

# City of Tukwila Existing Conditions and Landscape Assessment

Economic Development Strategy

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Prepared by:



Prepared for:



CITY OF  
**TUKWILA**



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## EXECUTIVE SUMMARY

The City of Tukwila is in the process of creating an Economic Development Strategy. This Landscape Assessment informs the Strategy by providing an inventory and analysis of current planning as well as documenting socioeconomic conditions and trends in Tukwila. City staff and leadership provided insight into existing conditions as well as some previous research into demographic conditions. A concurrent survey of residents, workers, and businesses and additional engagement activities will inform the Strategy alongside this assessment.

Tukwila is racially and ethnically diverse and has a high number of foreign-born residents. Tukwila households speak multiple languages, and many have limited English proficiency. The city has fewer young residents than it did in 2010. Households are more likely to be renters with larger families, lower incomes and education levels, and higher cost-burden and housing instability compared to the region. Incomes have increased alongside a local and regional rise in rents, but homeownership is increasingly unaffordable or unattainable. Tukwila has a high share of renters and around half are cost burdened or severely so.

Tukwila's economy has seen modest employment losses in some sectors and growth in others over the past decade. The three largest job sectors in Tukwila are Services, Manufacturing, and Retail. The highest growth industry is Construction followed by Finance, Insurance, and Real Estate (FIRE), Healthcare, and Information. Higher wage industries are Government, Services, and Construction. Tukwila's residents are employed in areas across the region in a wide range of occupational sectors with a larger share of residents employed in Government, Health, and Education. Relatively few Tukwila residents also work in Tukwila with many instead commuting to Seattle. As a result, Tukwila's employers appear to draw a low share of their workforce from the resident population.

Tukwila benefits from the different perspectives and culture that are present in an area of significant diversity. The many businesses owned by immigrants and refugees and the languages spoken among its residents position it as a connector community for those seeking to engage with different cultures and community both locally and regionally.

This analysis provides background information that will be instrumental in helping the city inform decisions and investments related to its retail, entertainment, and other industries; business expansion; commitments to education and training for residents; and sustaining tax revenues for service provision while maintaining a diversity of area businesses and economic opportunity for all residents and workers.

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# INTRODUCTION

## Background and Purpose

The City of Tukwila is creating an Economic Development Strategy (Strategy) to guide its efforts to strengthen Tukwila’s economic future. This Landscape Assessment will inform the recommendations at the heart of the Strategy. The primary purpose of the Strategy is to describe Tukwila’s vision for sustainable and inclusive economic prosperity and to identify strategies and actions to achieve that vision. The Strategy will also inform the next update of Tukwila’s Comprehensive Plan.

The Landscape Assessment helps build a common understanding of Tukwila’s current role in the regional economy, including relevant research and information about regional and industry trends affecting the city, local socioeconomic conditions, and other key economic issues. It includes comparisons to neighboring jurisdictions and King County to provide additional context. The Landscape Assessment is also instrumental in framing Tukwila’s vision and goals as it engages the community in developing the Strategy.

## Organization of this Report

The remainder of this report is organized as follows:

- **Findings and Implications** summarizes the key takeaways and their implications from the analysis conducted in the Landscape Assessment.
- **Current Planning and Policy Context** summarizes the current economic development and other related local, county, and regional plans.
- **Socioeconomic Analysis** highlights historic and projected demographic and economic trends, analysis of current jobs and employment, and an assessment of conditions and trends of Tukwila’s resident workforce.
- **Economic Indicators** includes total and industry-specific employment, cost of living, and industry and firm dynamics.
- **Workforce Indicators** include occupational characteristics and capacities.
- **Fiscal Impacts of Land Use** assess the fiscal impacts associated with Tukwila’s major land use categories.
- **Smart Cities Literature Review** briefly assesses the economic impacts of adopting “smart city” policies in Tukwila.
- **Infrastructure Assessment** reviews existing studies and plans to identify infrastructure deficiencies and assesses anticipated investments that directly impact infrastructure capacity in Tukwila.
- **Appendices** include supportive content including a SWOT analysis.

