

Regional Economic Strategy Update

Local Economic Development Discussion

June 17, 2025



Puget Sound Regional Council

Today's Discussion

Goal:

To get feedback on economic development challenges, and opportunities faced by local jurisdictions

Agenda:

- Background Information (30 mins)
 - RES Process Update
 - Draft Goals & SWOT Analysis
 - Local Employment Data & Analysis
- Breakout discussion (20 mins)
- Report back & wrap up (10 mins)



Regional Economic Strategy

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- Development overseen by the Economic Development District Board
- Approved by the U.S. Economic Development Administration
- Enables regional access to federal EDA grants
- Blueprint for regional collaboration
- New strategy by end of 2026





Economic Analysis

(Phase 1: 2025)

- ▶ Regional Profile
- ▶ SWOT Analysis



Strategy

(Phase 2: 2026)

- ▶ Strategic Direction
- ▶ Action Plan
- ▶ Evaluation Framework



Strategy Inputs

Economic Analysis Inputs

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Content Review & Issue Tracking

- Recent economic strategies & analysis
- Changes to state and federal policy and funding

Stakeholder Input

- PSRC boards and committees
- RES Engagement Hub
- Individual interviews
- Targeted group discussions



Goals of Outreach

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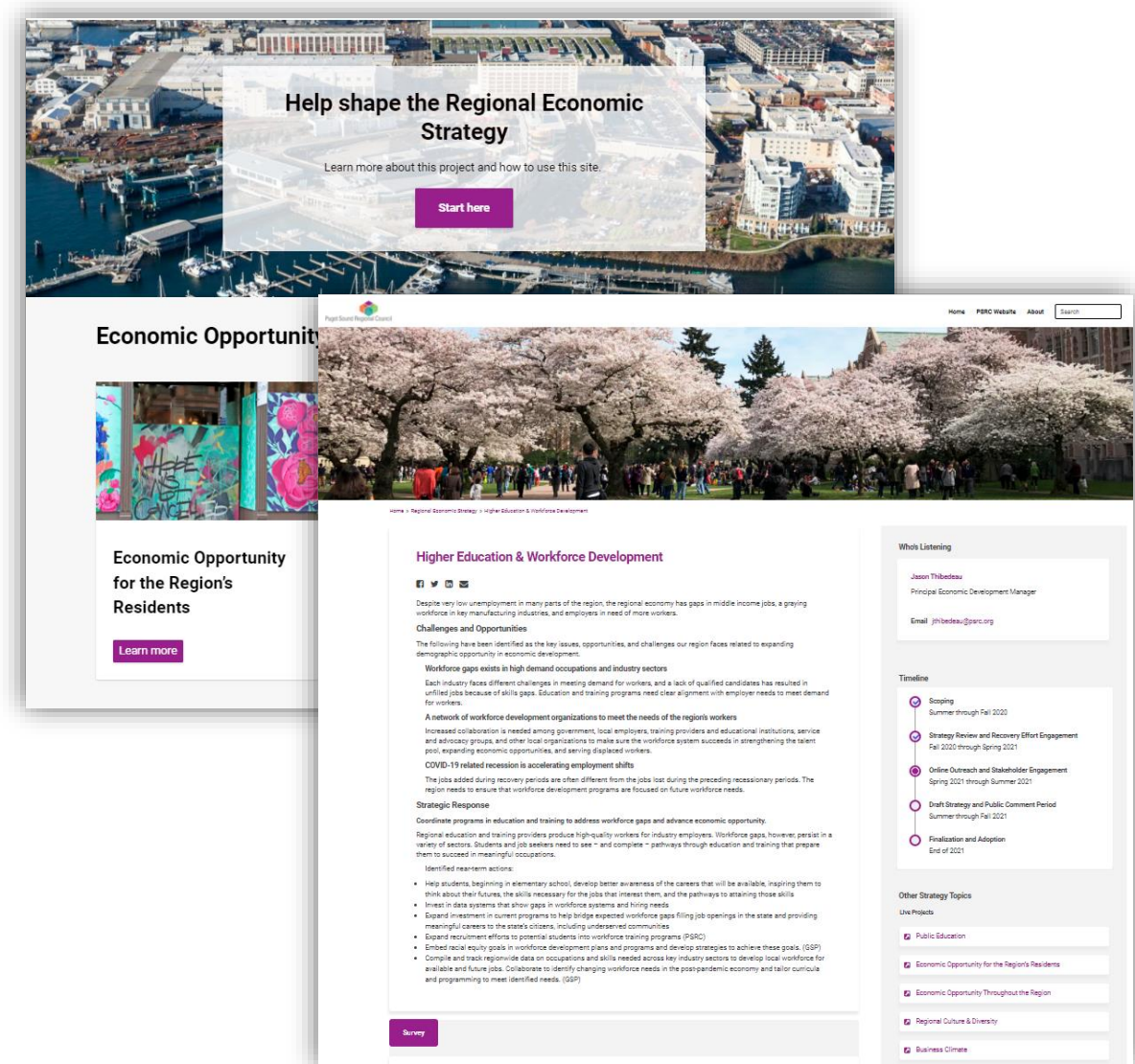
- ✓ Validate SWOT elements
- ✓ Identify data measures
- ✓ Identify existing efforts to address challenges & opportunities
- ✓ Identify potential areas for strategic implementation



RES Online Engagement Hub

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- Includes overview of draft SWOT analysis
- Opportunity for input on challenges, opportunities, strategies, and implementation
- 650 Regional Stakeholders & Public
- Goes live in June



RES Goals & SWOT Analysis

Economic Opportunity

Expand economic opportunity across the region to ensure that individuals and communities have the tools, resources, and access to participate fully in the economy

Quality of Life

Support a high quality of life for regional residents, businesses, and visitors

Global Competitiveness

Strengthen global competitiveness to ensure the region remains a leader in international trade, innovation, and emerging technologies

Business Climate

Foster a strong business climate that supports the regional economy by encouraging business growth and expansion

SWOT: Economic Opportunity

Strengths and Opportunities

- Workforce development programs effectively connect workers with training and jobs
- Economic development partners provide resources for entrepreneurs
- Continued investment in broadband infrastructure is expanding access to education, jobs, and services

Weaknesses and Threats

- Lack of affordable childcare limits workforce participation for many families
- Budget deficits in school districts threaten educational quality and economic outcomes
- Some communities continue to face challenges participating in economic growth

Strengths and Opportunities

- Natural assets support recreation and well-being
- A shared vision for inclusive growth guides regional planning and development
- Cultural institutions, the creative economy, and major events enrich regional identity

Weaknesses and Threats

- The housing crisis affects the affordability and availability of housing
- Environmental risks require increased emergency preparedness and infrastructure resilience
- Transportation infrastructure needs continue to grow

SWOT: Global Competitiveness

Strengths and Opportunities

- Home to globally significant employers in technology, logistics, aerospace, and maritime industries
- Port and logistics infrastructure connect businesses to global markets
- Global leadership in innovation and emerging technologies

Weaknesses and Threats

- Power grid capacity is a growing concern as the region expands
- Reliance on trade leaves the region vulnerable to global disruptions
- Increasing state taxes on business creates uncertainty in business community

Strengths and Opportunities

- A large, diverse, and highly skilled workforce enhances regional business competitiveness
- Strong collaboration among local governments and organizations supports economic development efforts
- Post-pandemic recovery provides a strategic opportunity to reimagine and revitalize downtowns

Weaknesses and Threats

- High costs of doing business create challenges for business growth
- Complex and lengthy permitting processes delay business growth and discourage investment
- State and federal funding uncertainty threatens economic development programs

