

INTO THE FUTURE

What's the future of economic development in Tacoma-Pierce County? Good question. As trends emerge on the national and international stage, the EDB is crafting its next five-year work program to get at the best possible answer. As we make our plan for the next half decade, it's a good time to reiterate what we do and why we do it.

The EDB is here to help attract and retain business. As local subject matter experts, companies looking to relocate or expand turn to us for market information, site selection, collaboration with state and local partners, connections with workforce training and more.

"Companies want to know one thing when they are looking to set up shop or expand operations," said Bruce Kendall, EDB president and CEO. "How can you help me be successful?" That's the challenge for all economic developers. Here, we're fortunate. We have a good answer to that question. We have a highly skilled talent supply, targeted incentives, outstanding partnerships and a quality of life that's second to none."

An eye on foreign direct investment

Foreign-owned firms are a critical part of our regional and state economy. Here in Tacoma-Pierce County, **Toray Composite Materials** (Japan), **NewCold** (The Netherlands) and **GKN Aerospace** (Great Britain) are three well-known examples.

According to the **Organization for International Investment** (OFII), 865 international companies in Washington employ 115,500 U.S. workers. Around 32,300 of those jobs are in the manufacturing sector. Foreign direct investment (FDI) grows Washington's economy and provides high-quality jobs in local communities.

The EDB's role is to work with community partners to help showcase the region's vast real estate investment and business development opportunities. Last year, the EDB fielded interest from companies based in Canada, China, Turkey, Taiwan, Norway, Croatia, France and Germany. The EDB's trek to the **Paris International Airshow** as part of a Washington State delegation resulted in 63 face-to-face meetings and 11 hot leads. And, the high-profile **SelectUSA Investment Summit** in June in Washington, D.C., offered the opportunity to meet with international companies exploring U.S. opportunities. Several promising leads are being pursued.

Beyond traditional

On the international and national front, economic development strategies are moving beyond the conventional. "We're seeing a shift from traditional incentive packages to talent development," said Jay Garner, president and founder of Atlanta-based **Garner Economics LLC**. "**Tulsa Remote** is a great example of how communities are attracting workers." The program, launched last year by the **George Kaiser Family Foundation**, offers a \$10,000 grant and additional benefits to eligible remote workers who move to Tulsa, Oklahoma and work for one year from a downtown co-working space. The response was overwhelming. Applications were capped at 10,000, and more than 100 people, from college grads to retirees, were selected. The foundation is banking on at least half of the inaugural group staying in Tulsa once their year comes to an end.

Re-imagining the mall

As the need for industrial space continues to rise and the need for retail space declines, experts anticipate more former malls and defunct big-box stores will become warehouses, distribution facilities and logistics centers. Cleveland's Randall Park Mall is now an **Amazon** fulfillment center. The 855,000-square-foot facility opened just over a year ago and brought 2,000 jobs to the region. **Google** has a satellite campus in the former Mayfield Mall in Northern California. It won't be long before we see this trend in Pierce County.

