Element 8

**ECONOMIC DEVELOPMENT**
I. Introduction

A. Purpose

Fife has experienced relatively rapid growth and extensive development since the adoption of its 1996 Comprehensive Plan. Still, in spite of the growth, the “Great Recession” impacted the City’s businesses, residents and the City’s service levels. This has brought forward the need to strategically approach economic development to create an environment which will help attract and retain desired businesses that will simultaneously create a sustainable tax base to maintain service levels to residents and businesses.

Many existing and future economic opportunities present themselves. Public investment in roads, including the extension of Highway 167 and the rebuilding of the Port of Tacoma Interchange and 54th Avenue Interchange at Interstate 5, can serve as a catalyst for public investment and present new approaches for land use planning. Longer term, the extension of light rail from south King County to Tacoma, with a light rail station in Fife, will present opportunities for transit oriented development and connect Fife to the larger regional high capacity transit light rail system.

B. State Growth Management Act

The GMA includes, as one of the 14 Statewide planning goals to guide the development and adoption of comprehensive plan and development regulations (RCW 36.70A.020), the following goal specific to economic development,

“(5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state’s natural resources, public services, and public facilities.”

In addition, RCW 36.70A.070 entitled “Comprehensive plans — Mandatory elements” identifies the required elements for GMA comprehensive plans. RCW 36.70A.070 (7) specifies economic development element and states,

“(7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.”
The GMA requirement for an economic development element is, however, contingent on sufficient funds being provided to cover applicable local government costs at least two years before local government must update comprehensive plans as required in RCW 36.70A.130 (RCW 36.70A.070(9)). This funding has never occurred and therefore the requirement for an economic development element is at this time null and void.

However, economic development is a key issue for the City of Fife. Ensuring that the city can have a sustainable tax base, that employment opportunities exist for local residents and that goods and services can be accessed locally are desirable attributes.

C. Countywide Planning Policies

The legislative body of each county planning under the GMA is required to adopt countywide planning policies in cooperation with the towns and cities in the county. Countywide planning policies are strategies establishing a countywide framework from which county and municipal comprehensive plans are developed and adopted.

RCW 36.70A.210(g) requires that countywide planning policies include policies for countywide economic development and employment, which must include consideration of the future development of commercial and industrial facilities. With respect to economic development, these policies include:

- Supporting business and job creation, investing in all people, sustaining environmental quality and creating great central places, diverse communities and high quality of life.
- Promoting diverse economic opportunities, especially the unemployed, disadvantaged persons, minorities and small businesses.
- Encouraging economic development in areas where there are insufficient employment opportunities.
- Ensuring economic growth remains within the capacities of the state’s natural resources, public services and public facilities.
- Planning for sufficient economic growth and development to ensure an appropriate balance of land uses which will produce sound financial position given the fiscal/economic costs and benefits derived from different land uses.
- Strengthening existing businesses and industries and to add to the diversity of economic opportunity and employment.
- Providing both the private sector and the public sector with information necessary to support and promote economic development.

Preparation of this economic development element has been done consistent with the countywide planning policies for economic development.

D. Sections of the Economic Development Element

The remainder of the Economic Development Element is divided into the following sections:

II. Economic Setting - This section presents information about the economic data of the community.
III. Economic Development Goals and Policies - The economic development goals and policies in this section identify a strategic approach to fostering economic development in the community. Implementation measures outline specific actions that can be undertaken to make the community vision for economic development a reality.

II. Economic Setting

A. Population Forecasts

By the year 2035, the Puget Sound Regional Council (PSRC) expects 9,515 persons will reside in the City. This estimate is low, as the City of Fife has nearly achieved that population level at the time of this 2015 Comprehensive Plan update.

B. Employment Forecasts

Employment forecasts by the Puget Sound Regional Council (PSRC) by economic sector for 2025 and 2035 are presented in Figure ED1.

