

PIERCE COUNTY · WASHINGTON

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# ECONOMIC DEVELOPMENT TOOL BOX



*“Pierce County is a great place to live and work.  
The diverse, expanding economy also makes this  
a great place to grow your business.”*

Randy Rushforth, Chairman of the Board  
Rushforth Construction Co., Inc.



Following is a list of resources available to Pierce County businesses along with contact information. Businesses may also call our office at 253-798-6150 to learn more about any of these programs.

## WASHINGTON STATE TAX INCENTIVES

Contact: Washington State Department of Revenue: 800-647-7706

The State of Washington offers numerous tax incentives to targeted industries and activities and maintains an extensive website. We recommend you confirm this information. Examples of state tax incentives include:

### Manufacturers' Sales/Use Tax Exemption

Exemption on sales/use tax on machinery and equipment used directly in manufacturing or research (available to manufacturers and to processors who perform R&D.)

### Aerospace Industry Business & Occupation (B&O) Rate Decrease

B&O tax rate decrease to .002904% for manufacturers of commercial airplanes or manufacturers of component parts of commercial airplanes.

### Aerospace Industry B&O Tax Credit for Preproduction Development Expenditures

B&O tax credit for qualified expenditures in research, design and engineering activities related to the development of aerospace products or models by manufacturers of commercial airplanes or manufacturers of component parts of commercial airplanes. The B&O tax credit is equal to 1.5% of qualified preproduction development expenditures.

### Aerospace Industry B&O Tax Credit for Property Taxes Paid

B&O tax credit equal to the property taxes paid on new buildings, the land upon which the new buildings are located, and property taxes attributable to the renovation or expansion of buildings used exclusively

in the manufacturing of commercial airplanes or in the manufacturing of component parts of commercial airplanes.

### Aerospace Industry Sales/Use Tax Exemption for Computers

Sales/use tax exemption for manufacturers of commercial airplanes or component parts of commercial airplanes on computer hardware, software and computer peripherals used primarily in the development, design and engineering of such products.

### Biofuel Manufacturing B&O Rate Decrease

B&O tax decrease for manufacturers of biodiesel fuel, alcohol fuel, biodiesel feedstock, and woodmass biofuel to 0.138%.

### Farm Fuel Users – Sales and Use Tax Exemption

No sales or use tax is due on diesel fuel or aircraft fuel used for producing agricultural products by farmers and persons providing horticultural services for farmers (“farm fuel users”).

### Farm Machinery and Equipment Replacement Parts– Sales and Use Tax Exemption

Eligible farmers may purchase replacement parts for farm machinery and equipment without paying retail sales tax. Farmers must apply to the Department of Revenue for an exemption certificate.

### High Technology B&O Tax Credit

B&O tax credit for businesses that do R&D under specific technology categories (advanced computing, advanced materials, biotech, electronic devices, environmental technology). The credit is taken against a business’ B&O tax. The rate is 1.5% for businesses, and is applied to R&D related expenses.

### High Technology Sales/Use Tax Deferral

Deferral of sales/use taxes if a business uses the investment project for qualified R&D. To be eligible, a business must start a new R&D or pilot manufacturing operation or expand/diversify a current operation by expanding, renovating, or equipping an existing facility. The investment must consist of machinery and equipment, new structures, and/or expansion or renovation to increase floor space or production capacity.

### B&O Tax Credit and Training Assistance

The new Washington Customized Training Program is a revolving loan fund that covers businesses’ up-front training costs and provides a 50% B&O tax credit to businesses locating or expanding in Washington.

### Rural County Sales/Use Tax Deferral Program

Deferral of sales/use tax for manufacturing, R&D or computer-related businesses locating in Pierce County on the sales/use taxes on qualified construction and equipment expenditures. The business must invest in facility construction, expansion, or machinery. In addition, at least one qualified employment position (i.e., filled by someone residing in the Community Empowerment Zone) must be created for every \$750,000 of investment on which a deferral is requested.

### Timber Activities Reduced State B&O Rates

The Washington State B&O tax rate is reduced to 0.002904 for companies that extract, manufacture, process, or wholesale timber and timber products.

### Warehouse Tax Incentive

Exemption from the state's portion of the sales/use tax paid on new warehouse construction or expansion that is 200,000 square feet or greater.

## FINANCING PROGRAMS

### Industrial Development Revenue Bonds

Economic Development Board for Tacoma-Pierce County

Contact: 253-383-4726

Tax-exempt bond financing for employment-generating manufacturing facilities is available through the Economic Development Corporation of Pierce County. Eligible costs include the acquisition, construction, improvement of land, buildings, docks, wharves, roads, parking, utilities, and landscaping; machinery and equipment; architectural design, engineering work and feasibility studies; consulting, accounting and legal fees; and financing arrangements. Projects generally range from \$2 million to \$20 million.

