

MEMORANDUM



Date: November 14, 2023
 To: Planning Commission
 From: Austin Ramirez, Economic Development Manager

2025 Comprehensive Plan Update – Economic Development Plan

On a ten-year cycle, the City is required to conduct a Growth Management Act periodic update of its Comprehensive Plan and related development regulations. For the current cycle, the City is required to complete work on the periodic update by June 30, 2025. Work on the periodic update started last fall.

The updated Comprehensive Plan will address diversity, equity, and inclusion throughout the Plan and incorporate a large number of changes required by the state addressing housing, climate change, and other topics.

The intent of the Planning Commission meeting on Tuesday, November 14, 2023, is to start the discussion of the Economic Development Plan by discussing the state requirements and introducing the current version.

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1 – Growth Management Act – Economic Development Goal

The state Growth Management Act (Chapter 36.70A Revised Code of Washington (RCW)) requires that the City demonstrate that each Element in its Comprehensive Plan meets the relevant fifteen planning goals contained within the Act. The fifteen goals guide the development and adoption of the City’s Comprehensive Plan and development regulations.

The following is a summary of how the updated Economic Development Plan will meet the goal related to economic development. The economic development goal was updated by the state legislature in 2002.

- 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.*

The Economic Development Plan has specific goals, strategies, and actions to ensure that economic development is a high priority of the City government. The Economic Development Plan, last updated in 2019, makes specific recommendations for economic development in Tumwater and will be updated as part of 2025 Comprehensive Plan update.

2 – Current Economic Development Plan

A – Background

The City’s Comprehensive Plan includes an Economic Development Plan that establishes local goals, strategies, and actions for economic growth and vitality and a high quality of life. While an Economic Development Plan is listed as mandatory in RCW 36.70A.070(7), it is actually

optional because funds have not been appropriated to help pay for preparing them, per RCW 36.70A.070(9).

Originally prepared in 2010 and updated in 2019, the Economic Development Plan of the Tumwater Comprehensive Plan was prepared in accordance with the requirements of the Growth Management Act, adopted Thurston County-Wide Planning Policies, and the Strategic Guidance from the City Council.

A summary of the goals and strategies of the current Economic Development Plan are found in Appendix B of the staff report. A complete list of all the sections of the Economic Development Plan is found in Appendix C of the staff report.

B – Structure

The Economic Development Plan of the Comprehensive Plan was last fully updated in 2019. The current Economic Development Plan consists of the following chapters:

- Planning For A Robust Economy
- Strategic Guidance
- Summary Of Analytic Findings
- Overview Of Tumwater's Economic Development Strategy
- How To Read This Plan
- Goals And Strategies

C – Link to Current Economic Development Plan

<https://www.ci.tumwater.wa.us/departments/community-development-department/tumwater-comprehensive-plan>

3 – Schedule

Phase 1 – Community Engagement (Summer 2023 – Fall 2023)

Staff are reviewing the goals, strategies, and actions in the existing Economic Development Plan and preparing a gap analysis. The community and stakeholders will be introduced to the periodic update process through a series of communications and asked to prioritize the Economic Development Plan's goals, strategies, and actions through a variety of media outreach methods, including surveys, utility inserts, open houses, informal meetings, presentations, and social media.

1) Gap Analysis

- To be completed by November 2023
- Process followed:
 1. Review the following in the current Economic Development Plan:
 - Goals, strategies, and actions
 - Technical information
 2. Using these materials:
 - Commerce Periodic Update Checklist
 - *Periodic Update Checklist for Fully Planning Cities* (Commerce, March 2023)
 - *A Guide to the Periodic Update Process Under the Growth Management Act – Fully-Planning Counties & Cities* (Commerce, 2022)
 3. Identify what needs to be updated or added to the following:
 - Goals, strategies, and actions
 - Technical information

