MEMORANDUM

TO: Thurston County Planning Commission

FROM: Ian Lefcourte, Associate Planner
       Allison Osterberg, Senior Planner

DATE: January 9, 2019

SUBJECT: Comprehensive Plan Update: Chapter 8 – Economic Development

Background
Chapter 8 of the Comprehensive Plan, Economic Development, provides a framework to promote economic opportunity for all citizens and to encourage economic growth. The chapter describes employment and workforce patterns in the county, labor sectors, wages, sales revenue, and sets policies to address county goals. For the Comprehensive Plan Update, Chapter 8 has been substantially revised in coordination with the Thurston Economic Development Council (EDC).

The Washington State Growth Management Act (GMA) requires that comprehensive plans include an economic development element:

   “Establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life.” – RCW 36.70A.020

The Economic Development Chapter helps address topics such as:

- Encouraging economic development throughout the state that is consistent with adopted Comprehensive Plans;
- Promoting economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons;
- Promoting the retention and expansion of existing businesses and recruitment of new businesses;
- Recognizing regional differences impacting economic development opportunities; and
- Encouraging growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
The Economic Development Chapter details existing economic conditions and trends, supporting planning entities and additional partnerships. This includes other communities, ports, educational institutions, economic development organizations and local businesses.

Economic development supports several other GMA elements and goals. For example, economic development centered on cultural and agricultural tourism can foster support for historic preservation, which supports the archeological and historic resources element. The development of local businesses can reduce transit times, which supports the transportation element.

What public feedback has the Economic Development Chapter received?
The existing chapter was reviewed by the Thurston County Economic Development Council (EDC), a strategic entity that supports collaboration to cultivate new market opportunities and provides services for businesses, with the assistance of an independent consultant. The EDC made a series of suggestions to update the chapter in the winter of 2017, incorporating concepts from the Thurston Community Economic Alliance Strategic Plan and the economic development goals from the Sustainable Thurston community planning process.

The public had an opportunity to provide feedback during a series of Comprehensive Plan open houses in spring 2018. Comments about economic development provided by the public included:

“What hopes/concerns do you have about economic development?”

- Trends in development keeps pace with “type” of work, ie, tech-based, @home, etc
  - Foster co-working spaces
  - Shared office – incubators
  - Impact on transportation – based on changing commute patterns
- Share program info and apprenticeship program info at High Schools and Community Colleges (more)
- Free Community College for all
  - Second comment supporting this statement (“Yes”)
- Need to focus on “living wage” jobs
- Brewery Complex redevelopment
- Sustainable employment
- Affordable housing, sustainable communities
- Reasonable traffic patterns
- Develop incentives for farmland preservation (reference policies in Chapter 3)
- Include a section in this chapter specific to agriculture. Describe strengths for economic development such as proximity to major markets for farm products in King and Pierce Counties, and not too far from PDX.
- Limit land for distribution warehousing that are low in number of employees- need more manufacturing land for high employment levels
- Develop industries that maintain viable forest products/ agricultural land base
- Develop alternative energy manufacturing and green building that conserves natural resources
Why don’t county buildings and new development incentivize solar?
• More cars = more pollution and traffic. Incentivize building and public transportation
• Vertical development downtown—make buildings mixed use and provide low income housing and community gardens
• All economic development should center on green, ecologically sane economics
• Continue to support smaller industries in unincorporated county
• Use waste grease-build a biodiesel plant. Use the fuel for county vehicles.

At targeted stakeholder meetings, spring 2018 open houses and a subsequent open comment period, staff asked the following question:

“If you had a magic window to look into the future 20 years (to 2040), what would you hope to see for Thurston County? What do you hope life will be like?”

Responses to this question often touched on economic considerations, such as the following visioning responses:
• “Prosperous rural economy that benefits from environment with greater rural tourism”
• “Thriving local food economy “
• “A model for sustainability”

Staff incorporated these suggestions and feedback into the draft. The primary concern was to ensure that the rural economy is included in economic development analyses and strategies.

What has changed in the Economic Development Chapter?
The background sections of the Economic Development Chapter have been substantially expanded to provide more a more data-rich description of economic factors and drivers in Thurston County. Sections have also been added to describe major regional partners I economic development and to connect Chapter 8 to other relevant chapters of the Comprehensive Plan. Examples of new topics include expanded discussion of income, location quotients for job sectors, and the balance of goods and services purchases inside and outside Thurston County.

The goals and policies remain largely the same. Generally, the proposed changes to the goals and policies add language to existing goals and policies to draw attention to the rural economy and to worker development, as well as to support ongoing and new partnerships across the region.

Critical Issues
Critical issues confronting decision-makers planning for the county’s economy include:
• Ensuring a local and educated work force to target growing industry sectors;
• Providing adequate resources and incentives to support the diverse rural economy; and
• Supporting the development of infrastructure to meet the needs of businesses.

Decision Points
• Consider whether the draft changes to Chapter 8 are clear and sufficiently describe and capture the community’s interests in economic development, within the scope of the periodic update.