



Onward!

2021-2025 Work Program

Vision, Mission, Objectives, Strategies, Tactics

INTRODUCTION

Stepping Up: The EDB's Response to the COVID-19 Pandemic

The EDB began crafting its 2021-2025 work program in August 2019. By February 2020, the program had been written, vetted by stakeholders, and approved by the Board of Directors. We were just beginning the quiet phase of our capital campaign. Then the COVID-19 pandemic arrived.

The EDB leapt into action to serve the community. We partnered with the Tacoma Pierce County Chamber of Commerce to bring the best information available to businesses via webinars three times a week (each call serves 250-800 participants) and we contacted clients and investors to offer expertise on rapidly emerging local, state and federal assistance programs.

The work did not stop there. We recast our website and social media to provide up-to-date COVID-19 relief and recovery resources, and we proactively worked with our retention and recruitment clients on their projects to ensure they would not miss a beat once the recovery begins.

The EDB has helped more than 5,000 Pierce County businesses respond to the crisis. We have provided them with access and counseling on federal, state, and local resources and many have leaned heavily on the expertise of our professional staff to guide them through uncharted waters.

Our executive and board leadership came together quickly and agreed that we would not let the pandemic define us. Instead, the EDB and our partners grabbed the mantle and defined the situation for ourselves. Then, we began planning for a great future. The bottom line: focused and nimble economic development resources are more critical than ever.

Here is how we have defined the crisis and how the EDB plans to proceed to ensure our community emerges stronger and more resilient than ever.

Defining the Crisis

- More than 50% of the world economy was shut down due to COVID-19.
- The retraction of economic activity exceeds that of the Great Recession.
- The recovery will have many ups and downs due to: (a) wary consumers, workers, business owners and governments; (b) ebbs and flows of the virus which may lead to future lockdowns; (c) far-reaching new health and safety standards that must be widely adopted for the economy to recover.
- The impact of systemic racism deepens the severity of the pandemic on Black and other racially underrepresented businesses.

Assessing the Opportunity

The companies and communities that emerge first (and healthiest) from the crisis will be those that respond best to three big challenges:

- **Accelerated adoption of new technologies.** E-commerce, E-government, and E-entertainment, already burgeoning before the crisis, will grow exponentially. Small and large firms that embrace local and global digital connections with their customers, workers and suppliers will survive and thrive. Aggressive adopters of information technology and the companies that create the necessary software, hardware and systems will be in greater demand than ever.
- **Changes to the global supply chain.** Asia will still be important, but firms will look for diversification to other locations (in the U.S. and elsewhere) to avoid disruptions when one region falters due to viruses, natural disasters, or political instability. Advanced manufacturers, life sciences firms and their suppliers in the U.S. will be in demand, as will their need for skilled workers operating alongside co-bots and robots. Gateway ports will see an uptick in the points of origin and destinations they serve. Logistics services and distribution centers will surge. FDI will not dry up but it will be focused for the next few years on investments in supply chain locations close to the final customer.
- **Increased demand for safe, healthy, digitally sophisticated communities.** Employers and workers will expect their communities to adopt best practices in health care, recreation, the arts, mobility, connectivity, and resiliency. Flexible programs to retrain workers and upscale their skills will be in high demand. Compassionate, proactive communities that meet these demands will thrive.

The Role of Economic Development

- **Learn from experience.** The world has not stopped spinning. While the current economic shock is dramatic, a look at how communities have recovered from major downturns in the past provides context. From 1974 to 2014, economic hits from the oil crisis, steel industry contraction, savings and loan crisis, dot com crash, Great Recession and numerous natural disasters hit the economy hard, albeit in some regions more than others.
- **Resilience matters.** Economic recoveries require resiliency. Statistics show that 47% of affected communities recover quickly (1-2 years), 36% less quickly (2-3 years), and 17% stagnate and never return to strength (*Coping with Adversity: Regional Economic Resilience and Public Policy, by Harold Wolman, 2017*)
- **Ecosystem strength.** The fundamentals of the economic development ecosystem are essential during a crisis. Communities with established and respected business retention and attraction programs; deep connections between the private sector, public sector, and NGOs; strong anchor institutions;

and a commitment to a business-friendly investment environment have a built-in resilience that will accelerate their recovery.

- ***We got game.*** We are fortunate in Tacoma-Pierce County to have a strong economic development ecosystem. Its response to the pandemic has been superb and its role in the recovery will be essential.