Local Jurisdiction Employment Analysis

Regional Job Category Analysis

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Regional Needs

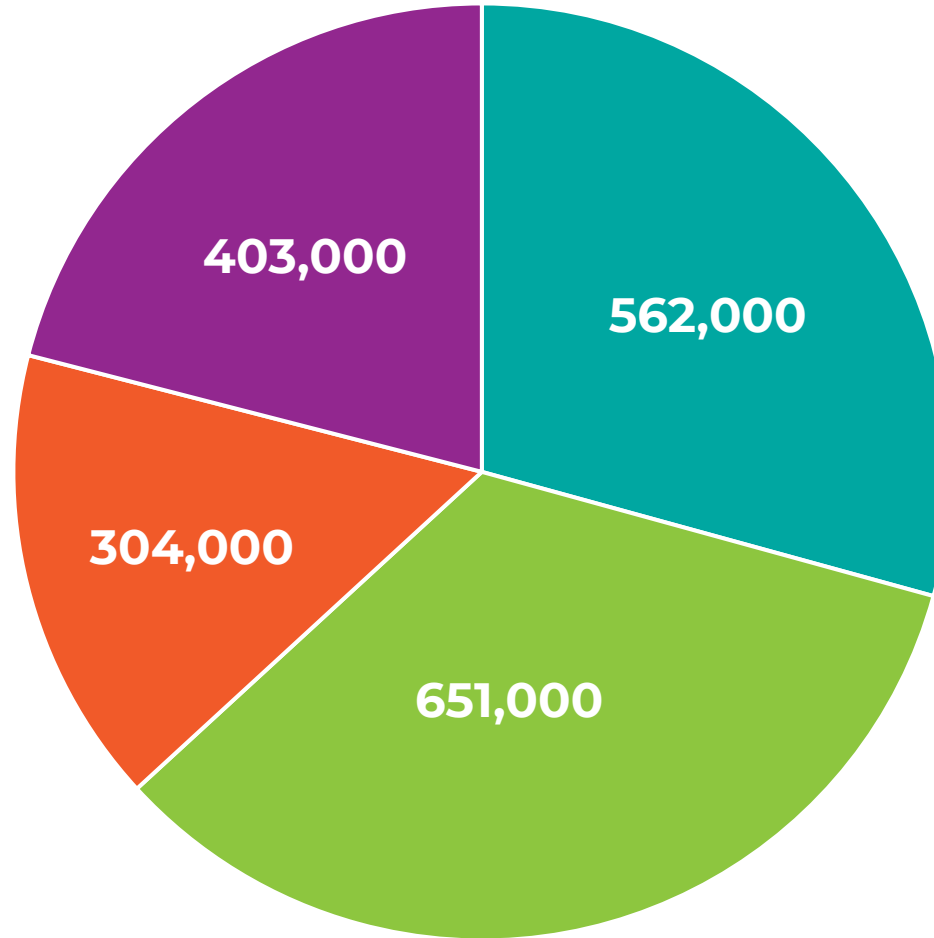
- Services provided for a mostly regional market

Export Focused

- Goods and services produced for a global/external market

Government

- Local, regional, state and federal employment



Local Serving

- Services provided for a local market. May attract a broader market

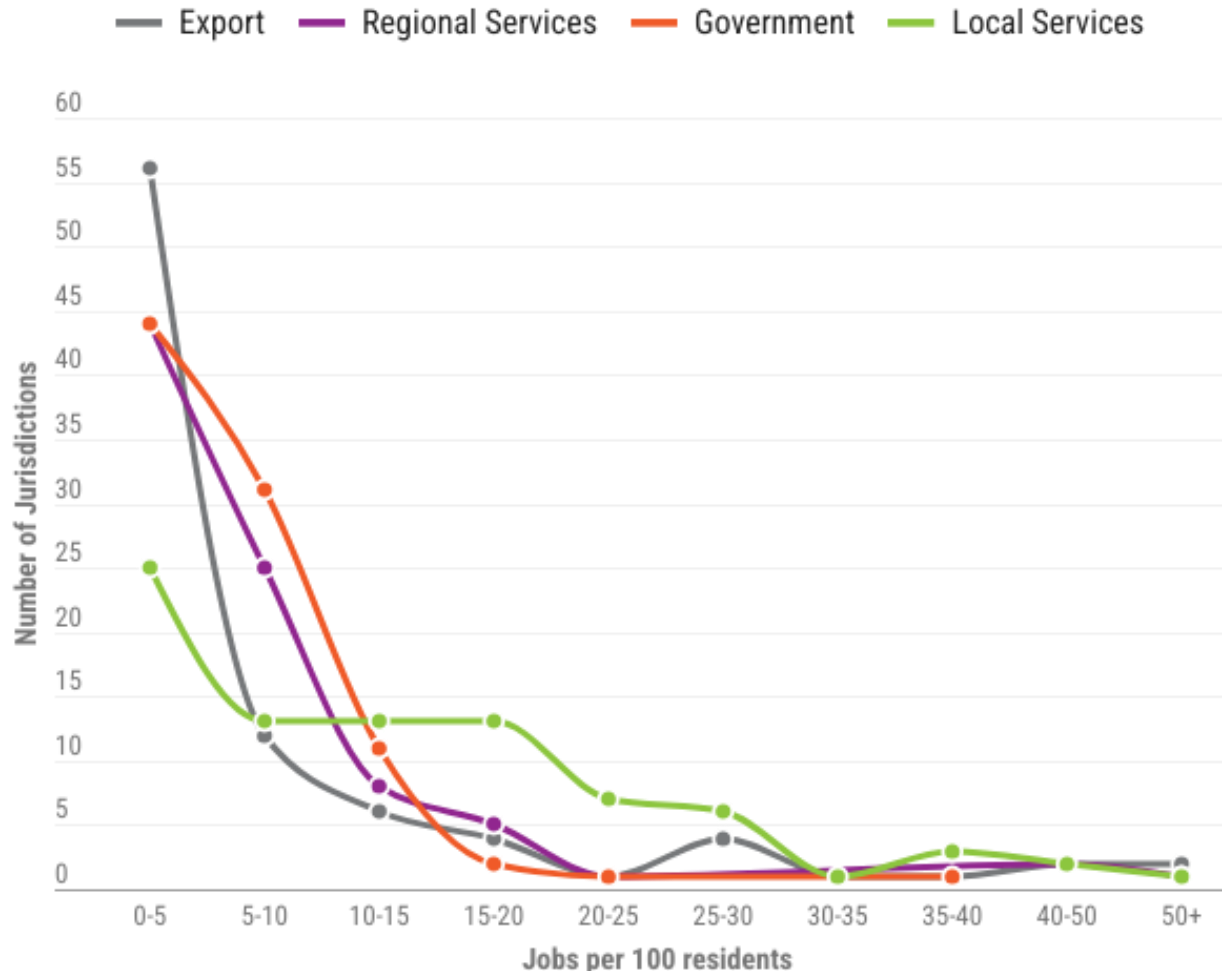
Organized jobs into categories based on market drivers and types of activities



How many jobs should a jurisdiction expect to have?

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Employment Density and Local Jurisdictions



- We'll use jobs per 100 residents to show and compare 80+ local jurisdictions.
- What does the employment landscape in central Puget Sound jurisdictions look like?
- Each employment category is distributed differently around the region's 80+ local jurisdictions.
- Employment is broadly concentrated in a minority of jurisdictions in the region



Government Employment

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Local, regional, state and federal public employment.

Primarily serves local and regional residents.