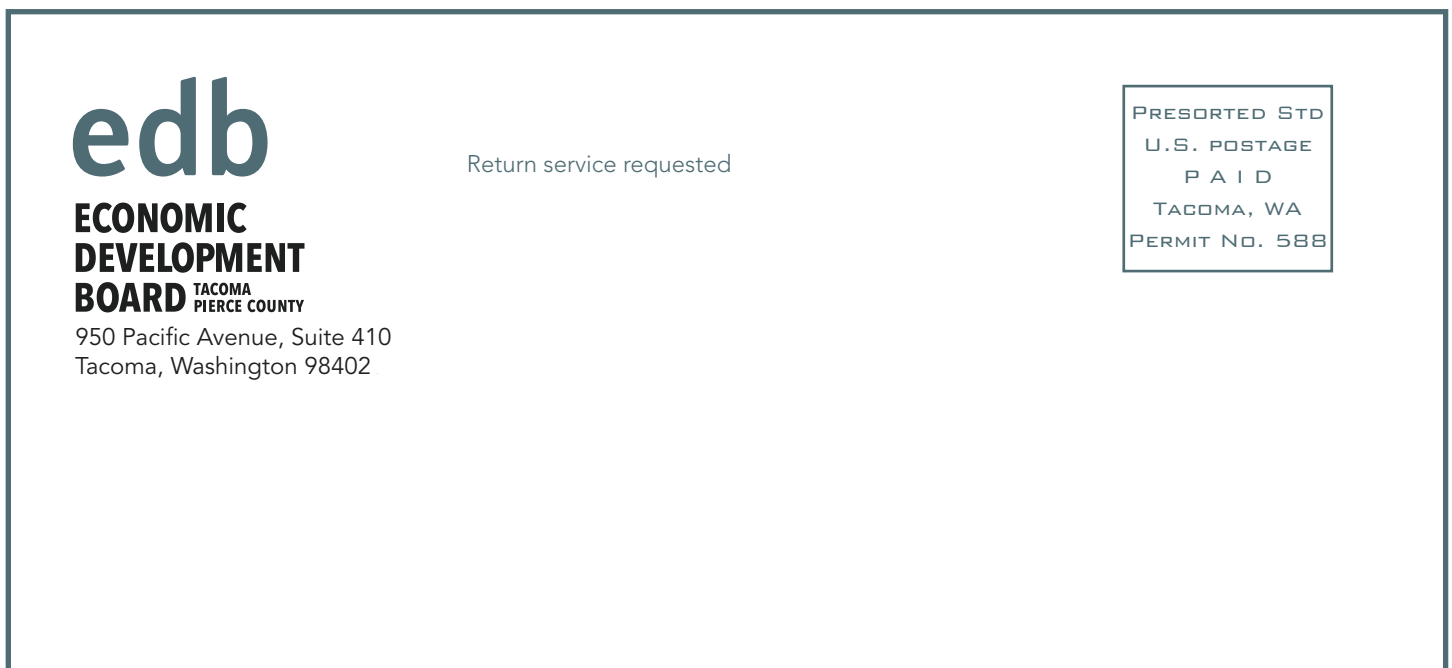
The health care sector also sees potential in large, shuttered retail spaces. **Vanderbilt University Medical Center** transformed 100 Oaks Mall in the suburbs of Nashville, Tennessee into a mixed-use medical office destination. The **Dana-Farber Cancer Institute** plans to open a 34,000-square-foot oncology and hematology outpatient facility in the Patriot Place shopping center in Foxborough, Massachusetts.

Humming along

Another trend is a move toward less transactional incentives and more quality-of-place attributes. A healthy, attractive, natural environment helps retain talented residents and draw employers. Tech startup **Humming** recently moved to Tacoma from Seattle for just that reason.

Using AI-powered software, Humming streamlines the digital advertising process end-to-end for businesses of every size and provides transparent analytics to help businesses understand ad performance and how to improve return on investment.

Humming co-founders Bill Herling, CEO, and Jill Nealey-Moore, COO, are transparent about why they relocated their company from South Lake Union. The South Sound residents were tired of the daily commute, but they also recognized the opportunities and amenities Tacoma had to offer. They think other tech companies will follow suit.



“Livability is key here,” Herling said. “We’re closer to the mountains, we have great views and the water is great.” They also found an overwhelming sense of community. “People are here because they want to be,” Herling said.

“There’s a much more business-friendly environment and a shared sense of mission,” Nealey-Moore said. “That connectedness and collaboration are leading to fruitful things for us.”

“We were a small fish in Seattle,” Herling said. “Here in Tacoma, we can become the tech company that moved here by choice.”

Building our next game plan

During September and October, the EDB began crafting its 2021-2025 work program. Four facilitated meetings with stakeholders were held, including a board of directors’ retreat, two investor meetings and a next-generation leaders’ focus group. In all, 93 business and civic leaders participated. These followed an investor survey that 71 leaders completed in August. A draft work program is being tested in the market based on feedback received. Stay tuned for the results as we move toward finalizing our plans for 2021-2025.

Teamwork is a service of the EDB, a non-profit corporation focused on recruitment and retention of primary businesses in Tacoma and Pierce County, Washington, USA.

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