The EDB is On the Job

- ***COMPETE EVERY DAY FOREVER!*** As our motto says, the EDB is up to the challenge. We will continue to coordinate with our partners to ensure that Tacoma-Pierce County charges out of the crisis as a regional, national, and global economic leader. We plan to be widely recognized as the most attractive location in the Pacific Northwest for business investment and job creation.
- ***Near-term 2020 adjustments.*** To achieve this goal, the EDB has adjusted its 2020 work load to drive resources toward actions that will help businesses deal with the crisis of the moment and then plan for and achieve success in the recovery to follow.
- ***2021 and beyond.*** The EDB is energized and committed to help Tacoma-Pierce County achieve its best economic future, driven by cutting-edge businesses, a world-class workforce, and a compassionate, globally connected community. Our 2021-2025 work program is based on the best information available and is flexible and can pivot quickly when necessary. Clearly, success in the technology, advanced manufacturing, supply chain, and workforce areas will be critical (as noted above) as will other, unforeseen opportunities. We are ready for all the above. Join us!

The Time is Now: The EDB's Response to Racism

In response to the horrifying deaths of George Floyd and Manuel Ellis by police officers, the EDB joined local, regional, and national leaders in condemning the unjust taking of Black lives. These tragedies were not isolated incidents, and the reaction to them exposes, once again, the injustices inflicted on people of color every day in the United States and around the world.

Just as our communities have rallied to address the COVID-19 crisis, we need to rally to address the crisis of systemic racism. The first step in addressing a crisis is acknowledging it for what it is. Decades of indifference exacerbates widespread systemic racism and its impact on Black and other racially underrepresented groups.

The EDB's CEO Bruce Kendall and the Tacoma-Pierce County Chamber's CEO Tom Pierson wrote an Open Letter to the Community on June 3, 2020 asking business leaders to join them and others in our community in the fight to end systemic racism. We do not claim to have the answers, but we have the will to engage with Black and

other racially underrepresented groups to “ask and listen” and to collaborate on efforts to end systemic racism.

Several areas of the work program address the racism pandemic. In every case, these are initiatives that will help the EDB achieve its goal of creating and retaining jobs for the people of Tacoma-Pierce County.

Our Strength: The combined global pandemic, recessionary economy, and nationwide social unrest is unprecedented in our lifetimes. One of the EDB’s strengths is as a convener of leaders and the ability to pivot to address key issues. Let us use this strength to help defeat systemic racism. From the outset, we will “ask and listen” to the voices of the Black community and other communities of color.

2021-2025 EDB Work Program Overview

2040 Vision: Tacoma-Pierce County is the most attractive location in the Pacific Northwest for local, national, and global business investment and job creation; and a beacon for diversity, equity, and inclusion.

Mission: The EDB grows primary jobs and businesses by working with its partners to spur private capital investment; job creation; and diversity, equity, and inclusion in Tacoma-Pierce County businesses.

Motto: *COMPETE EVERY DAY FOREVER!*

1. Proactive Business Retention and Expansion Program (BRE): Homegrown Jobs

5-YEAR GOALS:

- 2,800 jobs created via BRE (62% of total jobs target)
- \$159,000,000 private capital investment (30% of total goal)
- 20 retained companies (4 per year)
- \$10,000,000 of industrial revenue bond financing

Strategy 1.1: Retain and grow existing high-wage primary businesses and other crucial firms. Primary companies export a product or service out of Tacoma-Pierce County and import new dollars into the local market, thereby “growing the economic pie” that feeds the rest of the economy.

Tactics:

- a. Work directly with existing primary companies to **identify and remedy challenges inhibiting their ability to expand and create jobs**, as well as identify opportunities for growth. Target firms that pay wages and salaries higher than the county average.
 - o Access and rank target company list (250 firms)
 - o Conduct 180 confidential firm visits annually (with partners as appropriate)
 - o Assist firms with recovery and growth needs, including financing, workforce, permitting, etc.
 - o Target wages/salaries greater than county average (\$51,676)

