Why We Do What We Do

The EDB is in the job and wealth creation business. The more high-wage jobs and wealth-creating companies in Tacoma-Pierce County, the better the quality of life and the greater the job and career opportunities for our citizens.

Retaining and recruiting primary businesses is how we compete every day.

Primary businesses export a product or service out of Tacoma-Pierce County and import new dollars into the local economy, thereby “growing the wealth pie.” That wealth energizes the local community through employee wages and purchases from suppliers who employ additional people.

Primary businesses typically pay higher wages than other businesses because higher value goods and services are produced and sold. In short, primary businesses are the fundamental building blocks of high-wage job creation.

The competition is fierce. Tacoma-Pierce County faces regional, national and global competition to keep its existing firms, as well as recruit new firms to our market.

THE LAST FIVE YEARS: 2014–2018
Because most deals take well over a year to conclude, the EDB measures its results in five-year increments. The EDB’s $184:1 return on its investors’ dollars from 2014–2018 is indicative of the strength of its recruitment and retention programs.

JOBS RECRUITED AND RETAINED
5,279

WAGES AND SALARIES GENERATED
$361,770,946

PRIVATE CAPITAL INVESTMENT
$660,500,000

INDUSTRIAL REVENUE BOND FINANCING
$8,210,000

EDB REVENUE
$5,604,709

RETURN PER $1 EDB INVESTMENT
$184
TRENDS IN 2018

• **Global Interest:** The EDB fielded international interest from companies based in Canada, China, Turkey, Taiwan, Norway, Croatia, France, and Germany.

• **Need for Speed:** A driving factor in the site selection process was available inventory that allowed expedited access to the market.

• **Workforce Pipeline:** Companies focused on workforce availability and sought assurances of the future pipeline of talent. Pierce County’s strong ecosystem of training programs, internships, apprenticeships, certificate programs, and degrees provided assurance that the region can sustain future growth.

36 ACTIVE RECRUITMENT CASES
At the end of 2018, the EDB had 36 active recruitment cases in the pipeline, representing over 2,500 potential new jobs in advanced manufacturing, high-tech storage and distribution, clean tech manufacturing, aerospace, precision components, and distribution. The EDB continues to work directly with companies, consultants, and partners to provide the insight and information businesses want to make their expansion or location decisions. Companies sometimes evaluate expansion options for many months—or even years—before committing to a project.

The EDB teams with property developers and real estate brokers, the Port of Tacoma, Tacoma Public Utilities, Puget Sound Energy, education and training resources, elected officials and staff from cities and unincorporated Pierce County, Washington State Department of Commerce, and others on recruitment efforts. Our professional partners’ responsiveness and proven ability to deliver are critical components of successful recruitment.

KEY RECRUITMENT PROJECTS

**McKesson—Project Tracer, 74 Jobs, $29.2 Million Investment**
McKesson delivers pharmaceutical and medical products and business services to retail pharmacies and institutional providers like hospitals and health systems throughout North America and internationally. McKesson chose Puyallup to locate strategically near a transportation hub that will allow timely and convenient access to their customers. Connections were made early in the process with the City of Puyallup and will continue to be made with utility and workforce development organizations to ensure a smooth opening. The company is expected to open in 2019 and will employ 74 workers. The EDB worked closely with the WA State Department of Commerce and City of Puyallup to land this client.

**Boeing’s New Mid-Market Airplane**
Boeing is considering whether to design and build an all-new aircraft—dubbed the New Mid-Market Airplane (NMA). The EDB joined Pierce County Executive Bruce Dammeier, Tool Gauge CEO Debbie Lee, the Aerospace Futures Alliance, fellow Associate Development Organizations from around the State, and others to step up to the challenge. The NMA Council completed three major initiatives in 2018:

1. Teal Group completed a competitive analysis of all 50 states, which revealed that Washington State is the best and most competitive location in the U.S. for aerospace design and manufacturing.
2. The Washington Aerospace Economic Impact Study’s latest facts and figures showcase the importance of the aerospace industry in Washington State.
3. The Choose Washington Workforce Development Strategy was released with the most comprehensive assessment of the current investments in the State’s aerospace workforce, a key metric in the decision-making process.

The 70 aerospace suppliers in Pierce County will see tremendous benefits from the NMA. Washington State is confident and ready to respond when Boeing issues the RFP.
The EDB’s Business Retention and Expansion (BRE) program, directly engages local primary businesses that are most involved in growing, strengthening, and diversifying the Pierce County economy. Because approximately 80% of new jobs are generated by existing businesses, the BRE program is a significant priority in the EDB’s work plan.

The BRE program is successful in reaching primary firms for two reasons: access to the CEOs, presidents and general managers of client firms; and great partnerships with local jurisdictions and referring agencies.