## FINDINGS AND IMPLICATIONS

### Findings

#### Current Planning and Policy Context

- Existing plans and strategies for economic development continue to have relevance for economic conditions and needs in Tukwila. This includes an emphasis on “A Diverse and Regionally Competitive Economy (one of the Strategic Plan’s organizing goals), a distinct focus on strengthening the City’s engagement and partnership with the business community, cultivating improvement and diversity in the City’s stock of business space, and ensuring that equity and resiliency sit at the forefront of economic development in Tukwila.

#### Socioeconomic Analysis

##### Demographic Characteristics

- Tukwila has grown at an inconsistent rate in the last 10 years, adding only 400 people in the first half of the last decade and over 2,000 people from 2015-2020
- Since 2010, Tukwila has had a declining share of people under 20, the senior population (over 65) has increased, and millennials remain the most prevalent age group.
- Tukwila’s population is becoming more racially and ethnically diverse and no racial group constitutes a majority.
- Over 40% of Tukwila’s population are foreign born residents and more than half speak a language other than English at home.
- A large share of Tukwila’s population has limited English proficiency and many households report speaking English less than “very well.”

##### Household and Housing Characteristics

- Larger households (over three-persons) account for 43% of total households in Tukwila.
- Tukwila’ households with children have declined alongside singles, while those with seniors have grown.
- Tukwila continues to have a very large share of renters (61%) relative to its comparison cities and King County (ranging from 41% to 51%).
- The 2020 median household income in Tukwila (\$66,131) was significantly lower than King County (\$99,158) and most of its comparison cities, and over one third of Tukwila’s households earn less than \$40,000 per year.
- Close to half of Tukwila’s renters are either cost-burdened<sup>1</sup> or severely cost-burdened (49%) while the County has a lower share.

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<sup>1</sup> The Department of Housing and Urban Development defines cost burden as those households spending between 30% and 50% of total income on housing. Severe cost burden is defined as households spending more than 50% of total income on housing.

- Over one third of surveyed households in the Seattle MSA indicated they could face possible eviction or foreclosure in the next two months, which may have an outsized impact on Tukwila due to the large share of both renters and cost-burdened renters present in the city.

## Economic Indicators

### Employment

- Tukwila could add more than 20,000 jobs by 2050 if it maintains its current share of regional employment (2% of regional employment), but a decline at the same rate as 2015 to 2020 would result in 9,000 fewer jobs by 2050.
- The largest share of Tukwila’s jobs is in Services (35%), Manufacturing (18%), and Retail (15%) industries.
- Tukwila has a lower share of jobs in the Services sector and a higher share in Manufacturing and Retail relative to King County.

### Cost of Living

- While the rise in median incomes have largely kept pace with increasing rents, homeownership is becoming more unattainable, and rents remain high for those on a limited income.

### Industries and Firms

- Tukwila’s highest growth industries are Construction followed by FIRE, Health, and Information; Retail and Manufacturing continue to hold a high number of jobs, but Retail growth is slower, and Manufacturing has had job losses since 2010.
- Tukwila has consistently had higher taxable retail sales than its comparison cities, it faced significant declines from 2019 to 2020, and it has not fully recovered to pre-pandemic levels.
- The largest share of retail sales in Tukwila are in Clothing and Clothing Accessories (\$226 million), which faced steep declines in 2020 and has not yet fully recovered.
- Around 87% of Tukwila’s businesses have less than 25 employees and an average firm size of 15 employees.
- Almost half of the businesses in Tukwila rely on less than 10,000 square feet and over one third use less than 5,000 square feet of commercial space.
- Median wages are lower in Tukwila than King County across all industries, but the higher wage industries are Government, Services, and Construction.

## Workforce Indicators

### Occupational Characteristics

- Tukwila faces lower education levels relative to King County and comparison cities with one-fifth of the population 25 years old and older



without High School education (20%) and less than one quarter (22%) with a bachelor's degree or above.

- Tukwila residents work in a wide range of industry sectors, and the largest share are employed in Government, and Health and Education (21%).