- b. **Collaborate with key stakeholders**, including business leaders, educators, thought leaders and other representatives of public and private sector entities to develop enhanced support for **Black and other racially underrepresented businesses**.
- Establish strategic partnerships with entities that have a mutual goal of increasing access to technical assistance for Black and other racially underrepresented businesses
 - Leverage strategic partnerships to raise awareness of BRE program with Black and other racially underrepresented businesses
- c. Develop relationships with **out-of-area corporate headquarters of Tacoma-Pierce County companies** to facilitate an increase jobs and capital investment here.
- Contact HQs annually in concert with local branch as appropriate (e.g., visits, Zoom, phone, email, trip hosting)
 - Feature companies on EDB social media, website, etc.
- d. **Facilitate the growth of anchor institutions that serve as economic development drivers**, including: Joint Base Lewis-McChord, University of Washington Tacoma, University of Puget Sound, Pacific Lutheran University, Bates Technical College, Clover Park Technical College, Pierce College Puyallup, Pierce College Ft. Steilacoom, and Tacoma Community College.
- Engage anchors in long-term economic recovery efforts (e.g., expertise drawn from higher education, including urban studies, engineering, technology, and other disciplines)
 - Build community support for anchors via coalitions with partners, including governments, non-profits, and businesses
- e. Manage **Working Washington Small Business Emergency Grant (WWSBEG)** contracts and other COVID-19 related programs
- Between 36 and 72 very small Pierce County businesses (10 or fewer employees) are projected to receive \$10,000 grants through the Working Washington Fund via the Governor's office and State Dept. of Commerce. These funds will help firms respond to COVID-19. As the local ADO, the funds will flow through the EDB to grant recipients.
 - Additional state and federal level pandemic related assistance programs are anticipated and the EDB stands ready to administer them to support our small and large businesses.
- f. Identify and **address systemic constraints** to improve the growth opportunities of businesses and advocate for their collective benefit.
- Join with other organizations to ensure that place-making initiatives focus on key attributes of Tacoma-Pierce County, e.g., "*WE ARE OPEN FOR BUSINESS: PROFITABLE, SAFE, HEALTHY, AND COMPASSIONATE*"
 - Work with partners to identify and eliminate systemic racism in the economic development ecosystem.

- Utilize local, regional, and statewide partnerships and associations to preserve incentives and remove obstacles to recovery and growth
- g. Enhance website and social media **tools to assist target companies.**
 - Continue providing up-to-the-minute business resources (e.g., workforce connections, location assistance, community assets, incentives, introductions, etc.)
- h. **Coordinate** with Pierce County, Port of Tacoma, Puyallup Tribe, and the cities of DuPont, Fife, Gig Harbor, Lakewood, Puyallup, Sumner, Tacoma, University Place, and others to identify and assist key businesses in their communities.
 - Maintain and enhance productive relationships with economic development professionals, business experts, and public officials to deliver timely, bottom-line assistance to businesses
- i. Implement retention/expansion **strategies by jurisdiction, cluster, and workforce needs.**
 - Join with partners to create a support system for remote workers to engage and connect with the local community
 - Engage with businesses and partners to ensure diversity, equity, and inclusion are talent-drivers across all primary industries
 - Engage next-generation leaders to ensure they are informed and connected to the EDB's work
- j. Utilize the **industrial revenue bond program** to assist advanced manufacturers.
 - Market the bond program widely
 - Staff the Economic Development Corporation for Pierce County (EDCPC)
 - Work with partners raise the statutory single project maximum. It has been at \$10 million since the 1970s.
 - Note: it is anticipated that the bond program will be soft in the near term as interest rates hover near zero. The \$10 million goal will likely be met in final two years of the plan.

Strategy 1.2: Enhance efforts around existing and emerging primary business clusters

Tactics:

- a. Continue convening **Cluster Acceleration Teams** to coordinate and promote business opportunities and partnerships between local businesses in existing and emerging clusters, including *aerospace, health services (ongoing), logistics-trade (ongoing), technology (ongoing), and defense-military.*
 - Facilitate COVID-19 recovery efforts by:

- Developing a cluster assessment and recovery plan
 - Developing a cluster resiliency plan for future challenges
 - Ensuring businesses have maximum access to loans and other support programs
 - Develop and implement growth strategies for each cluster
 - Include investors and other “best in class” leaders on the teams
 - Create teams that include diverse voices that represent the Tacoma-Pierce County Community, including Black and other racially underrepresented groups.
 - Evaluate and update cluster team strategic plans currently in place to reflect the important cultural attributes in Tacoma-Pierce County.
- b. **Coordinate and promote retrofit and expansion of corporate offices, industrial sites, and distribution facilities.**
- Facilitate COVID-19 recovery efforts by working with landlords and tenants to ensure safe, healthy, and profitable utilization of office, industrial, and distribution facilities
 - Identify and share best practices for retrofitting sites and processes
 - Identify and expand companies that provide space-planning services (including furniture and sanitary air/water systems) for workplaces and home offices
 - Reach out to developers and owners to ensure them: “*WE ARE OPEN FOR BUSINESS: PROFITABLE, SAFE, HEALTHY, AND COMPASSIONATE*”
- c. **Leverage industry research and market trends** to assist local firms.
- Engage anchor institutions in long-term economic recovery efforts (e.g., expertise drawn from higher education, including urban studies, engineering, technology, and other disciplines)
 - Provide world class data that distinguishes Tacoma-Pierce County as a profitable, safe, healthy, and compassionate community.
 - Embrace best practices of local, national, and international organizations

Strategy 1.3: Integrate retention efforts with recruitment targets and strategies

Tactics:

- a. **Create linkage between retention of local businesses and business recruitment program** by capturing data on local targets (e.g., vendors/suppliers).
 - Expand use of Salesforce CRM tool to identify client compatibility across programs

- b. **Coordinate** retention program with **national and international recruitment** efforts.
- Leverage air shows, Silicon Valley missions, etc.
 - Leverage supply chain gaps identified by retention clients to yield targets for trade shows and recruitment trips.

2. Proactive Business Recruitment Program: **Boosting New Investment**

5-YEAR GOALS:

1,700 jobs created via recruitment (38% of total jobs target)
\$371,000,000 private capital investment (70% of total goal)
15 recruited companies (3 per year)

Strategy 2.1: Identify, target, and recruit primary businesses to clusters for which Tacoma-Pierce County has a competitive advantage

Tactics:

- a. Recruit **specific firms in the following clusters:** *aerospace; health services; logistics and trade; technology; advanced manufacturing; defense-military.*
- Proactive: Qualify and prioritize target company lists by cluster (25 per cluster)
 - Reactive: Respond to inquiries and leads across all sectors
 - Utilize face to face and virtual trade missions (e.g. Farnborough/Paris air shows, Silicon Valley, etc.)
 - Utilize virtual tools for off-site clients, including drone tours and 3-D site renderings
 - Work case pipeline with partners
- b. **Leverage COVID-19 induced changes to the global supply chain** to recruit advanced manufacturers, life sciences firms, and office efficiency experts.
- Assess the assets, opportunities, and challenges in the current local supply chain (e.g., Port of Tacoma, logistics providers, top tier broadband and data centers, highways, utilities, etc.). Develop strategies for leveraging the assets and opportunities and addressing the challenges.

- Create and implement strategies for manufacturers and suppliers that must now be closer to final assembly for their customers
 - Work with partners to ensure that global digital connections are world-class and redundant
 - Recruit companies that create the software, hardware, and systems that will be in greater demand than ever before
 - Recruit companies that provide space-planning services (including furniture and sanitary air/water systems) for workplaces and home offices
- c. Work with **Cluster Acceleration Teams** to advance and coordinate this work. See 1.2.a.
- d. Develop and launch initiatives focused on **recruiting Black and other racially underrepresented businesses**.
- Leverage the BRE and Cluster Acceleration Team programs to engage local Black and other racially underrepresented firms to lay the groundwork for recruitment targets
 - Partner with local Black and other racially underrepresented business associations to identify targets and outreach strategies
- e. **Work with Class A and B property owners and tenants** to respond to COVID-19 impacts.
- Facilitate understanding of the competitive advantage of strong social distancing and hygiene standards in all buildings
 - Prepare for clients that will seek more flexible lease terms than in the past (e.g., rolling one-year leases versus five- or ten-year terms)
 - Prepare for clients that will need cutting edge, secure video conferencing capabilities and more robust virtual private networks (VPNs)
- f. Work closely with property owners and local jurisdictions to adjust to the post-pandemic dynamics of **developing new Class A office and industrial space**.
- Understand the Puget Sound market for Class A and industrial space and leverage our advantages as a smaller-tier market
 - Leverage changes in the global supply chain as described in 2.1.b.

