Today’s Meeting

• State of the Regional Economy

• Regional Economic Strategy
  ▪ Overview
  ▪ Feedback
Our economy is booming

- We have added 279,000 jobs to the region since 2010 (16% increase).
- We surpassed 2 million jobs in 2015.
- King and Snohomish County have accounted for over 87% of the job growth since 2010.

Our Population is surging

Annual Population Change

2016  |  61,920  |  24,400
2015  |  41,370  |  21,900
2014  |  40,650  |  13,900
2013  |  28,200  |  10,100
2012  |  22,550  |  4,400
2011  |  21,268  |  3,440

- We have added over 294,000 people to the region since 2010 (8% increase).
- 86,000 were added to the region this year – only the 5th time we have ever added 80K people to the region in a single year.
- We surpassed 4 million people in June

Source: Office of Financial Management, April 1, 2016 Population of Cities, Towns and Counties
Other regional trends to consider

- 33% of the region’s job growth going into regional growth centers - just 3% of the urban land area (covered employment for 2010-2014)
- Minority population increased from 15% (1990) to 34% (2014)
- Foreign-born population contributed to 38% of total population growth 1990-2014
Region’s major industries are growing jobs

Job growth is up in all the region’s major industries

Sources: EMSI, PSRC, DOD

Annual Job Growth Rate: 2010-2015
Several clusters losing ground compared to other U.S. region

Aerospace & IT: increasing market share

Other industries: losing competitive advantage
## Projected U.S. Job Growth 2015-2020

<table>
<thead>
<tr>
<th>Industry</th>
<th>Projected U.S. Growth (2016-2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace</td>
<td>1%</td>
</tr>
<tr>
<td>Business Services</td>
<td>5%</td>
</tr>
<tr>
<td>Clean Tech</td>
<td>6%</td>
</tr>
<tr>
<td>Information Technology</td>
<td>10%</td>
</tr>
<tr>
<td>Life Sciences</td>
<td>8%</td>
</tr>
<tr>
<td>Maritime</td>
<td>5%</td>
</tr>
<tr>
<td>Tourism &amp; Visitors</td>
<td>8%</td>
</tr>
<tr>
<td>Transportation &amp; Logistics</td>
<td>7%</td>
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</tbody>
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Source: EMSI
<table>
<thead>
<tr>
<th>Industry Cluster</th>
<th>Jobs 2015</th>
<th>CAGR 2010-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Local Health Services</td>
<td>174,207</td>
<td>2.10%</td>
</tr>
<tr>
<td>2. Local Hospitality Establishments</td>
<td>157,698</td>
<td>3.57%</td>
</tr>
<tr>
<td>3. Local Real Estate, Construction, and Development</td>
<td>150,811</td>
<td>4.49%</td>
</tr>
<tr>
<td>4. Local Commercial Services</td>
<td>105,235</td>
<td>3.41%</td>
</tr>
<tr>
<td><strong>5. Aerospace Vehicles and Defense</strong></td>
<td><strong>91,030</strong></td>
<td><strong>2.46%</strong></td>
</tr>
<tr>
<td>6. Local Community and Civic Organizations</td>
<td>71,834</td>
<td>12.57%</td>
</tr>
<tr>
<td><strong>7. Wholesaling and Storage</strong></td>
<td><strong>65,496</strong></td>
<td><strong>2.38%</strong></td>
</tr>
<tr>
<td>8. Local Retailing of Clothing and General Merchandise</td>
<td>59,934</td>
<td>1.83%</td>
</tr>
<tr>
<td>9. Local Food and Beverage Processing and Distribution</td>
<td>55,175</td>
<td>2.33%</td>
</tr>
<tr>
<td><strong>10. Software Publishers</strong></td>
<td><strong>53,071</strong></td>
<td><strong>1.23%</strong></td>
</tr>
<tr>
<td>11. Local Motor Vehicle Products and Services</td>
<td>48,394</td>
<td>3.22%</td>
</tr>
<tr>
<td><strong>12. Computer Services</strong></td>
<td><strong>44,878</strong></td>
<td><strong>6.71%</strong></td>
</tr>
<tr>
<td>13. Local Personal Services (Non-Medical)</td>
<td>42,010</td>
<td>4.35%</td>
</tr>
<tr>
<td><strong>14. Corporate Headquarters</strong></td>
<td><strong>32,421</strong></td>
<td><strong>5.54%</strong></td>
</tr>
<tr>
<td><strong>15. Electronic and Catalog Shopping</strong></td>
<td><strong>28,803</strong></td>
<td><strong>25.92%</strong></td>
</tr>
</tbody>
</table>

*Bold = Export focused industry cluster*
Draft Development Process: September to March 2017
Outreach To Date

Amazon
Bellevue Chamber of Commerce
Bill & Melinda Gates Foundation
Boeing Company
Challenge Seattle
City of Everett
City of Kent
City of Seattle
Climate Solutions
Clover Park Technical College
Delta Airlines
Dept. of Commerce
Dept. of Commerce/Aerospace
Dept. of Commerce/Global Health & Life Sciences
Dept. of Commerce/Military
Economic Alliance Snohomish County
EDB for Tacoma-Pierce County
EDC Seattle-King County
Environmental Protection Agency
Futurewise
HomeSight
IAM-751
King County
Kitsap Economic Development Alliance
King County Executive’s Office
Microsoft
Pierce County
Port of Bremerton
Port of Seattle
Puget Sound Sage
REI
Seattle Foundation
Seattle Metro Chamber of Commerce
Snohomish County Executive Office
Sound Generations / City of Seattle
SPEEA
University of Washington
Urban@UW
Washington Clean Tech Alliance
Washington Maritime Federation
Washington State University
Washington Technology Industry Association
Workforce Development Council Seattle-King County
Regional Economic Strategy
Organization