![FIGURE ED1: Employment Forecasts](image)

<table>
<thead>
<tr>
<th>Sector</th>
<th>2010</th>
<th>2025</th>
<th>2035</th>
<th>2010-2035 % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>5,026</td>
<td>5,677</td>
<td>6,876</td>
<td>36.8</td>
</tr>
<tr>
<td>Retail-Food Service</td>
<td>2,002</td>
<td>2,867</td>
<td>3,473</td>
<td>73.5</td>
</tr>
<tr>
<td>FIRE* - Services</td>
<td>3,273</td>
<td>6,236</td>
<td>7,553</td>
<td>130.8</td>
</tr>
<tr>
<td>Government/Higher Education</td>
<td>433</td>
<td>463</td>
<td>493</td>
<td>13.9</td>
</tr>
<tr>
<td>Education K-12</td>
<td>190</td>
<td>212</td>
<td>232</td>
<td>22.1</td>
</tr>
<tr>
<td>Construction</td>
<td>1,422</td>
<td>1,558</td>
<td>1,723</td>
<td>21.2</td>
</tr>
<tr>
<td>Military</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>12,346</strong></td>
<td><strong>17,013</strong></td>
<td><strong>20,350</strong></td>
<td><strong>64.8</strong></td>
</tr>
</tbody>
</table>

*Finance, Insurance, Real Estate (FIRE)

**Source:** Puget Sound Regional Council, Land Use Target Forecasts, 2013

In summary, the above forecasts show:

- There were 12,346 employment positions in Fife as of 2010. This is forecast to increase to 20,350 by the year 2035, an increase of 64.8%. Employment growth with therefore outpace growth in the City’s population.
- The largest employment sectors in Fife as of 2010 were: manufacturing (5,026 employees, or 40.7% of the total employment), finance, insurance, real estate, and services (3,273, 26.5%) and retail (2,002, 16.2%).
- By 2035, finance, insurance, real estate, and services are forecast to be the largest employment sector (7,553 employees, 37.1%), while manufacturing is the second largest sector (6,876, 33.8%). This is a reversal of 2010.
The distinctive composition of manufacturing employment in Fife reflects the City’s unique location in proximity to the Port of Tacoma and the type of business the City has attracted as a result.

Fife’s employment composition will gradually reflect a more specialized warehouse role in the region but with an increasing share of retail, finance, insurance, real estate, and other service employment.

C. Resident Employment by Industry

FIGURE ED2: City of Fife and Pierce County: Employment by Industry: Civilian employed population 16 years of age and over

<table>
<thead>
<tr>
<th>Industryござい</th>
<th>City of Fife</th>
<th>Pierce County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, fishing and mining</td>
<td>12</td>
<td>2,596</td>
</tr>
<tr>
<td>Construction</td>
<td>297</td>
<td>27,352</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>416</td>
<td>34,183</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>286</td>
<td>12,975</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>663</td>
<td>42,810</td>
</tr>
<tr>
<td>Transportation and warehousing, utilities</td>
<td>425</td>
<td>22,171</td>
</tr>
<tr>
<td>Information</td>
<td>97</td>
<td>5,791</td>
</tr>
<tr>
<td>Finance, insurance, real estate</td>
<td>235</td>
<td>21,395</td>
</tr>
<tr>
<td>Professional, scientific, management, and administrative and waste management</td>
<td>468</td>
<td>31,749</td>
</tr>
<tr>
<td>Educational services, and health care and social assistance</td>
<td>838</td>
<td>78,773</td>
</tr>
<tr>
<td>Arts, entertainment and recreation, and accommodation and food services</td>
<td>497</td>
<td>31,846</td>
</tr>
<tr>
<td>Other services, except public administration</td>
<td>228</td>
<td>17,613</td>
</tr>
<tr>
<td>Public Administration</td>
<td>267</td>
<td>24,056</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4,729</strong></td>
<td><strong>353,310</strong></td>
</tr>
</tbody>
</table>

**Source:** US Census Bureau. 2008-2012 American Community Survey 5-Year Estimates

D. City Center Market Study

In October 2013, a City of Fife City Center Market Opportunity Assessment was completed by Peloton Research Partners as part of the City Center Visioning effort. While prepared as part of the City Center visioning effort, the study did address city-wide economic development issues. Among the key findings of the study are:

- The City’s ability to attract industrial uses has been long established and is one of three economic engines in the City.
- The City has not fully capitalized on the presence and opportunities provided by the traffic volumes and visibility provided by Interstate-5 and Highway 99. Interstate-5 and Highway 99 represent the other two economic engines.
• There is a loss and leakage of retail sales from the City that could, over time, be captured locally.
• There are key opportunities to attract high quality mixed use development in the vicinity of Interstate-5 and Pacific Highway East.
• The City needs to consider quality of life issues to attract necessary new residents to support local businesses.
• The City should seek opportunities to expand retail sales with a concentrated offering of value oriented retailers.
• A new grocery store could be developed in combination within a larger scale retail development and would provide the synergy that provides the best opportunity for success of a grocery store.
• The City should seek to attract more family households. This will help attract more retail development.