### Pierce County Loan Programs

Contact: 253-798-6916

Pierce County's loan programs can help small businesses with asset acquisition and working capital. Funds can be used to purchase a building or equipment, or to fund inventory or other working capital needs. Loans vary by program (\$5,000 micro-loan program to \$250,000 for revolving loan fund). These loan programs work in conjunction with bank financing.

## MINORITY & WOMEN'S BUSINESS ENTERPRISES

### Linked Deposit Program

Contact: 866-208-1064

The Washington State Office of Minority and Women's Business Enterprises (OMWBE) and the Office of the State Treasurer offers a below-market financing program for certified minority and women's business enterprises. Certified firms can enroll their qualifying business loans in the program to receive an interest rate reduction up to 2%. Loans must be made from a participating bank and cannot exceed \$1 million or ten years in term. Other restrictions may apply. An OMWBE specialist can provide details on certification eligibility criteria, application assistance, and in-depth Linked Deposit information.

## TRADE RESOURCES

### Washington State Department of Community, Trade & Economic Development (CTED)

Contact: 206-256-6100

CTED's International Trade Division helps Washington businesses enter new foreign markets to sell their products and services or expand sales overseas. CTED maintains offices in China, Europe, Japan, South Korea, and Taiwan and can be used to help find buyers, market products, and structure deals.

### Northwest Trade Adjustment Assistance Center (NWTAAC)

Contact: 800-667-8087

NWTAAC provides matching funds (up to 50%) in the form of grants to import-injured manufacturers. Monies can be used for developing strategies including marketing, lean manufacturing, quality assurance and information systems. Eligible companies must demonstrate a decline in sales or production of a major product, a decline in employment, and evidence that the declines are due to competition from imports.

### World Trade Center Tacoma (WTCT)

Contact: 253-396-1022

WTCT specializes in overseas markets with extensive trade related data and services that can help businesses introduce products into the export market. The World Trade Center is a membership organization.

## Foreign Trade Zone

Contact: 253-383-9407

The Port of Tacoma's Foreign Trade Zone #86 can give importers and exporters a flexible way to ship, store, manipulate, and add value to goods while delaying or eliminating payment of U.S. Customs duties.

## CUTTING COSTS OF DOING BUSINESS

### Washington Manufacturing Services (WMS)

Contact: 253-840-8372

WMS is a not-for-profit organization focused on helping manufacturers in Washington compete. WMS offers a variety of services, including consulting regarding lean manufacturing, plant layout, etc.

### Energy Audits

Energy audits are available to help lower energy costs. Incentive funding or loans may also be available when installing modifications to electrical and mechanical systems for energy efficiency. Check the local utility company for program details.

Puget Sound Energy (PSE) clients can log on to the PSE website or call 1-888-225-5773.

Tacoma Power clients can log on to the Tacoma Public Utilities website or call 253-502-8377.

### Reducing Industrial Insurance Costs

Washington State Department of Labor & Industries

Contact: 360-902-4851

Companies in Pierce County may be able to reduce the cost of industrial insurance by participating in L&I's Retrospective Rating Program or "Retro". Retro is an optional financial incentive program created to help employers with solid safety records reduce their industrial insurance costs through an annual rebate.

## Pierce County Surface Water Management Credit Program

Pierce County Water Programs

Contact: 253-798-2725

Sites in Pierce County that use an engineered storm drainage system to control their run-off may be eligible for significant reductions in their Surface Water Management Utility (SWM) fees. In fact participation in the credit program can reduce SWM utility fees by as much as 85%.

## REGULATORY ASSISTANCE

### Pierce County Regulations and Permitting

Contact: 253-798-3813

Pierce County's Economic Development Division answers questions and offers assistance to businesses with regulatory issues including assistance with obtaining permits.

### Puget Sound Clean Air Agency

Contact: 206-689-4052

Puget Sound Clean Air Agency experts assist small businesses with questions regarding permit applications, fees and regulated activities under the Clear Air Act. Companies can often save money on their annual renewal registration fees by reviewing permit criteria noted on their assessments to ensure accuracy.

### Environmental Rules and Regulations

Contact: 206-767-0432

The Environmental Coalition of South Seattle (ECOSS) is a non-profit resource team working for companies to help navigate environmental and safety related requirements. These services are confidential and free of charge. ECOSS can assist with planning in order to prevent potential issues, address issues that regulatory divisions pursue, and identify preventative measures that can reduce inspection fees/fines.

## No Cost L&I Consulting

Contact: 360-902-4205 or [smallbusiness@LNI.wa.gov](mailto:smallbusiness@LNI.wa.gov)

The Washington State Department of Labor and Industries (L&I) offers no-cost consulting services in two areas: Risk Management and Workplace Safety. These services help businesses manage workers' compensation claims to get the best results for both the worker and the employer. With respect to workplace safety, businesses can request an L&I consultant to perform a free on-site safety review of their workplace, point out potential compliance problems, and offer suggestions on how to resolve those problems. L&I consultants do not issue citations, however, a consultant will ask an employer to resolve any safety problems discovered at a work site.