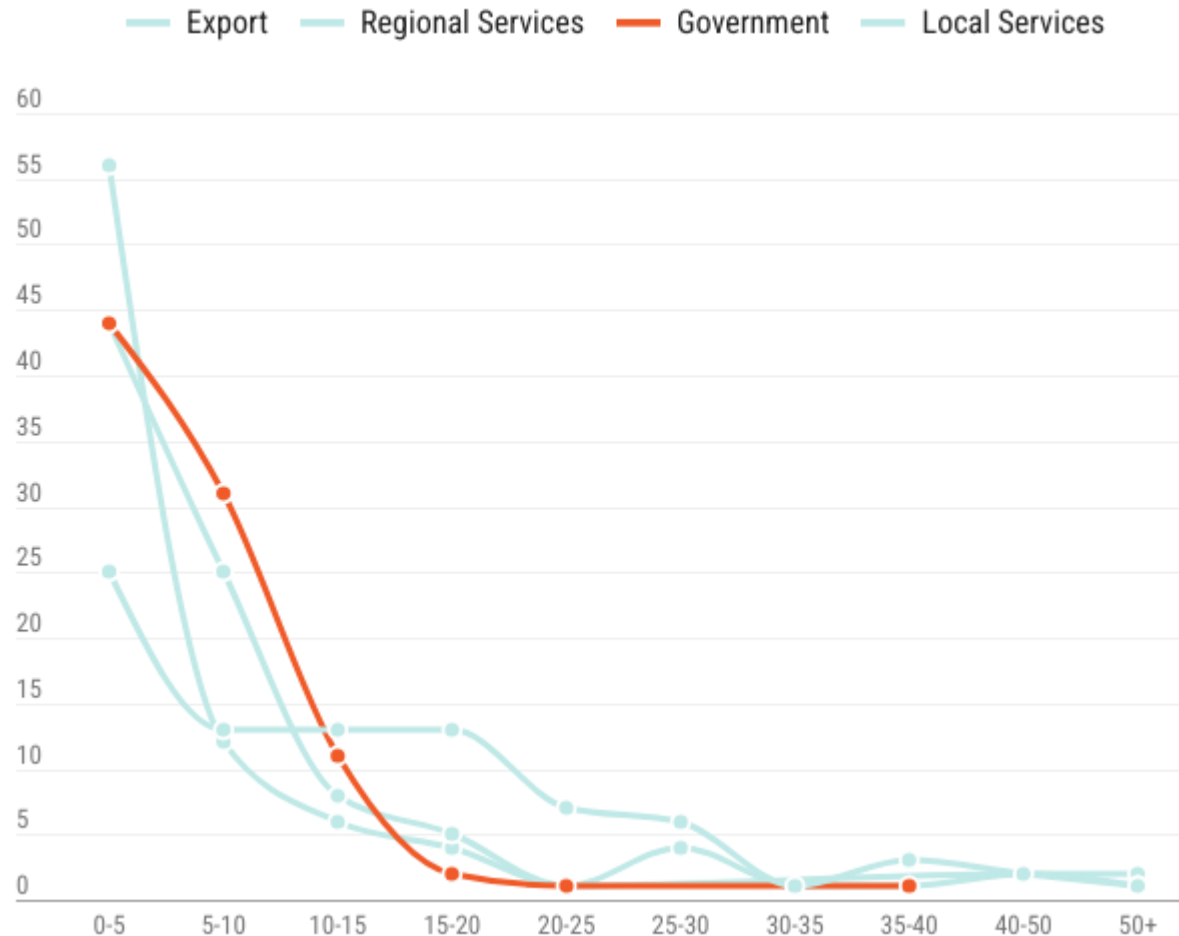
Sector	Jobs
Government	177,797
Public Education	126,502
Total	304,299



Government Employment Scales to Population

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Government Employment Density and Local Jurisdictions



- Most government jobs scale to fit the local jurisdiction's population size, usually between 0-10 government jobs per 100 residents.
- Other than some regional, state or national employment centers, there is little competition for these jobs/employers.
- Standout jurisdictions are freestanding cities or have defense assets.



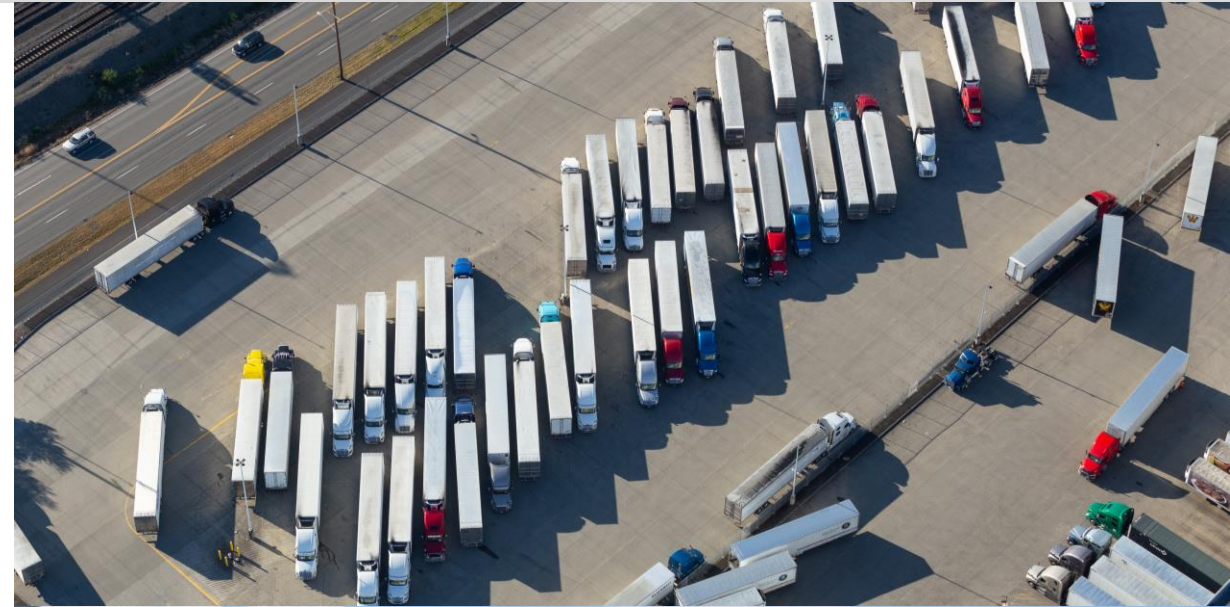
Export Employment

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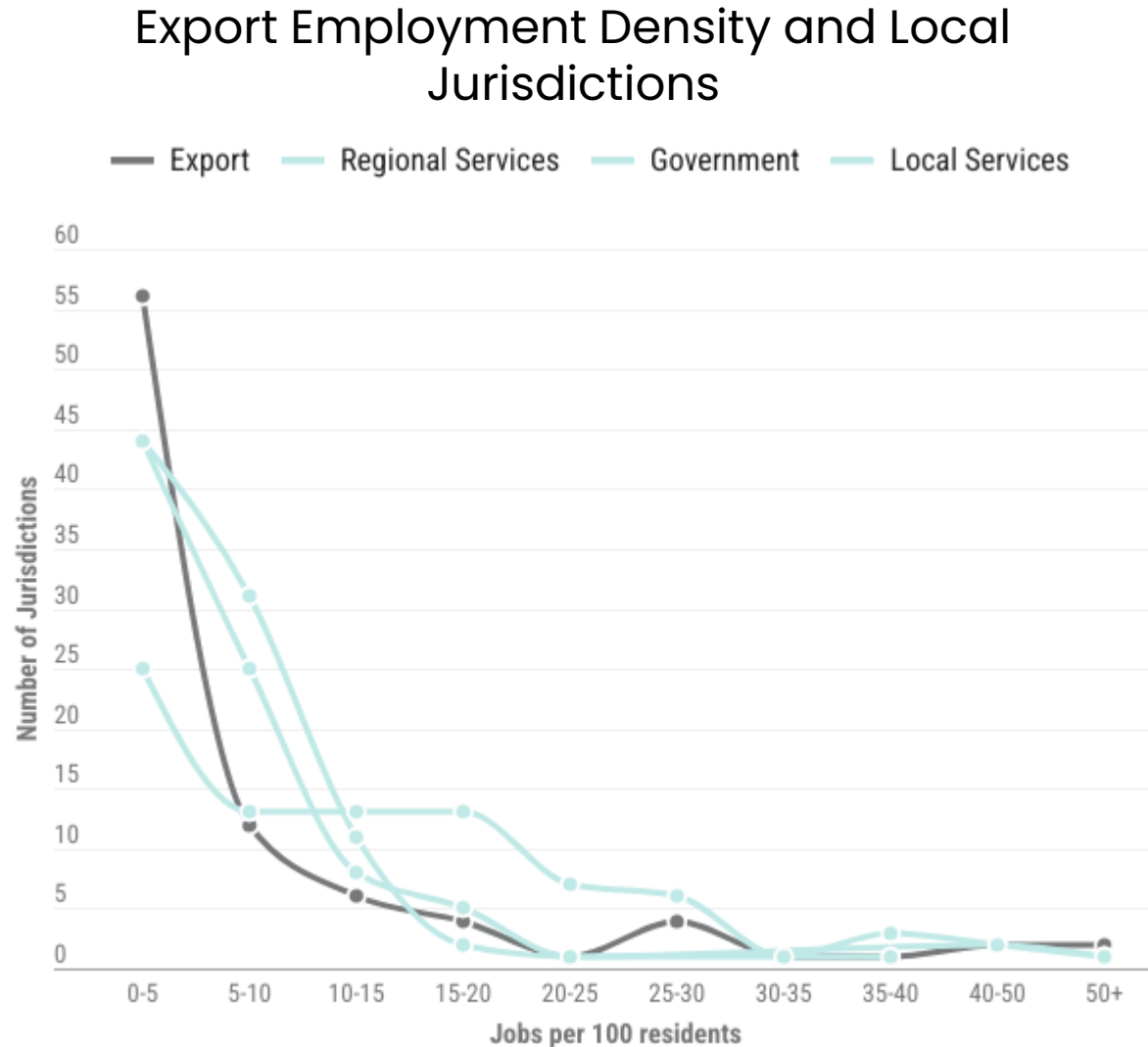
Professional services and manufactured and unprocessed goods employment

Produces goods and services for a primarily global/external market.