This economic development builds on the findings of the City Center Market Assessment.

III. Economic Development Goals and Policies

The following goals and objectives are based on the analysis of existing conditions and on the City Vision. The goals and policies provide direction to decision makers for economic development related decisions.

Goal Improve the local economy meeting the needs of local residents and businesses and providing for a sustainable tax base.

Policy 1 Strategically coordinate economic development planning efforts and establish partnerships with other economic development organizations.

Implementation 1.1 Work with other public agencies and private interests, including the Economic Development Board (EDB), Port of Tacoma, Chamber of Commerce, Washington State Departments, and others to coordinate resources, programs, promotions, information tools, and other materials to recruit and successfully locate new business interests in Fife.

Implementation 1.2 Maintain memberships and network with organizations that are engaged in local economic development efforts.

Implementation 1.3 Coordinate recruitment and retention efforts with other organizations.

Implementation 1.4 Work with other public and private agencies to create inter-linked internet website capabilities providing information on city development regulations and codes, parcel land use and zoning information, realtor listings and referrals, and other materials necessary for effective and timely development applications.

Implementation 1.5 Work with other agencies involved in economic development to identify and support established and emerging clusters that export goods and services, import capital and have growth potential.
Policy 2  Actively engage in marketing positive attributes of the City’s economic development climate.

Implementation 2.1  Maintain an economic development page on the City website identifying positive features of the community and other information for business recruitment and retention.

Implementation 2.2  Utilize social media to project positive City attributes and other community events.

Implementation 2.3  Develop and continually update city marketing and branding materials which describe the City’s positive business attributes and available amenities for residents.

Policy 3  Improve the quality of life in the community to make the city a desirable place for businesses to invest and for their employees to live.

Implementation 3.1  Work with private property owners, businesses, neighborhood residents, and other interested public parties to determine requirements, create plans, and finance infrastructure projects to improve the quality of life.

Implementation 3.2  Work with private property owners, neighborhood residents, and other interested parties to develop and implement a City Center Plan.

Implementation 3.3  Encourage home ownership to increase the number of invested stakeholders in the community.

Policy 4  Expand socioeconomic opportunities for residents of the City.

Implementation 4.1  Work with other public agencies and private interests, including the Economic Development Board, Port of Tacoma, Chamber of Commerce, and others to inform businesses of employment, occupational training and advancement programs.

Implementation 4.2  Work with other public agencies and private interests to create interactive and linked websites listing employment opportunities in local companies and businesses and for local residents.

Implementation 4.3  Actively recruit business enterprises that will provide resident household working member’s employment wages at or above County median income levels.

Policy 5  Create local economic development capital.

Implementation 5.1  Promote local business development opportunities, particularly for small start-up businesses, that can be owned by or employ Fife residents.

Implementation 5.2  Assist businesses, especially small businesses, in finding funding and/or technical assistance opportunities.
Policy 6  Take actions that will develop a sound fiscal base.

*Implementation 6.1*  Develop a marketing strategy for attracting regional residents to Fife's I-5 and Pacific Highway business corridors.

*Implementation 6.2*  Develop a detailed strategy for marketing and promoting the development of Fife's industrial, commercial, and recreational lands opportunities.

*Implementation 6.3*  Pursue and advocate for public investment such as Highway 167, Interstate-5 interchange improvements, and light rail that will generate interest and provide opportunities for private investment.

Policy 7  Provide predictability in city processes and taxing to strengthen local economic development efforts.

*Implementation 7.1*  Continually review codes to improve the City's permit process so that it is predictable and reliable for businesses to make informed investment decisions.

*Implementation 7.2*  Seek to have a predictable tax and fee structure so that businesses can make informed investment decisions.

*Implementation 7.3*  Ensure development regulations are reviewed as they are drafted by City legal staff to avoid unconstitutional takings and ensure permit applications that raise warning signals with regard to constitutional requirements are also reviewed by legal staff.

Policy 8  Use incentives to encourage the types and locations of desired development.

*Implementation 8.1*  Consider adopting incentives available under State law such as increasing SEPA thresholds, SEPA planned action and/or the multi-family tax abatement program to encourage certain types of development in target areas.

*Implementation 8.2*  Use tax and fee incentives to encourage desired development in target areas.