Employment Forecast Update

November 1, 2019
Countywide Employment Forecast

• Countywide Employment Forecast Adopted in March 2018
• Checked-in with Advisory Group throughout the process
Countywide Employment Forecast

- Manufacturing, Wholesale Trade, Utilities
- Construction, Natural Resources
- Services
- Retail, Food Services
- Government

2017 vs 2045
Where will Employment Growth Occur?
General Assumptions

• Assume 2017 employment will remain in the future
• Where specific information where it is available
• New employment will sit where zoning, transportation, and market conditions allow it
• Expect infrastructure to be extended to accommodate future employment
• Existing employment patterns will inform future employment
Where will Employment Growth Occur?

- Permits and Projects
- Home-based Employment
- Retail and Services
- Industrial and Warehousing
- Government
- etc…
Recent Permits and Projects

About 17,000 jobs (26%) are sited “by-hand”

- Building permit has been recently issued
- Master planned community with commercial element
- Capital facilities plan
Home-based Employment

About 11,000 jobs (18%) are “home-based”
• Self-proprietors
• Positions that report to work at a residential location

Number varies by industry

More Likely
- Real Estate, Rental
- Transportation
- Construction
- Services

Less Likely
- Government
- Utilities
- Manufacturing
- Food Services
- Wholesale Trade
Industrial Employment

Three sectors:
• Manufacturing
• Wholesale Trade
• Transportation and Warehousing

Allocated to developable and redevelopable land with industrial zoning
Retail and Services

Over 48,000 new jobs. 75% of job growth

Retail & Food Services
- Restaurants
- Grocery Stores
- Department Stores

Consumer Services
- Barber Shop
- Dry Cleaner
- Carwash

Producer Services
- Financial Services
- Consulting Firms
- Website Developers
Retail and Services

For non-home-based jobs, where will growth locate?

Three areas identified:
- Urban Centers and Corridors
- Regional Retail Centers
- Neighborhood Centers
Retail and Services
Compared to Taxable Retail Sales

- Lacey: 30% (2045 Retail/Services Jobs), 30% (Taxable Retail Sales)
- Olympia: 38% (2045 Retail/Services Jobs), 38% (Taxable Retail Sales)
- Tumwater: 13% (2045 Retail/Services Jobs), 13% (Taxable Retail Sales)
- Yelm: 8% (2045 Retail/Services Jobs), 8% (Taxable Retail Sales)

Legend:
- Blue: 2045 Retail/Services Jobs
- Orange: Taxable Retail Sales
Retail and Services
Compared to Shopping Trips

- Lacey: 30% of 2045 Retail/Services Jobs, 38% of Shopping Trips
- Olympia: 38% of 2045 Retail/Services Jobs, 38% of Shopping Trips
- Tumwater: 13% of 2045 Retail/Services Jobs, 13% of Shopping Trips
- Yelm: 8% of 2045 Retail/Services Jobs, 8% of Shopping Trips

Legend:
- Blue: 2045 Retail/Services Jobs
- Green: Shopping Trips
South County

Most challenging to estimate due to small size and low growth

Employment growth in each community is estimated based on:

- Available infrastructure
- Projected population growth
- Trends in employment growth
South County Employment

- 2017
- 2045

- Bucoda
- Rainier
- Tenino
- Grand Mound UGA
- Rochester Subarea
- Chehalis Reservation
- Nisqually Reservation
State Employment

Employment allocated to sites identified in Capitol Master Plan and by DES employees.

Major Changes:

• Relocation of Utilities and Transportation Commission to Lacey
• Relocation of WSDOT Olympic Region to Lacey
• Consolidation of Secretary of State office to new building in Tumwater
• Expansion of Maple Lane Juvenile Detention Center in Grand Mound
Local Government

New worksites added where information was available
• Relocation of County Courthouse to Downtown Olympia
• New schools where identified in capital facilities plans

Existing employment increased proportional to population growth in district
Endangered Species

Most employment growth in Urban Areas with limited endangered species habitat

• Exceptions: Port of Olympia and Tumwater are developing a joint Habitat Conservation Plan to mitigate future impacts

Several jurisdictions are developing Habitat Conservation Plans (HCPs).

Land owners can develop their own HCP for activities not covered by a jurisdiction’s HCP

• Example: Kaufman Real Estate, LLC
## Employment Growth

<table>
<thead>
<tr>
<th>Urban Area</th>
<th>2017</th>
<th>2045</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olympia</td>
<td>60,630</td>
<td>81,000</td>
<td>20,370</td>
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<tr>
<td>Lacey</td>
<td>34,160</td>
<td>55,200</td>
<td>21,040</td>
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<tr>
<td>Tumwater</td>
<td>27,030</td>
<td>37,760</td>
<td>10,730</td>
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<tr>
<td>Yelm</td>
<td>4,650</td>
<td>12,540</td>
<td>7,890</td>
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<tr>
<td>Grand Mound UGA</td>
<td>1,420</td>
<td>2,220</td>
<td>800</td>
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<tr>
<td>Tenino</td>
<td>930</td>
<td>1,590</td>
<td>660</td>
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<tr>
<td>Rainier</td>
<td>530</td>
<td>830</td>
<td>300</td>
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<tr>
<td>Bucoda</td>
<td>90</td>
<td>180</td>
<td>90</td>
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<tr>
<td>Chehalis Reservation</td>
<td>790</td>
<td>1,020</td>
<td>230</td>
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<tr>
<td>Nisqually Reservation</td>
<td>1,330</td>
<td>1,940</td>
<td>610</td>
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<tr>
<td>Rural Unincorporated</td>
<td>17,180</td>
<td>19,810</td>
<td>2,630</td>
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<tr>
<td><strong>Total</strong></td>
<td>148,730</td>
<td>214,100</td>
<td>65,370</td>
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</tbody>
</table>
Next Steps

Tentative adoption of employment allocations in December

Regional Transportation Plan
• Employment allocations used for transportation modeling

Buildable Lands Report
• What does the forecast tell us about whether or not we are meeting the goals of the Growth Management Act?
• What policies – if any – are needed to meet GMA’s goals?
• Due 2021