Sector	Jobs
Professional Services	197,076
Manufacturing	109,980
Information	99,020
Transportation and Warehousing	79,707
Finance and Insurance	53,202
Management	19,100
Raw Food and Forestry	3,666
Natural Resources	250
Total	562,001



Export Employment Clusters to Some Jurisdictions ²¹



- Export employment see starkest differences between jurisdictions with and without this employment type.
- Most local jurisdictions have zero or few export jobs.
- Export-oriented jobs tend to cluster into specific geographies, where the industry has agglomerated.



Regional Services

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Services typically provided at the regional business to business segment.

Services provided for a regional market

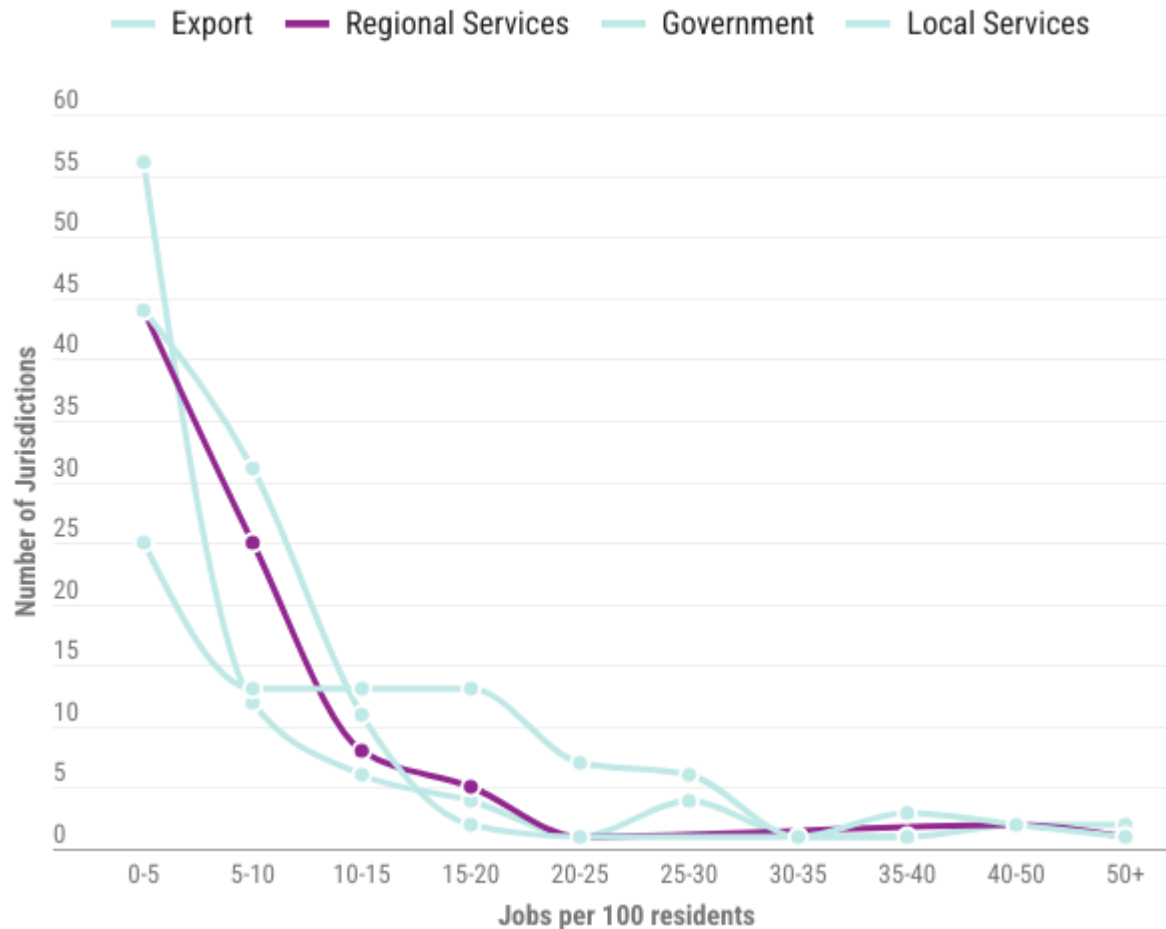
Sector	Jobs
Construction	103,269
Wholesale Trade	87,717
Waste Management and Remediation	78,321
Other Services	72,457
Real Estate and Rental Leasing	37,908
Utilities	1,787
Total	381,450



Regional Services Employment is Distributed

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Regional Service Employment Density and Local Jurisdictions



- Regional service jobs are less concentrated than export jobs
- Regional service industries like real estate and construction are more distributed than clustered.
- Small and large jurisdictions tend to not have many regional service jobs.
- A few small jurisdictions have regional serving employment centers.



Local Services

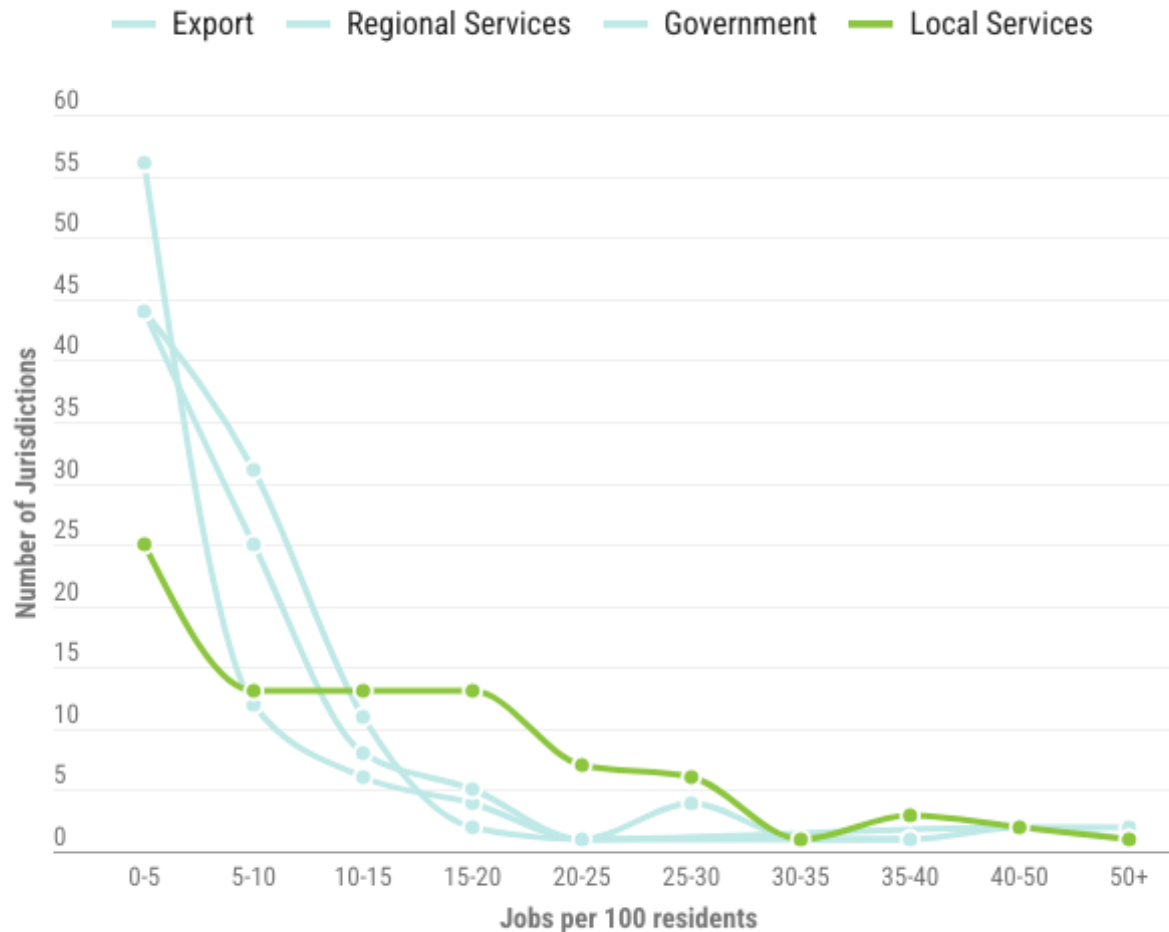
Services provided for local residents. Plus, services that may draw consumers to a locality

