infrastructure Improvements to Proactively Facilitate Economic Growth in the Employment Center Zones

PLAN AND IMPLEMENT FREDERICKSON EMPLOYMENT CENTER IMPROVEMENTS

- ✓ The design improvements for 192nd Street are still underway.
- ✓ The widening of 176th Street continues in the design stage and grant applications for the next segment of this project are still underway.

PLAN AND IMPLEMENT THUN FIELD EMPLOYMENT CENTER IMPROVEMENTS

DEVELOP ECONOMIC DEVELOPMENT DESIGNATION FOR ROAD CORRIDORS SUPPORTING KEY EMPLOYMENT CENTERS

- ✓ The draft 2008 County Transportation Plan update alternatives, which include the Economic Development chapter, has been presented to the County Council and public for comments. The revision and update on the alternatives will continue through the end of the year.

UNDERTAKE STORMWATER INFRASTRUCTURE PLANNING IN THE MAJOR EC ZONES

- ✓ In quarter two, the County Council approved the flood plain regulations that facilitate development in the Fredrickson Employment Center. The next step is to continue with planning and implementing the regulations.

FACILITATE SEWER SYSTEM PERMITTING TO ENABLE TIMELY AND PREDICTABLE PROJECT REVIEW

LEAD PUYALLUP RIVER FLOODWAY AND FLOODPLAIN MANAGEMENT EFFORTS

- ✓ The recently formed Executive Task Force for the Lower Puyallup Flood Control project is evaluating alternative solutions identified in the levee study.



COORDINATE AND ADVOCATE FOR TRANSIT SERVICE IMPROVEMENTS AS NEEDED TO SUPPORT BUSINESS GROWTH IN THE ECS

- ✓ EDD staff coordinated the development of a transportation needs survey with the City of Sumner and Pierce Transit. A distribution list of over 80 companies interested in learning more about the possibility of bus service within the North Sumner Industrial Area was assembled. Survey results from over 50 percent of affected employers were received. These results will be the starting discussion point as the agencies work together to develop scheduled bus service to meet demand.

ANALYZE THE MARKET AND ECONOMIC POTENTIAL OF THUN FIELD AIRPORT

- ✓ The economic analysis plan for private investment in airport facilities to stimulate economic develop at the airport and enhance operational resources to sustain Thun Field assets is completed.

EVALUATE OPPORTUNITIES FOR INVOLVEMENT IN THE CASCADIA DEVELOPMENT TO PROMOTE ECONOMIC DEVELOPMENT

- ✓ The community drain field system for Cascadia has been completed.
- ✓ The EDD organized a meeting and tour of Cascadia; staff met with Patrick Kuo and his team and discussed the project and timeline in detail.



Rendering of Cascadia Village Core

GOAL 4

Assume a Proactive Approach to Infrastructure Investment and Funding

CONTINUE ADVOCACY AND COLLABORATION TO OBTAIN REGIONAL FUNDING FOR MAJOR TRANSPORTATION PROJECTS

- ✓ The Transportation Planning and Programming Division continues to seek outside funding sources (State, Federal, other) to the maximum extent possible. The program relies very heavily on receiving matching funds to complete the Transportation Improvement Program (TIP) projects.

DEVELOP INFRASTRUCTURE FUNDING STRATEGIES TO FACILITATE DEVELOPMENT IN APPROPRIATE LOCATIONS

CONDUCT A SEWER SYSTEM FUNDING REVIEW AND ASSESSMENT

- ✓ A recommendation was included in the Economic Stimulus Plan; necessary regulatory changes and an implementation plan should be finalized by year end.

IMPLEMENT THE PROPOSED TRAFFIC IMPACT FEE SYSTEM

- ✓ This item was promoted in the Economic Stimulus Plan.
- ✓ Traffic impact fees went into effect on January 1, 2007 and approximately \$3.5 million has been collected by the third quarter of 2008. The forecast for the end of this year is about \$3.6 million.



GOAL 5

Initiate Strategic Planning and Coordination to Support Continued Economic Growth

REFINE COUNTY LAND USE REGULATIONS AND PLANNING PRACTICES

- ✓ Staff has delivered two separate recommendations to County Council in 2007 that take steps towards streamlining and simplifying code implementation.

ENSURE THAT INDUSTRIALLY ZONED LANDS IN THE EC AND CE ZONES ARE MAINTAINED FOR INDUSTRIAL USES

- ✓ Staff monitors various county department proposals and draft legislation. Staff from the EDD and PALS is working on proposed changes to code to ensure the protection of industrial lands.

ANALYZE INDUSTRIAL LAND SUPPLY NEEDS AND POLICIES

- ✓ Continued work on the industrial land usage study throughout the County with a focus on the differences between industrial sectors.

IDENTIFY ELECTRICAL SERVICE REQUIREMENTS TO SUPPORT ECONOMIC DEVELOPMENT GROWTH

IDENTIFY WATER SERVICE CAPACITY AND CAPABILITIES TO SUPPORT ECONOMIC DEVELOPMENT GROWTH

EXTEND BROADBAND PROVISION TO SUPPORT BUSINESS RETENTION AND GROWTH



GOAL 6

Enhance Communications to County Departments, Businesses and Jurisdictions

ENHANCE THE COUNTY'S WEBSITE TO INCREASE THE VISIBILITY OF ECONOMIC DEVELOPMENT EFFORTS

- ✓ The newsletter, no an online communications tool, continues to drive more traffic to our website, as does the recently completed Economic Stimulus Plan.
- ✓ In an effort to increase EDD visibility online, we worked with the Communications staff to get a direct link to the Economic Development page from the Pierce County home page.

DEVELOP AN OUTREACH PLAN AND MATERIALS TO EFFECTIVELY COMMUNICATE EDD'S ROLE AND ACTIVITIES TO ORGANIZATIONS BEYOND COUNTY GOVERNMENT

- ✓ The quarterly newsletter and PCN segments serve as compelling stories that document the results of the EDD programs and areas of assistance; the Quarterly Report Card serves as an inventory of accomplishments in implementing the Economic Action Agenda.
- ✓ The PCN news magazine monthly series features segments that focus on specific goals from the Economic Action Agenda, a thread that runs through all segments. Third quarter stories included: an overview of Cascadia focusing on the economic development aspects of the project including a discussion on the industrially zoned land; the economic impact of the Port of Tacoma's Blair-Hylebos Peninsula redevelopment, and the impacts and importance of international trade to our region's overall economy and our competitiveness in the global economy.



DEVELOP AN INTERNAL COUNTY OUTREACH PLAN AND MATERIALS TO COMMUNICATE EDD'S PURPOSE AND ROLE

- ✓ COCOUNTY BIZ, the EDD's quarterly newsletter, is posted on OZ in an effort to promote an understanding of services; positive feedback has been encouraging. In addition, distribution includes partners, jurisdictions, local, state and federal electeds and client businesses; circulation continues to grow.

EFFECTIVELY COMMUNICATE INFRASTRUCTURE DEVELOPMENT AND REGULATORY PROCESSES AND REQUIREMENTS TO CUSTOMERS AND STAKEHOLDERS

- ✓ Staff regularly discusses impending road improvement projects, road construction projects and funding initiatives with business owners – particularly those that cite congestion as a major barrier to their business.

COMMUNICATE OPTIONS AND OPPORTUNITIES TO REDUCE COSTS TO CUSTOMERS AND STAKEHOLDERS

**Working cooperatively to improve Pierce County's business climate:
Economic Development Division, Public Works and Utilities and
Planning and Land Services.**