## WORKFORCE RESOURCES

### The WorkSource Business Connection

Contact: 253-583-8806

The WorkSource Business Connection offers workforce-oriented assistance and can help with employee recruitment, a job listing service, information about tax credits, on the job training contracts, employee development and labor market information.

### Community & Technical Colleges

Pierce County has excellent community and technical colleges that provide classes, contract training, and other resources to local employers. They include Bates Technical College, Clover Park Technical College, Pierce College, and Tacoma Community College.

### Customized Workforce Training Program - State Board of Community and Technical Colleges

Contact: 360-704-4340

The State of Washington offers a workforce development program designed to give employers a tool to access customized workforce training for their employees. Working through local community or technical colleges, the program provides the up-front costs of customized workforce training through an interest-free short term loan. Participating businesses also qualify for a B&O tax deduction equal to one half of the training costs. Funds can be used for specialized technical training, basic skills training, ESL, and other needs.

## Universities

Pierce County has outstanding 4-year institutions that offer both undergraduate and graduate degree programs. These include University of Washington Tacoma, Pacific Lutheran University, and the University of Puget Sound. In addition, the University of Washington Tacoma campus includes the Institute of Technology which focuses on supporting the educational needs of high-technology industries in Washington. In addition, Evergreen State College has a branch campus in Tacoma.

## Job Skills Program (JSP)

Contact: 253-594-7975

JSP offers training customized to meet employers' needs. JSP funds are awarded to licensed educational institutions to cover half of the training cost. The other half must be provided by the employer. Funds can be used for customized training, cross-training, basic skills training, continuous improvement, train-the-trainer programs, and new employee services.

## Adding Employees

The Department of Licensing (DOL) offers a quick resource guide explaining the implications of hiring employees. You will find a section dedicated solely to hiring employees. Also included is a detailed FAQ section. Helpful links to the Employment Security and Labor and Industries sites are also included.

Another resource for hiring and managing employees in the state is the Access Washington website.

## Vadis

Contact: 253-863-5173 ext. 235

Vadis serves employers interested in successfully hiring people with varying degrees of developmental disabilities. Businesses can either directly hire an individual(s) for entry level positions or contract for services where ongoing supervision and training is provided. Businesses may also qualify for wage subsidies and tax credits in exchange for hiring an employee(s).

## **PROCUREMENT RESOURCES**

### Government Contracting Assistance

Several State and Federal resources are available to help your company with opportunities to do business with the government.

A summary sheet noting various government procurement programs and their respective contacts, and a list of municipal, county, and school district purchasing offices is available by calling 253-798-6639.

### Accessing State Procurement Opportunities

The Washington State Department of General Administration's WEBS system is the state's centralized online vendor database and bid notification system. WEBS provides access to bidding opportunities, instructions, documents and amendments for procurements made by state agencies. Firms can create and revise their own vendor profiles online free of charge and receive immediate bid notices based on their profile. WEBS streamlines the bidding process for firms interested in marketing their goods or services to any one of the 170 state agencies or educational institutions.

### Procurement Technical Assistance Center (PTAC) Program

Contact: 253-798-6639

The PTAC program is designed to assist businesses in obtaining comprehensive bid and proposal opportunities ("Bid Match") with federal, state and local government agencies. PTAC also provides free business support including bid/proposal technical assistance review, government program registrations and procurement/networking events. For a program summary sheet and local outreach center contact information please call our office.

### Pierce County Bidders List

Contact: 253-798-7731

This list, maintained by Pierce County's Purchasing Department, is used to notify businesses when a bid(s) arises within a business' area of interest. The list also helps county departments identify businesses with products and/or services that may match their needs.

### Small Works Roster

Contact: 253-798-7731

Contractors interested in bidding on county jobs less than \$200,000 should contact Pierce County Purchasing and ask to be added to the roster. This unique program includes a rotational roster and allows the county to contact contractors directly about projects going out to bid when their field of work is involved.

## OTHER KEY RESOURCES

### Small Business Development Center (SBDC)

Contact: 253-680-7768

Sponsored by Washington State University (and located at Bates Technical College), the SBDC provides no-fee, confidential, one-on-one counseling to small businesses on management topics. Services include business plan development, strategic planning, marketing assistance, and other business assistance.

### Security Assistance

Contact: 253-798-3624

The Pierce County Sheriff's office now offers a "business watch" program aimed at providing businesses with proactive training and tools to address safety and security concerns. Under the program businesses are also connected directly with a neighborhood patrol deputy (NPD) assigned especially to the patrol district where the business is located.

Additional information may also be found at the  
Pierce County's website:

[www.piercecountywa.org/edd](http://www.piercecountywa.org/edd)



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