“Our new, revamped Sumner facility would have not been possible without the outstanding support from the EDB team.”

DANIELE CAGNATEL, President & CEO, AIM Aerospace

KEY RETENTION–EXPANSION PROJECTS

AIM AEROSPACE—Growing from 385 to 685 jobs, $21 Million Investment

AIM Aerospace, a leading Tier II supplier of composite ducting, substructural, and interior parts for the commercial aerospace industry, selected Sumner as the site of its expansion. This was driven, in part, because much of their existing workforce resided in Pierce County. AIM underwent an extensive process in 2018 to drive efficiencies by consolidating to a single existing plant in Sumner. The renovation brings additional manufacturing capacity to better serve customers. The EDB, City of Sumner, Pierce County, and the WA State Department of Commerce assisted AIM with introductions, permitting, parking, and accessing $125,000 from the Governor’s Strategic Reserve Fund to help defray the cost of the expansion.

TOOL GAUGE—Growing from 135 to 235 jobs, $22 Million Investment

Tool Gauge began construction of a state-of-the-art 80,000 SF aerospace manufacturing facility. When it opens in 2019, the new building will enable them to expand their plastics press range, broaden secondary operations, and house a vertical paint system leading to even shorter lead times, enhanced product quality, and better cost control. Before the expansion, production was housed in three different buildings, creating considerable logistics and efficiency challenges. Support included introductions, permitting assistance, and accessing workforce development and training resources.

SEA TAC PACKAGING—Growing from 95 to 145 jobs, $19 Million Investment

SeaTac Packaging is a family-owned manufacturer of bags used in packaging a variety of products including flour and flour mix, agriculture and food products, dog and cat food, livestock and poultry feed, seeds, cement and mortar mix, salt/water softeners and absorbents. The company retained its existing plant in Puyallup and expanded to a site in the Frederickson Industrial Area. Construction began on a new 103,000 SF facility slated to be completed in May 2019. The EDB, Pierce County, and EDCPC assisted with introductions, permitting, and bond financing.

BPI MEDICAL—45 jobs retained, $4.8 Million Investment

BPI Medical is a locally-owned medical device manufacturer and repair facility. When they outgrew their leased space in Fife, the company explored site locations throughout King and Pierce Counties. The EDB provided information on available incentives, permitting, workforce resources, financing programs, and facilitated introductions. The company acquired and renovated a building in Fife.

INDUSTRIAL DEVELOPMENT REVENUE BOND FINANCING

The EDB staffs the public Economic Development Corporation of Pierce County (EDCPC) that is authorized to issue tax-exempt industrial development revenue bonds in the county. This below-market rate financing is an incentive tool available to manufacturers and processors. The EDCPC has issued more than $307 million in financing for more than 40 Pierce County projects during the last 30 years, helping businesses create or retain nearly 7,300 jobs.

By year-end, the EDB had responded to three new inquiries from businesses seeking information about bond financing requirements and expected to close on one early in 2019.
IN THE MEDIA
The media is taking note of the economic climate in Tacoma-Pierce County. In 2018, the EDB was mentioned, interviewed, and quoted on multiple occasions by news outlets, including in print and online with The News Tribune, The Seattle Times, The Olympian, Puget Sound Business Journal, South Sound Business, PR Newswire, WA State Department of Commerce, and Tacoma Weekly. EDB initiatives were covered on-air by KOMO, KIRO, KING 5, KBTC, and Pierce County TV.

TEAMWORK
The EDB’s Teamwork newsletter distribution to local, national, and international leaders each month averaged 2,770 by US Mail and 2,830 electronically. Subscriptions and open rates alike rose.

The EDB partnered with organizations across the State to generate and amplify positive news stories about the business-friendly climate in Pierce County. NewCold, Associated Materials, Ames International, and companies on the 2018 Major Employers List were among the companies featured. Forbes recognized the Tacoma-Lakewood area as the #10 Best Place for Business and Careers.

Pierce County Family-wage Jobs Credits showcased our business-friendly climate. The University of Washington Tacoma’s economic impact analysis of Joint-Base Lewis-McChord quantified the regional importance of the base at $9.2 billion annually, and received proclamations from the Cities of Lakewood, Tacoma, and Yelm.

DCI, an economic development consulting firm, guided the development of collateral materials for Aerospace, Transportation & Logistics, and Technology, and performed a website audit. Rising toward the goal to expand the organization’s online reach, website traffic and social media impressions on LinkedIn, Facebook, and Twitter grew exponentially under strategic curation.