### **Labor-Shed and Commute-Shed**

- Tukwila has over four times the number of jobs as residents despite the addition of over 1,000 housing units since 2010.
- Of the jobs in Tukwila, only 2% are filled by workers who live in Tukwila. The largest share of workers employed in Tukwila live in Seattle (13%) and 17% live in other cities immediately adjacent to Tukwila.
- A large share of Tukwila residents who are in the workforce commute to Seattle (37.5%) and adjacent cities (22.7%) for work, while 8% remain in the city for work.

## **Implications**

The city's economic development planning aligns with stated economic development goals and focus areas at the regional and county level, but there are opportunities for Tukwila to better align its economic development strategies with more recent economic recovery frameworks and initiatives. This may include better highlighting the regional significance of and activating investment in Tukwila, advancing strategies for an inclusive economy and resiliency for workers and community, highlighting investments that link businesses' economic contributions to community benefits, and establishing more detailed strategies specific to the needs of both emerging and legacy industries.

Tukwila's Economic Development Strategy will need to focus on securing inclusive and equitable economic outcomes. City residents will face more challenges and systemic barriers based in racial inequities than other parts of King County due to higher levels of economic insecurity and racial and ethnic diversity. Tukwila's economic future is also intimately tied to the regional economy due to a significant dependence on adjacent jurisdictions for its labor pool and employment opportunities for the city's residents. The Strategy will also need to outline opportunities to address Tukwila's high jobs-to-housing units insofar as the city must provide the level of transportation investment needed for in-commuting workers and may have a limited supply of housing for workers who would prefer to also live in Tukwila. Finally, the Strategy will need to identify opportunities for businesses of all sizes, with particular attention to opportunities to scale up given the large share of Tukwila businesses with few employees operate out of commercial space with limited square footage.

## **CURRENT PLANNING AND POLICY CONTEXT**

While this Economic Development Strategy is Tukwila’s first official economic strategy, there is a long history of addressing economic issues as part of local planning and policy development. This section summarizes existing and ongoing planning efforts related to economic development, organized from regional and county-wide policies to increasingly local planning activity.

## **Forward Together: An Economic Recovery Framework for Greater Seattle**

Recovery planning and investment conducted by Greater Seattle Partners in 2021 resulted in a set of goals and strategies that focus on realigning economic and workforce development programs to create a more broad, inclusive economy and promoting sustainable economic growth to address resiliency needs alongside a sustained focus on economic competitiveness, regionwide investment, and a focus on post-pandemic opportunities for both traditional and emerging industries. A summary of the relevant strategies informing Tukwila’s Strategy from this framework is included in Appendix A.

## **Puget Sound Regional Council – Regional Economic Strategy and Vision 2050**

The most recent version of the Regional Economic Strategy uses a dual approach to economic development. First, it aims to address the near-term challenges of the COVID-19 pandemic faced by the region’s workers and businesses. Second, it identifies ways to continue to advance the long-term success of the region’s economy. A summary of the PSRC’s Vision 2050 is included in Appendix A.

## **King County Comprehensive Plan –Economic Development (Chapter 10)**

In its commitment to foster a prosperous, diverse and sustainable economy, the County recognizes that it must support actions and programs to promote the success of both businesses and the workforce.

The foundation for a vibrant and sustainable economy starts with providing livable communities and a high quality of life; a favorable business climate with consistent and predictable regulations, an educated and trained workforce, adequate public infrastructure, land supply, research and advancing technology, affordable housing, available capital, recreational and cultural opportunities, a healthy natural environment and greater equity and opportunity for all.

Policies focus on long-term commitment to a prosperous, diverse, and sustainable economy by promoting public programs and actions that create

the foundation for a successful economy. A successful economy is one in which the private, nonprofit, and public sectors can thrive and create jobs compatible with the environment and community and land use expectations. A successful and diverse economy contributes to a strong and stable tax base and a high quality of life for all residents. The County recognizes businesses and the workforce as customers of an economic development system and supports actions and programs that promote the strength and health of both groups.