Serves a local and regional market

Sector Jobs	Jobs
Healthcare and Social Assistance	253,202
Retail Trade	184,982
Accommodation and Food Services	178,273
Arts & Entertainment	34,606
Educational Services	21,361
Total	672,424



Local Service Employment Density and Local Jurisdictions

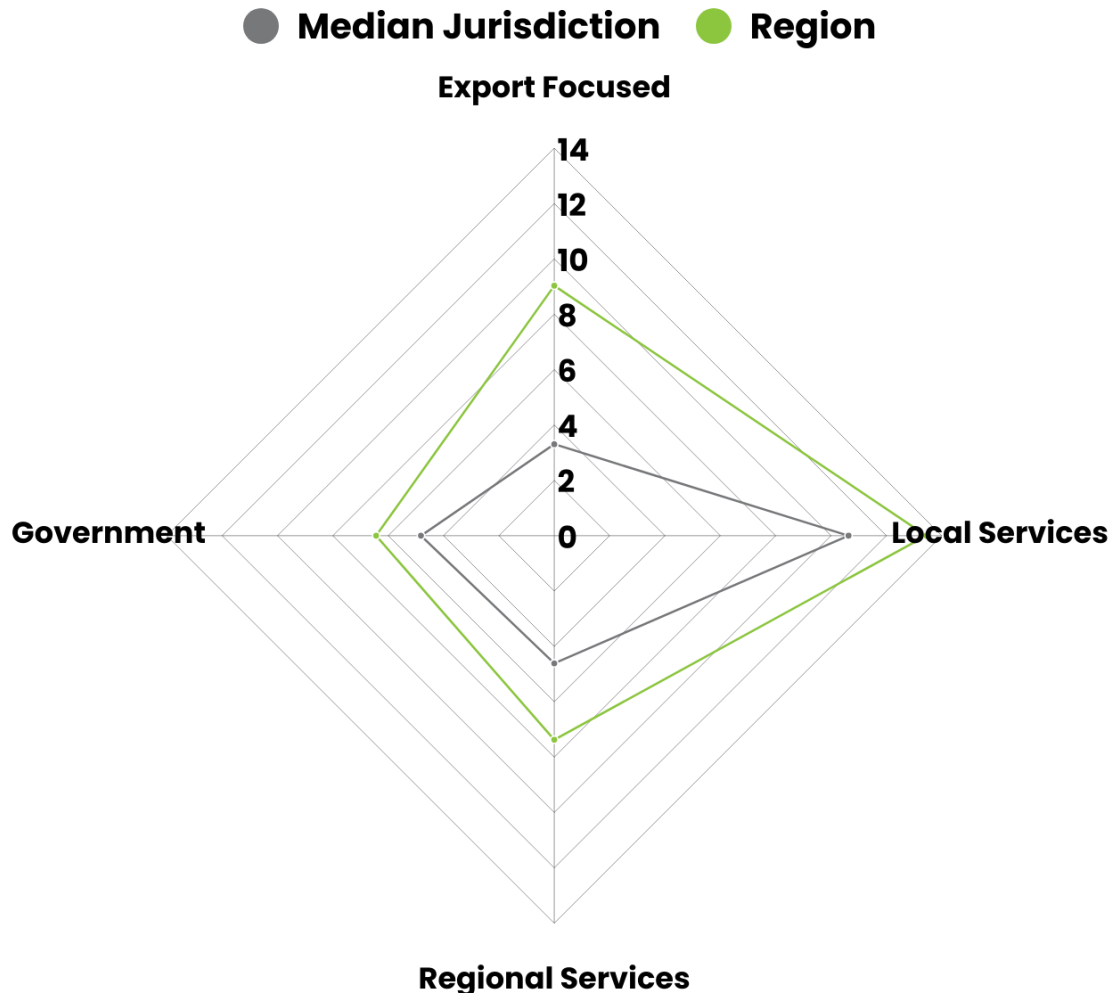


- Local service employment is the most evenly distributed.
- Competition for this employment may be more accessible due to lower land use requirements and a distributed consumer market.
- Smaller sized jurisdictions and unincorporated areas tend to have low local service employment.
- Most mid-sized and large jurisdictions have significant local service employment.
- Local service standouts are smaller cities and towns with destination retail.



Median Jurisdiction Employment

Regional and Median Jurisdiction Employment Profile (Jobs per 100 residents)

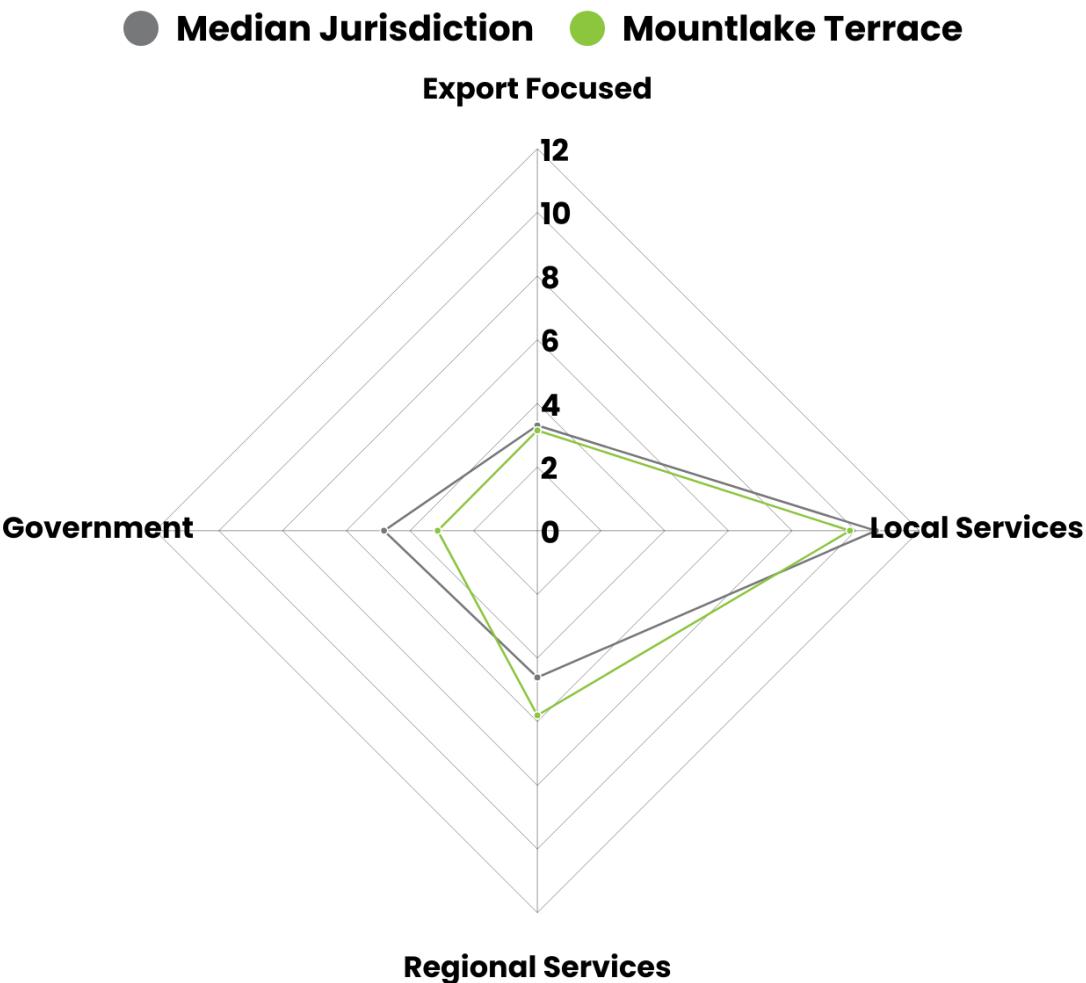


- The median jurisdiction in the region has much less employment than the regional employment per capita.
- Median value is for each category – not the median jurisdiction because of uniqueness of jurisdictions.
- Regional rates are higher than median because of the high concentration of jobs in some jurisdictional job centers.
- Local services jobs make up largest portion of jobs in most jurisdictions