EDB Investors hosted three Investor Briefings. Brown & Brown explained the healthcare strategy called “Paying for Value,” Tacoma Public Schools gave tours of SAMi and the new Pacific Seas Aquarium at the Point Defiance Zoo & Aquarium, and the Port of Tacoma showed off its new Super Post-Panamax cranes.

The EDB continued its involvement in regional initiatives. South Sound Together, which promotes the South Sound’s quality of life, enjoyed viral success and published a series of six ‘romance reel’ videos to showcase our communities’ values. In September, Place for Jobs relaunched as the Manufacturing Industrial Council for the South Sound, the voice for the manufacturing, industrial and maritime community. The EDB supports the Tacoma-Pierce County Chamber in this program focused on economic prosperity, environmental stewardship, social equity and public safety.

Protecting industrial jobs while promoting a cleaner environment was high among the EDB’s 2018 priorities. The EDB advocated for regulations to support Puget Sound Energy’s Liquified Natural Gas (LNG) plant in Tacoma’s Tideflats, a facility that will employ 18 family-wage jobs upon opening and release dramatically fewer particulate emissions over its 50-year lifecycle than current practices.

Members of the EDB staff gave dozens of presentations, speaking about issues that affect our region’s economy with multiple Rotary chapters and Chamber functions, Washington Economic Development Association, Aerospace Futures Alliance, Association of Washington Business, AgTrans Annual Meeting, Puget Sound Clean Air Agency, city councils, and other groups.
STATEMENT OF FINANCIAL POSITION

TOTAL ASSETS: $3,316,109

ASSETS: (w/o DONOR RESTRICTIONS) $1,054,707

ASSETS: (w/ DONOR RESTRICTIONS) $2,261,402

LIABILITIES: ACCOUNTS PAYABLE $11,898

LIABILITIES: ACCRUED $29,772

TOTAL LIABILITY: $41,670

NET ASSETS: $3,274,439

TOTAL LIABILITIES & NET ASSETS: $3,316,109

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets $ (602,837)

Adjustments to reconcile change in net assets to net cash from operating activities:

Provision for allowance and discounts of contributions receivable (120,730)

Depreciation 6,598

Change in assets and liabilities:

Accounts receivable – government contracts (5,320)

Contributions receivable 670,849

Accounts receivable – other 93

Prepaid expenses (20,249)

Accounts payable 5,886

Accrued expenses 25,974

Net cash from operating activities (39,736)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of fixed assets (937)

Certificates of deposit redeemed (851)

Net cash from investing activities (1,788)

INCREASE IN CASH AND CASH EQUIVALENTS (41,524)

CASH AND CASH EQUIVALENTS, January 1, 2018 1,519,091

CASH AND CASH EQUIVALENTS, December 31, 2018 $ 1,477,567

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

REVENUE & SUPPORT

OTHER: $3,190

MEETINGS & EVENTS: $108,624

IN-KIND: $5,522

CONTRIBUTIONS: $118,729

SERVICE REVENUE: $622,667

EXPENSE

PERSONNEL: $1,006,914

MARKETING: $173,964

GENERAL ADMIN: $231,228

RENT: $49,463

CHANGE IN NET ASSETS

Without donor restrictions $(53,716)

With donor restrictions $(549,121)

Total $(602,837)

NET ASSETS/BEGINNING OF YEAR $3,877,276

NET ASSETS/END OF YEAR $3,274,439

Moss Adams performs a review of the Economic Development Board for Tacoma-Pierce County’s financial statements.
Thank you, Compete Every Day Forever Investors

**TOP PRIVATE**
- CHI Franciscan
- MultiCare
- Columbia Bank
- Benaroya Companies
- KeyBank
- Milgard Manufacturing
- Wells Fargo
- U.S. Bank
- Heritage Bank
- The News Tribune
- Puget Sound Energy
- DaVita
- Coordinated Care
- General Plastics Manufacturing
- State Farm
- SeaPort Sound Terminal
- The Boeing Company

**PUBLIC**
- Bates Technical College
- Clover Park Technical College
- City of Auburn
- City of DuPont
- City of Fife
- City of Lakewood
- City of Puyallup
- City of Sunner
- City of Tacoma
- City of University Place
- Pierce College
- Pierce County
- Pierce Transit
- Port of Tacoma
- Sound Transit
- State of Washington
- Tacoma Community College
- Tacoma Public Utilities
- University of Washington Tacoma