2) Schedule

- Initial Community Outreach
 - Complete by Spring 2024
 - Data Collection
 - Complete by Spring 2024
 - Gap Analysis
 - Complete by November 2023
 - Internal Coordination Meetings
 - Started September 2023
 - General Comprehensive Plan Meetings
 1. Update Check In
 - Joint City Council – Planning Commission Meeting
 - December 12, 2023
 - Initial Economic Development Plan Meetings – Goals, Strategies, and Actions
 1. Planning Commission Work Session
 - November 14, 2023
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2. General Government Committee Briefing

- December 13, 2023

3) Specific Topics Addressed as Part of the Update

- Incorporate consideration of Diversity, Equity, and Inclusion throughout
 1. Environmental Justice
 - Special consideration for environmental justice in goals, strategies, and actions (E2SHB 1181)
 - Comprehensive Plan Update
 1. General
 - Create a new format for the Comprehensive Plan that will be shorter, leaner, and more user friendly. The updated Comprehensive Plan will consist of shorter individual Elements and Plans with appendices that contain the required technical information.
 - Use the new Community Outreach Plan for the periodic update process.
 - Create a new Comprehensive Plan Goal and Policy Guide for use by staff and policymakers.
 - Create a new User Guide to the Comprehensive Plan.
 - Create a new Glossary for the Comprehensive Plan.
 - The County-Wide Planning Policies (2015) will not be revised for the 2025 periodic update.
 - Ensure that the updated Comprehensive Plan is internally consistent.
 - Ensure that all the Elements and Plans are consistent with County-Wide Planning Policies, the Growth Management Act, coordinated with the Plans of adjacent jurisdictions, individual Elements and Plans, and the future land use map.
 - Update all maps that are a part of the Comprehensive Plan.
 - Provide for a mutually agreeable Memorandum of Agreement between the City and tribes about collaboration and participation in the planning process unless otherwise agreed at the end of a mediation period.
 - Provide for consideration for preserving property rights. The City must evaluate proposed regulatory or administrative actions to assure that such actions do not result in an unconstitutional taking of private property
 - Update list of all adopted Plans.
 - Update City strategic priorities.

- Revise planning period to 2025 – 2045.
 - Update discussion of Growth Management Act goals.
 - Add references to the updated Shoreline Master Program (2019), Thurston Climate Mitigation Plan (2021), and Urban Forestry Management Plan (2021).
 - Simplify, reduce, and update goals, strategies, and actions.
2. Economic Development Plan
- Update the data workbook for the Plan.
 - Add new initiatives.
 - Remove completed initiatives, or those no longer relevant.
 - Gather feedback on draft Plan from economic development partner organizations including, but not limited to the: Thurston Economic Development Council, Tumwater Chamber of Commerce, and Thurston Chamber of Commerce.

Phase 2 – Plan Development (Winter 2024 – Fall 2024)

Feedback gathered through the community outreach process will be incorporated into the draft Economic Development Plan. Staff will present the drafts to the Planning Commission and General Government Committee as well as external and internal stakeholders and focus groups comprised of subject-area experts for review.

1) Community Outreach

- Intermediate Actions:
 - To be determined based on the results of Phase 1 and the Community Outreach Plan.

2) Schedule

- Continuing Community Outreach – January 2024 – June 2024
- Economic Development Plan Meetings
 - Planning Commission Work Sessions
 - May 14, 2024
 - July 23, 2024
 - General Government Committee Briefings
 - July 10, 2024

- Commerce Preliminary Review
 - Review of Comprehensive Plan Format
 - March 2024
- Complete Draft of Comprehensive Plan
 - All Elements, Maps, and Appendices
 - July 2024 – October 2024

Phase 3 – Legislative Process (Fall 2024 – June 30, 2025)

Staff will complete a draft version of the Comprehensive Plan during Phase III. Staff will present the draft to the Planning Commission and General Government Committee as well as external and internal stakeholders for review.

The Planning Commission will hold a number of work sessions to discuss the Comprehensive Plan and then conduct a public hearing to gather formal public comment on the draft Comprehensive Plan before developing findings of fact, conclusions, and recommendations that will be forwarded to City Council.

The City Council will hold a number of work sessions to discuss the Comprehensive Plan. The City Council will consider the recommendation forwarded by the Planning Commission.