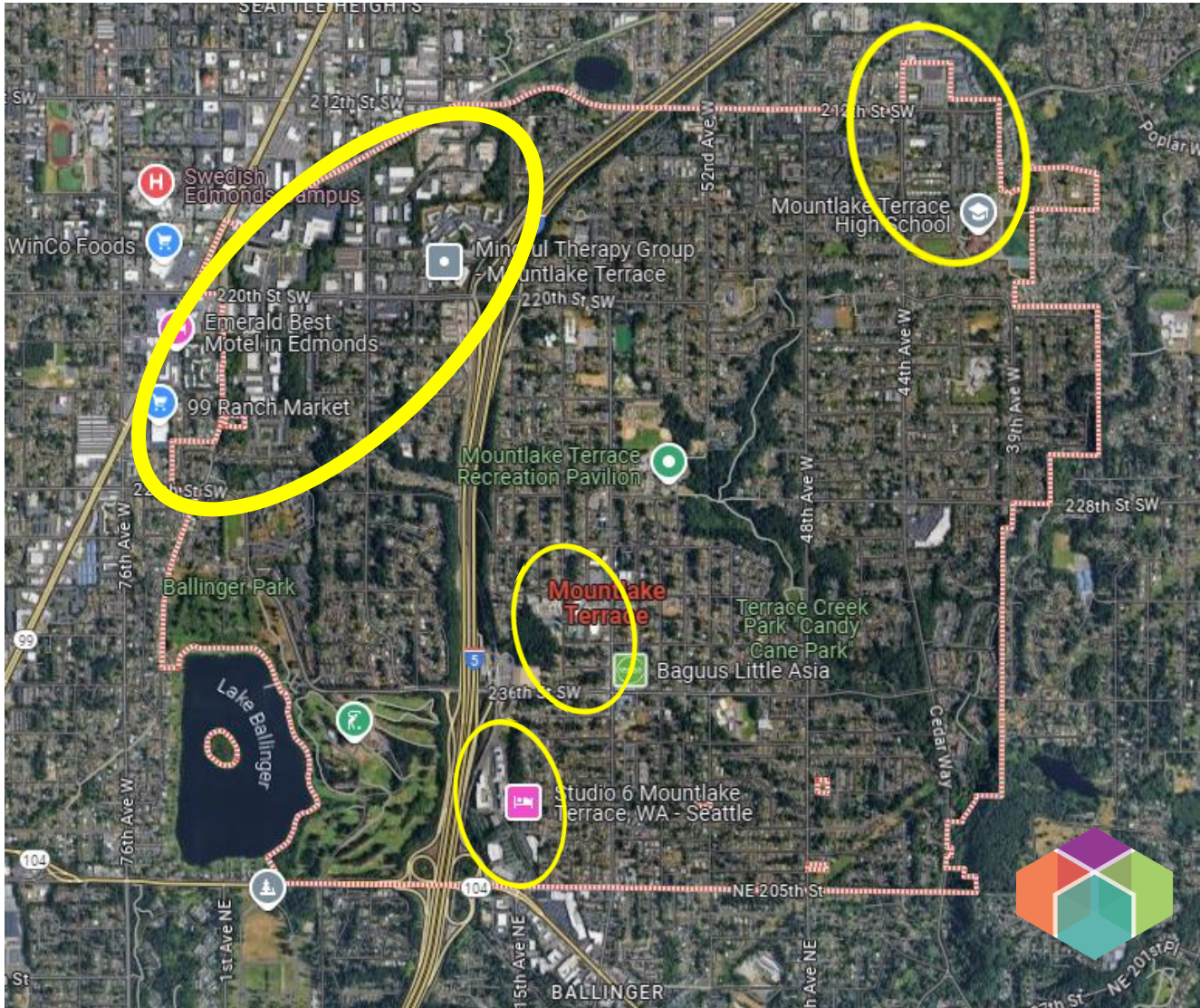


What does a median jurisdiction look like?

Mountlake Terrace Employment Profile
(Jobs per 100 residents)