## **2015 City of Tukwila Comprehensive Plan Economic Development Element**

In 2015 the City adopted the current Comprehensive Plan and it includes a chapter on economic development. That chapter states that “the City of Tukwila is committed to the economic well-being of its residents, property owners, and businesses because an adequate tax base is necessary to help achieve the City’s vision for the future. The most obvious role is for the City to provide adequate services and infrastructure to complement the retail, manufacturing uses, offices, and residences that are located in the City. The City’s plans, programs, policies, taxes, and service levels can encourage economic activity.”

## **City of Tukwila Strategic Plan**

In 2012, Tukwila created a Strategic Plan, and one of the five goals and objectives was “A Diverse and Regionally Competitive Economy.” The Strategic Plan was updated and amended in 2018. That Plan states that “The City’s economic development efforts will continue to be multipronged, addressing three aspects of the City’s economy:

- Protecting the City’s role as a strong regional retail center and preparing for the retail market of the future.
- Supporting the retention and expansion of the City’s commercial and industrial businesses.
- Cultivating the success of the City’s entrepreneurs and small businesses, including businesses owned by refugees, immigrants, and non-native English speakers.”

A prominent goal in the Strategic Plan calls for “A Solid Foundation for All Tukwila Residents,” and serves as an indicator for commitments to equitable access to opportunity.

## **Equity Policy**

In 2017, Tukwila passed resolution 1921 to establish the City of Tukwila Equity Policy and affirm its commitment to being an inclusive community that provides equal access to all City services. The Equity Policy defines

equity has “eliminating systemic barriers and providing fair access to programs, services and opportunities to achieve social, civic and economic justice within the City of Tukwila”. Relevant policy goals speak to commitments to workforce diversity and related recruitment and hiring commitments; intentional and inclusive outreach; equitable delivery of city services; commitments to equity in decision-making; and equity strategies as a core value for long-term plans and focus for local capacity-building through an Equity Policy Implementation Committee.

Economic commitments center around support for workforce diversity; inequitable access to opportunities and services; and ensuring all residents, visitors and employees have the opportunity to reach their full potential. The City highlights how it benefits from different perspectives and cultures among its residents and the variety of businesses owned by immigrants and refugees in the community.

## SELECTED COMPARISON JURISDICTIONS

CAI, together with City of Tukwila staff, identified a set of six jurisdictions as a comparative set of communities to provide context in evaluating demographic, economic and workforce conditions in the City of Tukwila. After considering a wider set of jurisdictions, four neighboring cities of Tukwila were selected given their shared position in the region and similar external factors in the economy that impact their communities. The comparison cities evaluated for comparative purposes are **Burien, Des Moines, Renton, and SeaTac. King County** and the **Seattle Metropolitan Statistical Area or Greater Seattle Area** were also included to indicate trends and conditions facing the region that may impact Tukwila.

## SOCIOECONOMIC ANALYSIS

To establish an economic strategy that best supports Tukwila’s goals for inclusive economic development, it is essential to understand growth trends, demographics, and other socioeconomic conditions that shape the city’s conditions to leverage the current market and respond to economic needs.