The process will culminate in the adoption of an updated Comprehensive Plan by the Growth Management Act deadline of June 30, 2025.

1) Community Outreach

- Final Actions:
 - To be determined based on the results of Phase 2 and the Community Outreach Plan.

2) Schedule

- Commerce Review
 - Fall 2024 – Winter 2025
 - Prepare Comprehensive Plan Update Ordinance
 - October 2024
 - SEPA Review
 - November 2024 – December 2024
 - Commerce Notice of Intent
 - November 2024 - December 2024
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- **Public Adoption Meetings**
 1. **Planning Commission**
 - Briefing
 - November 26, 2024
 - Work Session
 - December 10, 2024 (Joint with City Council)
 - January 14, 2025
 - February 11, 2025
 - Public Hearing
 - February 25, 2025
 2. **General Government Committee**
 - Briefing for Comprehensive Plan Update Ordinance
 - March 12, 2025
 3. **City Council Work Session**
 - December 10, 2024 (Joint with Planning Commission)
 - April 15, 2025
 - May 27, 2025
 4. **City Council**
 - June 17, 2025
- **Notice of Adoption**
 1. **Submit Notice of Adoption to Commerce**
 2. **June 30, 2025**

Appendix A – Guidance

The State Department of Commerce has provided guidance specific to the periodic update on their Periodic Update webpage

<https://www.commerce.wa.gov/serving-communities/growth-management/periodic-update/>

www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics

In addition, the Puget Sound Regional Council is conducting a series of workshops on a variety of topics related to the periodic update.

www.psrc.org/our-work/passport-2044-comprehensive-plan-workshop-series

The Municipal Research Services Center has a Comprehensive Planning webpage.

<https://mrsc.org/getdoc/d7964de5-4821-4c4d-8284-488ec30f8605/Comprehensive-Planning.aspx>

Appendix B – Summary of Plan Goals and Strategies

Note: Goals are not listed in order of priority.

Goal #1: Establish a development climate that stimulates economic activity and desirable investment

- A. Maintain ongoing dialogue with key constituencies to ensure a common understanding of the City's economic development Goals and development regulations
- B. Obtain regular feedback about the City's development regulations and processes
- C. Promote Tumwater as an attractive location for business investment
- D. Ensure a predictable and efficient experience for business owners and developers seeking to invest in Tumwater **← PRIORITY ITEM**

Goal #2: Retain and support existing businesses


- A. Communicate that existing businesses are valued and that the City will do what it can to retain them in the community
- B. Facilitate the development of clusters by convening and attracting complementary businesses
- C. Collaborate with partners to understand and seek to respond to the needs of the City's existing businesses
- D. Provide resources and programs to support Tumwater's small businesses
- E. Encourage the success of Tumwater's home-based businesses

Goal #3: Grow the City's light industrial and manufacturing sectors

- A. Communicate the continued importance of Tumwater's industrial employers and their economic impact in the community
- B. Understand and respond to the needs of industrial users
- C. Seek to utilize the transportation infrastructure in the City to support and grow its industrial and manufacturing sectors **← PRIORITY ITEM**
- D. Grow and promote Tumwater's clean energy and green business sectors
- E. Through partnerships, promote workforce development and education in order to ensure sufficient supply of workers and create opportunities for individuals
- F. Encourage businesses that support the City's dominant government cluster

Goal #4: Make strategic use of the brewery properties and surrounding Brewery District to strengthen the City's economic base


- A. Explore strategies to renovate the Old Brewhouse through grants, donations, and public/private partnerships for rehabilitation consistent with the New Market Historic District Master Plan and the Park, Recreation, and Open Space Plan


B. Implement the Brewery District Plan with public and private investment to revitalize the Brewery Neighborhood and take advantage of this remaining historic core to the City and valuable neighborhood asset  **PRIORITY ITEM**

C. Expand economic opportunity and activity in the Brewery District  **PRIORITY ITEM**

D. Create a stronger sense of place in the Brewery District by facilitating pedestrian access, establishing gathering places for residents, and fostering a distinct District identity