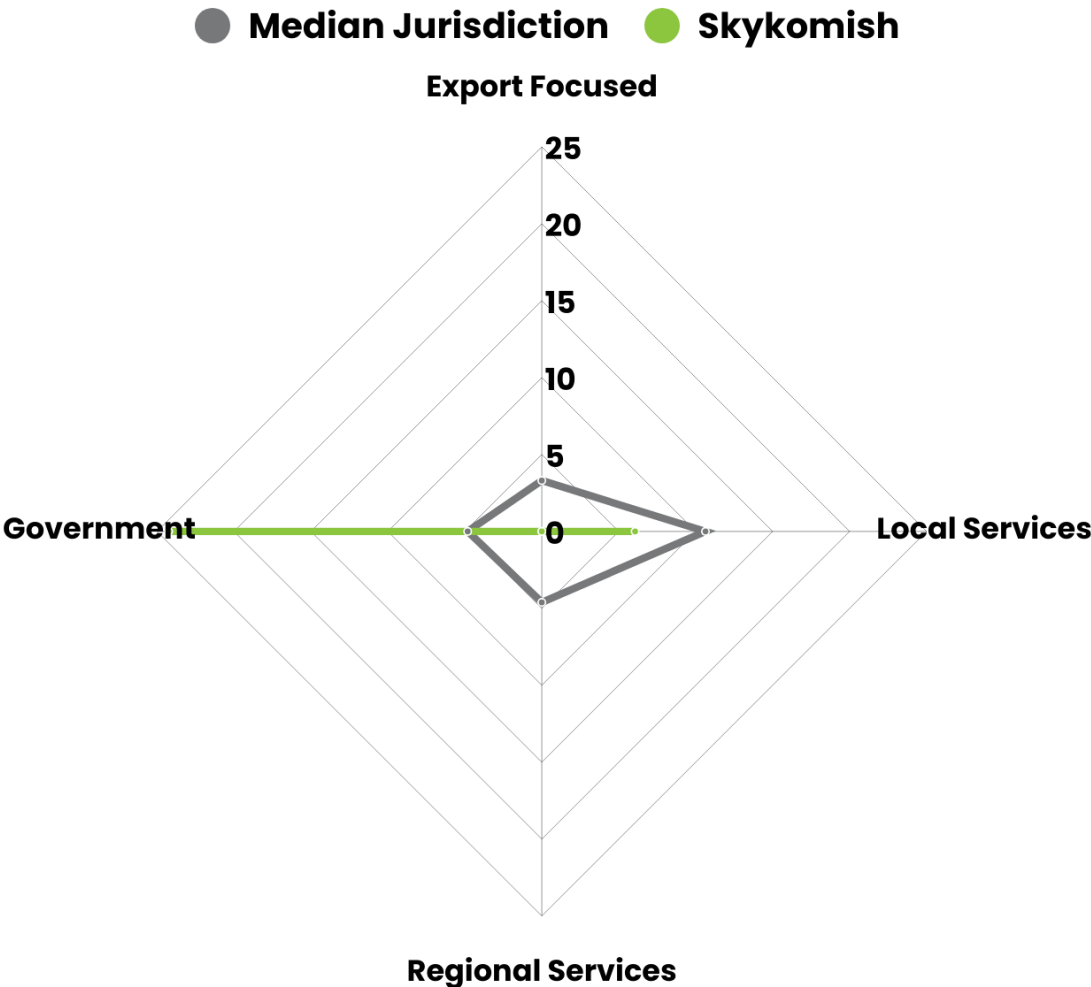


City of Mountlake Terrace
Population: 23,810 | Jobs: 8,276



High government employment concentration

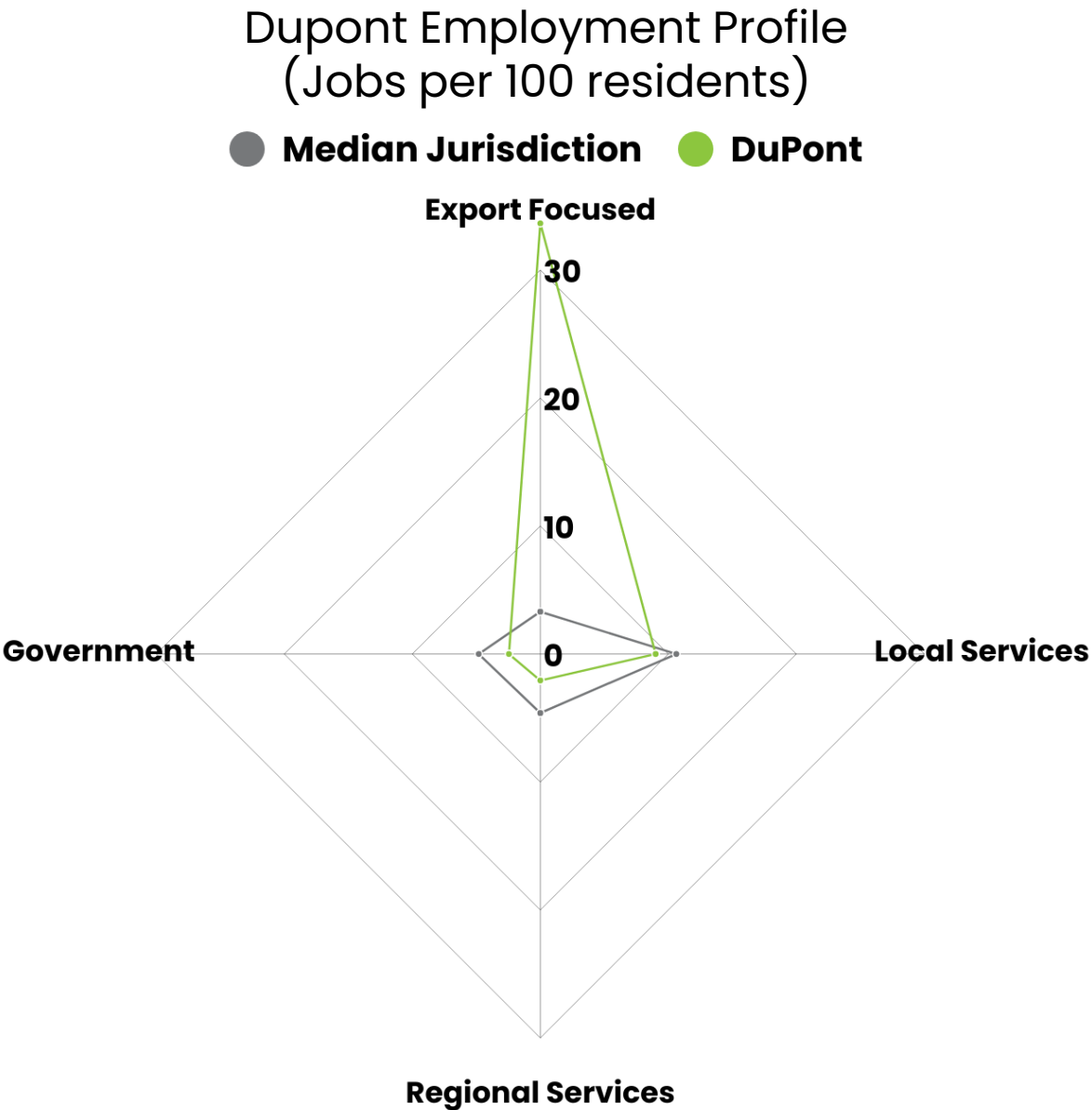
Skykomish Employment Profile
(Jobs per 100 residents)



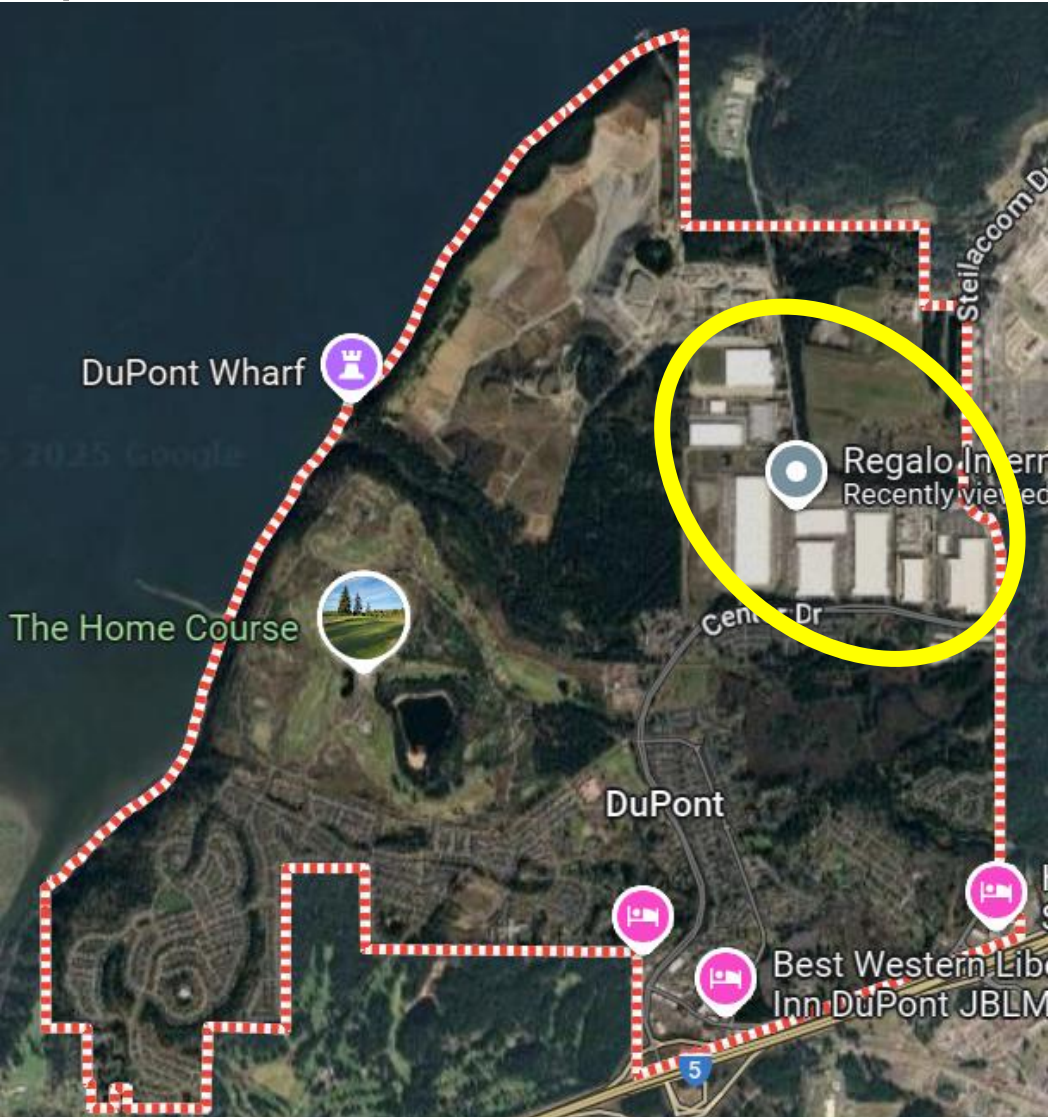
Town of Skykomish
Population: 165 | Jobs: 67



Stand out export employment jurisdiction



City of DuPont
Population: 10,180 | Jobs: 6,374



Stand out regional service jobs jurisdiction

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Pacific Employment Profile
(Jobs per 100 residents)