**PRIVATE**
- Absher Construction
- AHBL
- Architects Rasmussen Triebelhorn
- Bargreen Ellingson
- BCR
- BNY Mellon
- BPI Medical
- Brown & Brown of Washington
- Burkhart Dental Supply
- CalPortland
- Carlisle Construction Materials
- Catalyst Workplace Activation
- CBR
- Commencement Bank
- Concrete Technology
- First Citizens Bank
- Gordon Thomas Honeywell
- Harborstone Credit Union
- Hollander Hospitality
- Innova Architects
- James Hardie
- JayRay
- Jesse Engineering
- JPMorgan Chase
- Kaiser Permanente Washington
- Kidder Mathews
- Korsmo Construction
- Korum Automotive Group
- Ledger Square Law
- Merit Construction Northwest
- Moss Adams
- Neil Walter Company
- Pacific Lutheran University
- Parametrix
- Patriot Fire Protection
- Pease Construction
- Point Ruston / MC Real Estate Consultants
- Propel Insurance
- Rush Development Companies
- SAFE Boats International
- Schnitzer Steel
- SeaTac Packaging
- Selden’s Home Furnishings
- Simon Johnson, LLC
- Sitts & Hill Engineers
- Smith Fire Systems
- Sound Credit Union
- Tacoma Arts Live
- Tehaleh by Newland Communities
- TrueBlue
- Tucci & Sons
- University of Puget Sound
- U.S. Oil & Refining
- Washington Federal
- WestRock
- Western Institutional Review Board

**EXECUTIVE COMMITTEE**

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<thead>
<tr>
<th>CHAIR</th>
<th>GREG UNRUH</th>
<th>Franciscan Foundation</th>
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<tbody>
<tr>
<td>VICE CHAIR</td>
<td>JASON WHALEN</td>
<td>Ledger Square Law</td>
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<tr>
<td>PRESIDENT</td>
<td>JOHN ARBINI</td>
<td>Emeritus</td>
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<tr>
<td>EXECUTIVE</td>
<td>GREG BIERSACK</td>
<td>Reach Dental Equipment Services</td>
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<tr>
<td>DIRECTOR</td>
<td>TIM BRICKER</td>
<td>MultiCare</td>
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<td>MAYOR</td>
<td>JOHN CAULFIELD</td>
<td>City of Lakewood</td>
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<tr>
<td>EXECUTIVE</td>
<td>DON CLARK</td>
<td>Sound Credit Union</td>
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<td>EXECUTIVE</td>
<td>BRUCE DAMMEIER</td>
<td>Pierce County Executive</td>
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<td>BEV LOSEY</td>
<td>Brown &amp; Brown of Washington</td>
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<td>MAYOR</td>
<td>TERRY JONES</td>
<td>U.S. Bank</td>
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<td>MAYOR</td>
<td>VICTORIA WOODARDS</td>
<td>City of Tacoma Mayor</td>
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<tr>
<td>EXECUTIVE</td>
<td>JOHN WOLFE</td>
<td>Port of Tacoma and The Northwest Seaport Alliance</td>
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<tr>
<td>EXECUTIVE</td>
<td>BRUCE KENDALL</td>
<td>Economic Development Board</td>
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**EDB STAFF**

| BRUCE KENDALL | President & CEO |
| JENN ADRIEN   | Vice President Communications |
| SARAH BONDS   | Vice President Business Recruitment |
| DEBORAH KELLY | Director of Operations |
| JAMIE LOMBARDINI | Accountant |
| MADDIE MERTON | Vice President Business Retention & Expansion |

**2018 BOARD OF DIRECTORS**

| THOMAS ABSHER | Absher Construction |
| DON MELLOTT   | BCRA |
| DON MEYER     | Port of Tacoma Commission |
| LINDA NGUYEN  | Workforce Central |
| ELIZABETH PAULI | City of Tacoma |
| TOM PIERSON   | Tacoma-Pierce County Chamber |
| CAMERON PROUDFOOT | U.S. Oil & Refining |
| PETER RASMUSSEN | Emeritus |
| PATTY ROSE    | Pierce County Central Labor Council |
| SCOTT JONES   | Pierce County Council |
| TIM BRICKER   | Pierce County Executive |
| ANDREW FRY    | School of Engineering and Technology, UW Tacoma |
| DERREK GAFFORD | TrueBlue |
| BILL GAINES   | Emeritus |
| LISA GOODMAN  | Emeritus |
| TROY GOODMAN  | SeaPort Sound Terminal |
| TIM HANSEN    | AHBL |
| JIM HILGER    | DaVita |
| SCOTT JONES   | Newland Communities |
| CONNIE LADENBURG | Pierce County Council |
| SCOTT JONES   | U.S. Bank |
| CONNIE LADENBURG | Pierce County Council |
| BEV LOSEY     | Brown & Brown of Washington |
| JEFF LYON     | Kidder Mathews |
| BRIAN MARLOW  | KeyBank |
| WARREN MARTIN | Gordon Thomas Honeywell |
| ANDY MCDONALD | Columbia Bank |
| DAVID ZEECK   | The News Tribune |