Goal #5: Develop the City's craft food and beverage sector

A. Develop a Center of Excellence around the City's craft food and beverage sector in partnership with local educational opportunities  **PRIORITY ITEM**

B. Grow the City's craft food and beverage sector to include producers, manufacturers, and markets  **PRIORITY ITEM**

C. Work to create distinctive brands and signage for areas of the City that are centers of the City's craft food and beverage sector

Goal #6: Work with the Port of Olympia to develop the New Market Industrial Campus and the Olympia Regional Airport

A. In partnership with the Port, facilitate commerce and productivity, as well the efficient movement of goods and provision of services  **PRIORITY ITEM**

B. Collaborate with the Port in the preparation and implementation of a Master Development Plan for the area


C. Embrace the Olympia Regional Airport as a Valuable Economic Asset

Goal #7: Solidify and advance the future of the Tumwater Town Center

A. Evaluate the feasibility of the established Tumwater Town Center vision for mixed-use development

B. In partnership with the Port, encourage development by establishing a non-binding master site plan for Port-owned properties within the Tumwater Town Center

C. Consider additional investments and incentives if necessary to encourage development in the medium- to long-term, such as transit centers in ideal locations

D. Treat Tumwater's office market as an economic development asset and a foundation to build upon in advancing the Tumwater Town Center  **PRIORITY ITEM**

Goal #8: Encourage economic development that strengthens the Tumwater community

A. Support multiple models of community-oriented development

B. Strengthen the identity and management of the City's business districts

C. Support the transformation of Capitol Boulevard by pursuing opportunities to implement the Capitol Boulevard Corridor Plan  **PRIORITY ITEM**

D. Implement the Littlerock Road Subarea Plan to encourage private development in the area

← **PRIORITY ITEM**

E. Consider a 93rd Avenue/I-5 Interchange Subarea Plan to help guide growth, transportation, and land use ← **PRIORITY ITEM**

F. Support the development of the Warehouse and Craft Districts and broader craft food and beverage growth opportunities as outlined under Goal #5

Goal #9: Strengthen Tumwater's image and advance the community as a regional destination

A. Strengthen community identity and promote a positive image

B. Promote Tumwater as an attractive residential location for office workers

C. Promote the region's attractions and strengthen Tumwater's tourism infrastructure

D. Recruit educational institutions to strengthen Tumwater's economic base and enhance the dynamism of the community

E. Recognize Interstate 5 as a valuable economic asset.

Appendix C – Structure of Current Version of the Plan

The Economic Development Plan of the Comprehensive Plan was last fully updated in 2019. The current Economic Development Plan consists of the following parts:

Planning For A Robust Economy

Planning Process

Strategic Guidance

City Of Tumwater Vision Statement

City Of Tumwater Mission Statement

City Of Tumwater Belief Statement

Summary Of Analytic Findings

Fiscal Baseline Assessment

Fiscal Analysis Background

Fiscal Analysis

Future Fiscal Considerations

Economic Development Profile

Basic Demographics

Housing

Household Income

Employment

Retail Market Analysis

Overview Of Tumwater's Economic Development Strategy

Direction From The Strategic Priorities And Goals

Strengthening Tumwater's Diverse Economy

Implementation Planning

Land Use Characteristics

Summary Of Plan Goals And Strategies

How To Read This Plan

Goals And Strategies

Goal #1: Establish A Development Climate That Stimulates Economic Activity And Desirable Investment

Tumwater's Development Opportunities

Goal #2: Retain And Support Existing Businesses

Goal #3: Grow The City's Light Industrial And Manufacturing Sectors

Goal #4: Make Strategic Use Of The Brewery Properties And Surrounding Brewery District To Strengthen The City's Economic Base

Goal #5: Develop The City's Craft Food And Beverage Sector

Goal #6: Work With The Port Of Olympia To Develop The New Market Industrial Campus And The Olympia Regional Airport

Goal #7: Solidify And Advance The Future Of The Tumwater Town Center

Goal #8: Encourage Economic Development That Strengthens The Tumwater Community

Goal #9: Strengthen Tumwater's Image And Advance The Community As A Regional Destination