● Median Jurisdiction ● Pacific



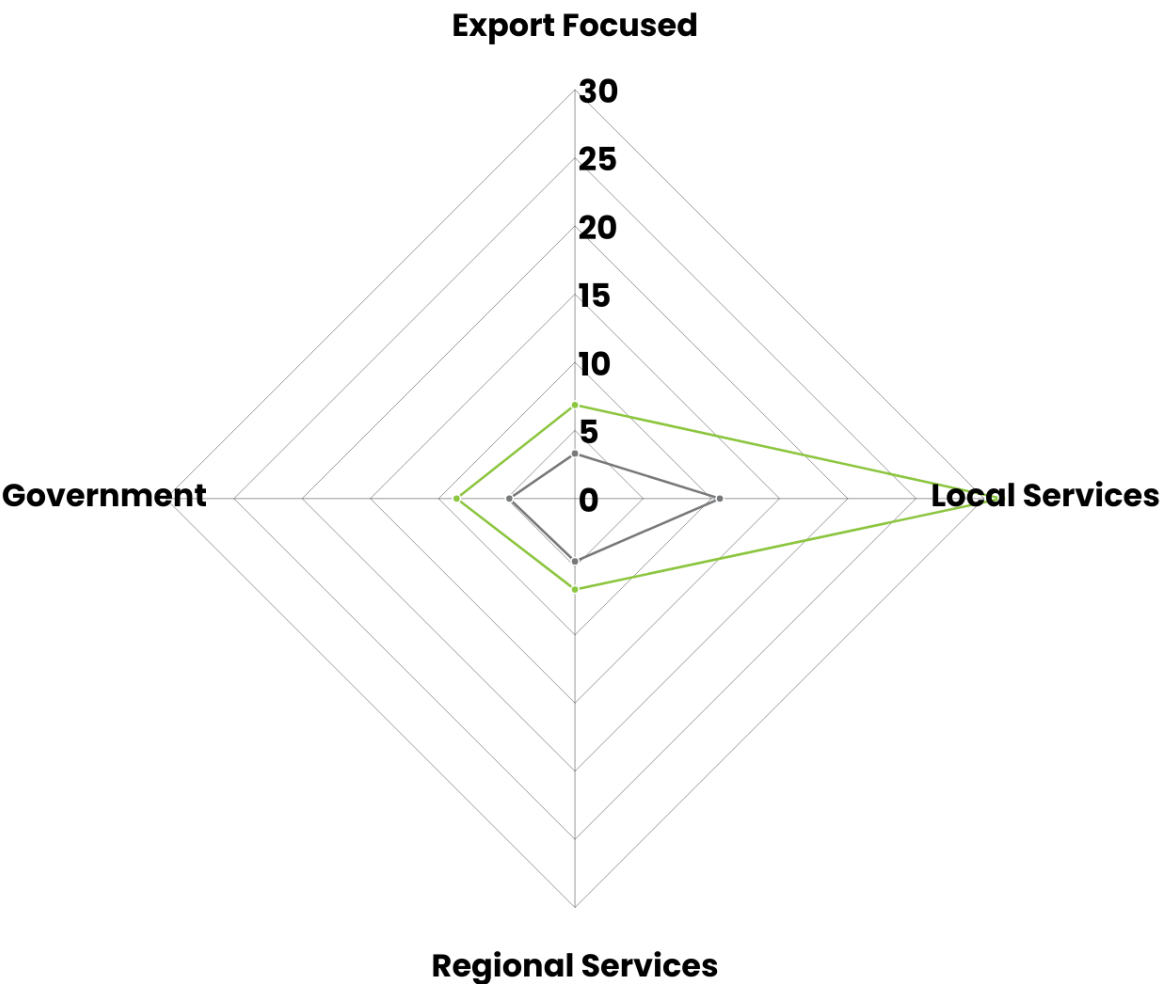
City of Pacific
Population: 7,270 | Jobs: 3,388



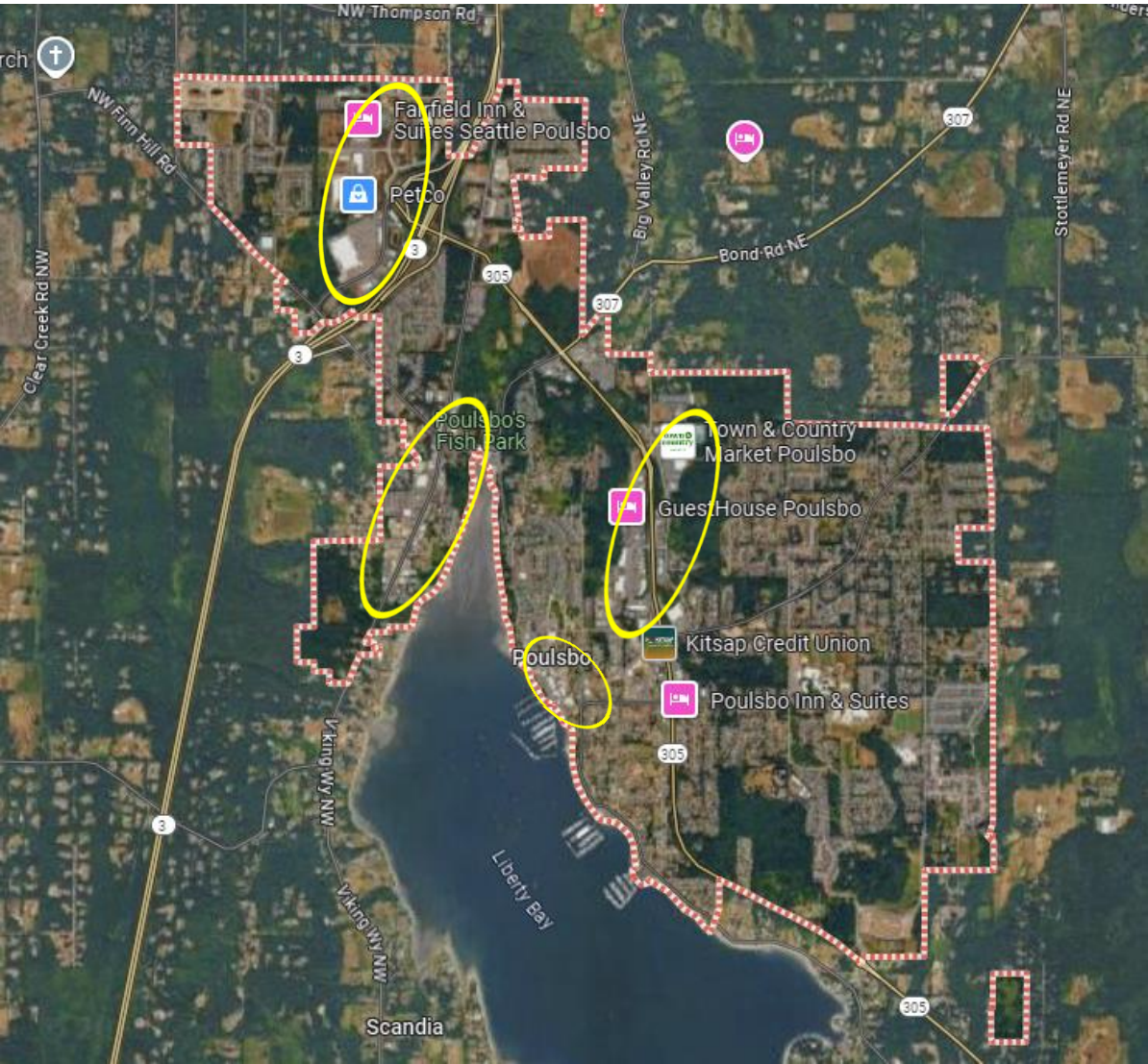
Stand out local service jobs jurisdiction

Poulsbo Employment Profile
(Jobs per 100 residents)

● Median Jurisdiction ● Poulsbo



City of Poulsbo
Population: 12,400 | Jobs: 6,961



Jurisdictional Employment Analysis Takeaways

- Local services are where local jurisdictions, especially small cities and towns, have historically been most competitive in growing their employment.
- Employment, especially export focused jobs, are concentrated in a minority of jurisdictions.

Local Economic Development Goals

Local Comprehensive Plans

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- Economic Development Elements were updated as a part of latest comprehensive plan update cycle.
- Most cities in the central Puget Sound included an economic development elements their plans.
- Include city economic development priorities, goals, and policy direction.
- Resource for “bottom-up” approach to ED conversations.



ECONOMIC DEVELOPMENT ELEMENT







**Most common themes
focused on Local
Services jobs,
especially in smaller
jurisdiction**



Breakout Discussion

1. What are the biggest economic challenges and opportunities facing local economies?
2. What regional efforts are most needed to improve these conditions?

Timeline/Next Steps



- **June:** RES Engagement Hub
- **Summer:** Interviews, discussions, Engagement Hub feedback
- **September 3:** EDD Board Meeting

Thank You!

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