### Demographic Characteristics

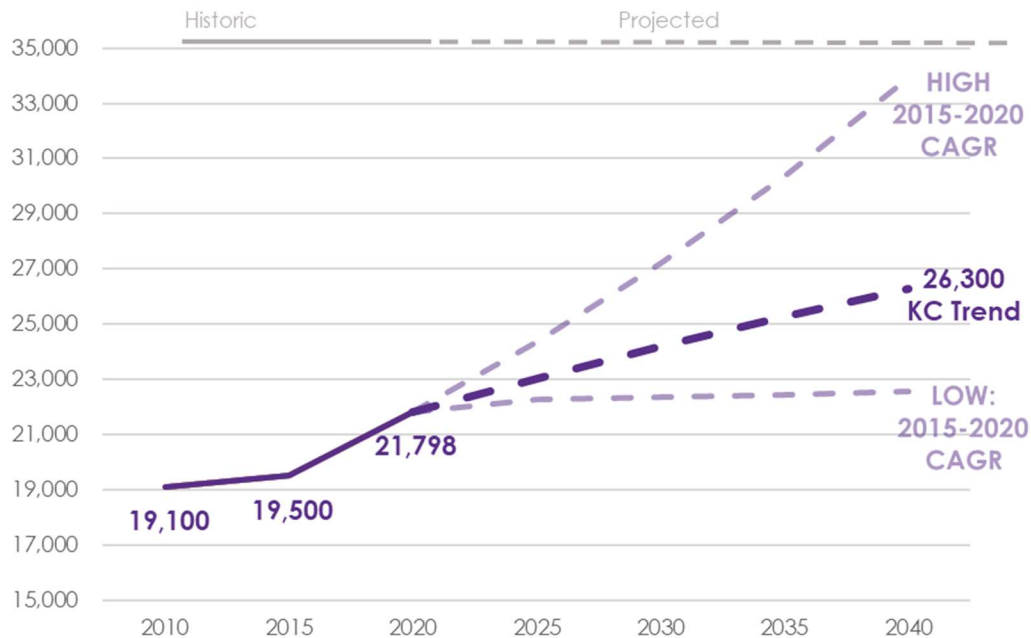
Analyzing population growth helps identify how much growth Tukwila has been experiencing and how much growth is expected in the future, which influences employment patterns and growth needs.

#### Total Population

***Tukwila has grown at an inconsistent rate in the last 10 years, adding only 400 people in the first half of the last decade and over 2,000 people from 2015-2020***

Tukwila’s had a modest increase of 400 people from 2010 to 2015 and a more significant increase of 2,000 people in the five years leading up to 2020 (**Exhibit 1**). The Washington State Office of Financial Management (OFM) forecasts growth rates for each County, providing a low, medium, and high growth scenario. Tukwila would add another 2,000 people by 2030 and reach a population of 26,300 by 2040 if it maintains its share of county growth under OFM’s medium growth forecast scenario. This corresponds to a 1.3% average annual growth rate from 2010 to 2020 and a slowing growth rate through 2040. The highest growth scenario using Tukwila’s 2015-2020 five-year growth rate would add 12,000 people by 2040 and the lowest-growth scenario applying the lowest five-year growth rate from 2010-2015 would result in an additional 750 people.

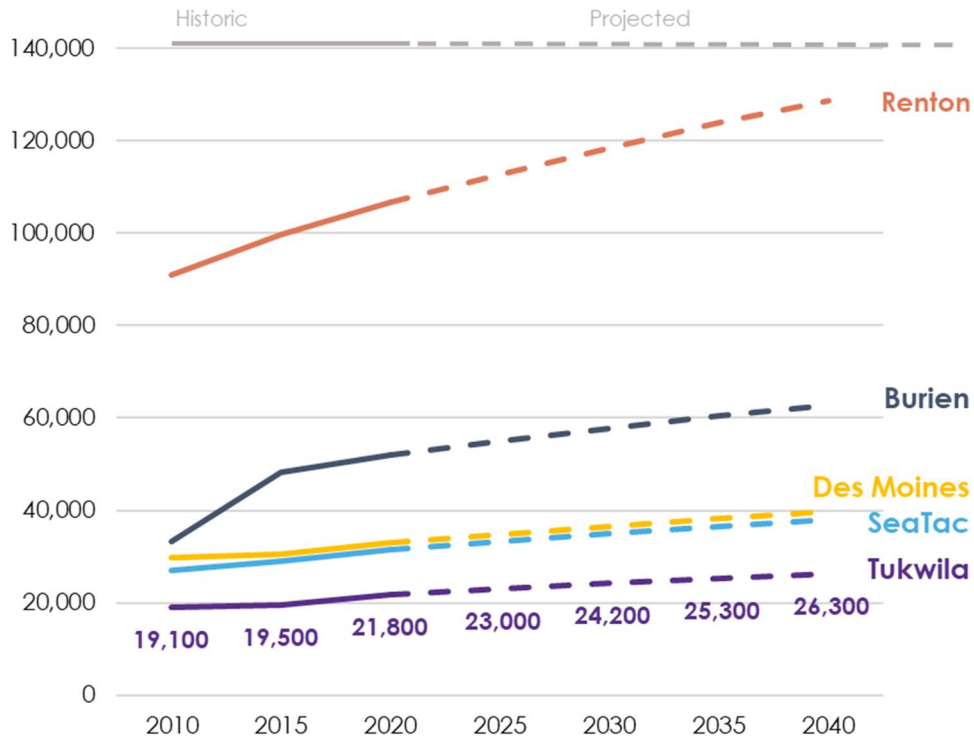
**Exhibit 1. Historic and Population Growth Scenarios, Tukwila, 2010 – 2040**



Source: Office of Financial Management, 2018; CAI, 2022.