Strategy 2.2: Develop value-added activities, support systems, and materials to help accomplish recruitment goals

Tactics:

- a. Conduct **site tours** for businesses considering locations in Tacoma-Pierce County.
 - Coordinate with property owners and other partners to ensure top-notch site visits and information downloads that meet client requirements
 - Utilize virtual tools, including 360-degree drone tours and 3-D site renderings
 - Create a marketing strategy to amplify InvestPierceCounty.com to drive traffic to the site targeting potential clients both domestically and internationally.
 - Provide accurate, up-to-date economic and demographic information
- b. Develop a **talent recruitment program aimed at commuters leaving Tacoma-Pierce County** each morning as well as next-generation workers who are considering relocating.
 - Work with partners to create heat map of commuters and analyze the data for actionable demographic information
 - Remote work is here to stay. Encourage employers to create robust work-from-home policies for Pierce County residents and leverage this trend to establish physical sites locally
 - Work with partners to identify next-gen workers and develop a strategy for “keeping them home”
- c. **Recruit remote offices/co-working spaces** for corporations not currently in Tacoma-Pierce County.
 - Pursue firms seeking business continuity by spreading their workforce beyond one or two large urban centers. This will help avoid business disruptions and appeal to workers who prefer smaller places and/or will not relocate
 - Promote work spaces with social distancing built in
- d. **Work with utilities and local jurisdictions on proactive recruitment** (e.g., streamlined permitting, site selectors, trade shows, recruitment missions, etc.).
- e. **Ensure** key sites are ready for market.
- f. Deepen relationships with **site selectors and corporate real estate** executives.
- g. Continue to enhance **regional partnerships** that assist local recruitment efforts.

3. Communications and Strategic Engagement: Promoting Tacoma-Pierce County to the World

Strategy 3.1: Build and strengthen partnerships with other organizations to optimize the community's business development resources

Tactics:

- a. **Engage with regional and state-wide partner organizations** to advance job creation.
 - o Continue strong relationships and leadership with key players in the broad economic development ecosystem, including shared work programs and board involvement
- b. Utilize leading businesses and other experts in the community, including chambers; associations focused on diversity, equity, and inclusion; consultants; and other organizations. **Identify and address threats to the economy** as well as **opportunities** to grow. This includes preserving industrial and commercial jobs and addressing broader threats to businesses and workers.
- c. Enhance key relationships with public leaders, agencies and staff, and educational institutions, to **ensure community-wide support for recruitment targets**.
- d. Engage **Black and other racially underrepresented leaders, as well as next-generation leaders**, from the private, public, and non-profit sectors to enhance the EDB's business retention, recruitment, and marketing programs.
- e. **Share the credit**. Economic development is a team effort. The EDB will ensure that all partners, private and public, receive recognition for their efforts.

Strategy 3.2: Implement and sustain high-impact economic development marketing.

Tactics:

- a. **Craft and communicate the business case for Tacoma-Pierce County** using world-class marketing tools (digital and traditional) and partnering with other organizations to leverage resources.
 - o Bolster EDB IT infrastructure modernization to respond to demands of post COVID-19 world

- Improve the performance, efficiency, agility, and scale of the EDB's technology stack, including a website redesign, search engine optimization, social media integration, and Salesforce CRM refresh
- b. Coordinate with other organizations and promote the attributes of Tacoma-Pierce County to businesses, workers, and visitors.**
- c. Develop a refreshed marketing kit to drive new inquiries and promote the competitive advantages of Tacoma-Pierce County in a regional context.**
- d. Communicate regularly with investors and the wider community** through a variety of media and technology, including website, social media, email, newsletters, op-eds, private meetings, phone calls, etc.
- e. Advocate with partners for effective economic development tools** at the local, regional, and state level (e.g., incentives, regulations, foreign direct investment assistance, etc.)

4. Quarterly Reviews

The EDB will continuously monitor economic, health, and social trends. We will assess how these variables impact the goals and strategies underlying the work program and make adjustments, as necessary. The EDB is prepared to pivot to address new realities as we have done in the past. The Staff, Executive Committee and Board of Directors will conduct quarterly reviews of the work program to ensure the organization pivots as necessary to respond to changes in the market.

Goals of the Five-Year Work Program (2021-2025)

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- Capital investment goal \$530 million
- Industrial revenue bond goal \$10 million
- Wages and salaries generated goal \$310 million
- Jobs recruited and retained goal 4,500 (1,700 recruited; 2,800 retained)

EDB Five-Year Budget Summary (2021-2025)

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Business Retention and Expansion	\$2.70 million	3.50 FTE
Recruitment	\$2.80 million	3.50 FTE
Marketing and Communications	<u>\$1.50 million</u>	<u>1.00 FTE</u>
	\$7.00 million	8.00 FTE