- Regional Profile & Economic Analysis
  - Industry, Demographics, Equity
- Regional Economic Development Asset Mapping
- Regional Economic Strategy
  - Vision, Goals, Strategies
  - Showcase leading regional efforts
- Benchmarks and Dashboard
  - Align with strategies
- Appendices
DRAFT Goals

**Goal 1.** Connect the world to the Puget Sound region

**Goal 2.** Cultivate a region that attracts and retains world class talent

**Goal 3.** Strengthen the region’s economic base and rise to meet global economic opportunities

**Goal 4.** Open economic opportunities to everyone in the region

**Goal 5.** Capitalize on the region’s strengths to support and nurture strategic clusters and emerging opportunities
Goal 1  Connect the world to the Puget Sound region
Goal 1: Connect the world to the Puget Sound region

1.1. Increase global competitiveness in **passenger air travel** by growing the region’s commercial airport capacity to meet rising demand.

1.2. Build out **goods movement infrastructure**, including air, marine, intermodal, and freight rail shipping networks and terminals, to support the region’s export-focused manufacturing and distribution.

1.3. Advance the region as a **global hub of ideas** and home to world-changing innovation.
Goal 2  Cultivate a region that attracts and retains world class talent
Goal 2: Cultivate a region that attracts and retains world class talent (1 of 2)

2.1 Ensure a high quality of life, defined by employment opportunities, intraregional mobility, strong environmental quality, and healthy communities.

2.2 Build out the region’s commuter & surface transportation network to support the region’s growing economy and population.

2.3 Develop and maintain a diversity of housing stock that is affordable for workers and connected to the region’s job centers via existing and planned transportation networks.

2.4 Improve education systems to attract and inspire world class talent.

2.5 Preserve undeveloped areas with environmental and recreational value.
Goal 2: Cultivate a region that attracts and retains world class talent (2 of 2)

2.6 Protect natural resource and agricultural resource lands for their production value and open space value.

2.7 Promote, plan, and invest in cultural access including regional, neighborhood and community assets.

2.8 Maintain a robust network of trails, open space, and facilities for recreation and non-motorized transportation.

2.9 Maintain data and analysis that support and measure planning for growth and quality of life considerations.
Goal 3  Strengthen the region’s economic base and rise to meet global economic opportunities
Goal 3: Strengthen the region’s economic base and rise to meet global economic opportunities (1/2)

3.1 Continue to adapt and strengthen PSRC’s Regional Growth Centers and Manufacturing Industrial Centers as focal points for coordinated economic development and transportation infrastructure investments.

3.2 Preserve and protect the region’s industrial centers, military bases and ranges, and maritime workplaces.

3.3 Strengthen, expand and sustain infrastructure required for business and industry competitiveness and growth.

3.4 Increase higher education capacity in the region.

3.5 Coordinate programs in education and training to meet demand for workers at all stages of career development.
Goal 3: Strengthen the region’s economic base and rise to meet global economic opportunities (2/2)

3.6 Address existing and anticipated *workforce gaps* to meet the growing needs of the region’s industries.

3.7 Continually improve the regulatory *business climate* throughout the state, the region and local jurisdictions, and local business climates.

3.8 Maintain and grow region’s *incentives for industry competitiveness*.

3.9 *Strengthen and coordinate support services* for business development and growth.

3.10 Ensure that the region has an *innovation ecosystem* that supports growth of existing and emerging industry clusters.

3.11 Continue to reinforce, market, and expand regional economic *comparative advantages*.
Goal 4  Open economic opportunities for everyone in the region
Goal 4: Open economic opportunities for everyone in the region

4.1 Broaden the impact of the region’s economic success to be more inclusive of all the region’s populations and communities.

4.2 Prioritize the advancement of middle-income jobs in order to retain and strengthen the region’s robust and diverse workforce.

4.3 Support state and regional leaders in addressing funding gaps for educational achievement.

4.4 Provide a level playing field for students in public schools regionwide with excellent facilities and materials.
Goal 5  Capitalize on the region’s strengths to support and nurture strategic clusters and emerging opportunities
Goal 5: Capitalize on the region’s strengths to support and nurture strategic clusters and emerging opportunities

5.1 Improve the competitiveness of strategic industry clusters for the future including:
   i. Aerospace
   ii. Information & Communication Technology
   iii. Life Sciences & Global Health
   iv. Maritime
   v. Military
   vi. Tourism

5.2 Support the growth of emerging industry opportunities through creating awareness, identify cluster leaders and growth opportunities, for example:
   i. Space
   ii. Retail Corporate HQ
   iii. Climate Tech
   iv. Wood Product Innovation
   v. Interactive Media
   vi. Wine & Specialty Beverages
   vii. Cloud & Internet of Things
Regional Economic Strategy

PSRC is developing a new Regional Economic Strategy to sustain the region’s economic vitality and global competitiveness.

This new 2017 Regional Economic Strategy establishes a fresh framework for civic leadership to improve economic development, enhance innovation, and nurture a high quality of life throughout the region.
Thank you