Tukwila’s historic population growth is similar to adjacent SeaTac and Des Moines, while Renton grew more rapidly. Burien also faced variable rates of growth. **Exhibit 2** estimates the potential growth of comparison jurisdictions using Office of Financial Management County growth rates and each city’s current share of King County’s population.

**Exhibit 2. Historic and Projected Population, Tukwila and Comparison Jurisdictions, 2010 – 2040**



Source: Office of Financial Management, 2018; CAI, 2022.

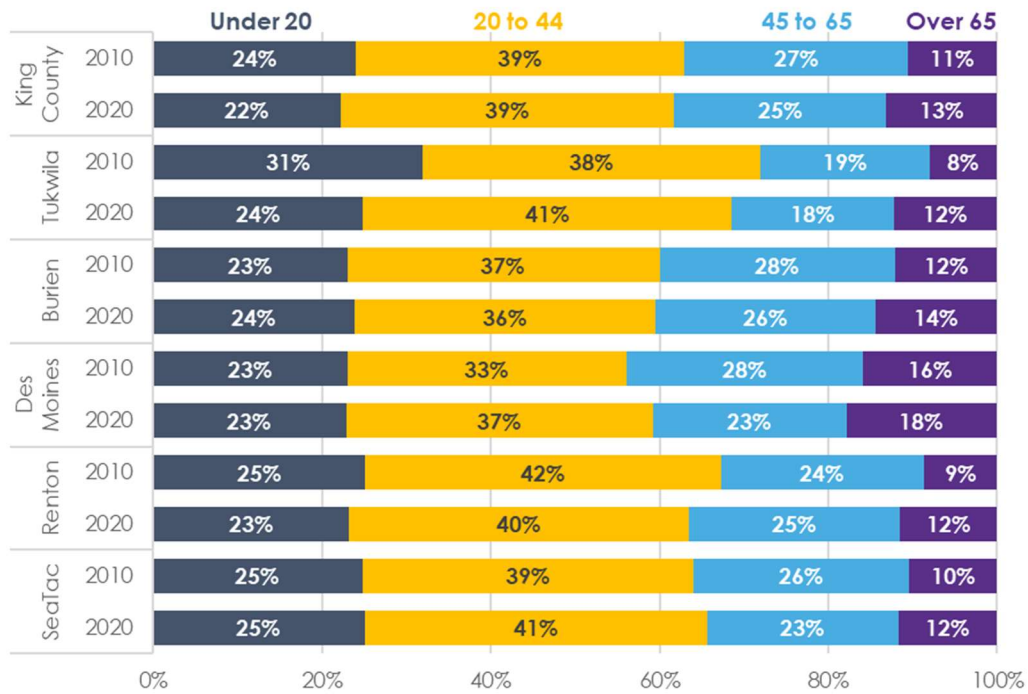
**Population by Age**

Understanding the distribution of residents’ ages can shed light on shifting demographics that impact the labor pool for area industries and specific demands for housing and community amenities.

*Tukwila has had a declining share of people under 20, the senior population (over 65) has increased, and millennials remain the most prevalent age group*

**Exhibit 3** indicates that Tukwila has had an aging population over the last ten years. Close to one third of Tukwila’s population was under 20-year-olds and people over 65-years made up an 8% share in 2010. In 2020 this shifted to under one quarter share for those under 20-years and 12% share for those over 65-years. Although Tukwila’s population had a large share of under 20-year-olds, the level of decline in under 20-year-olds is not shared by comparison jurisdictions and the county.

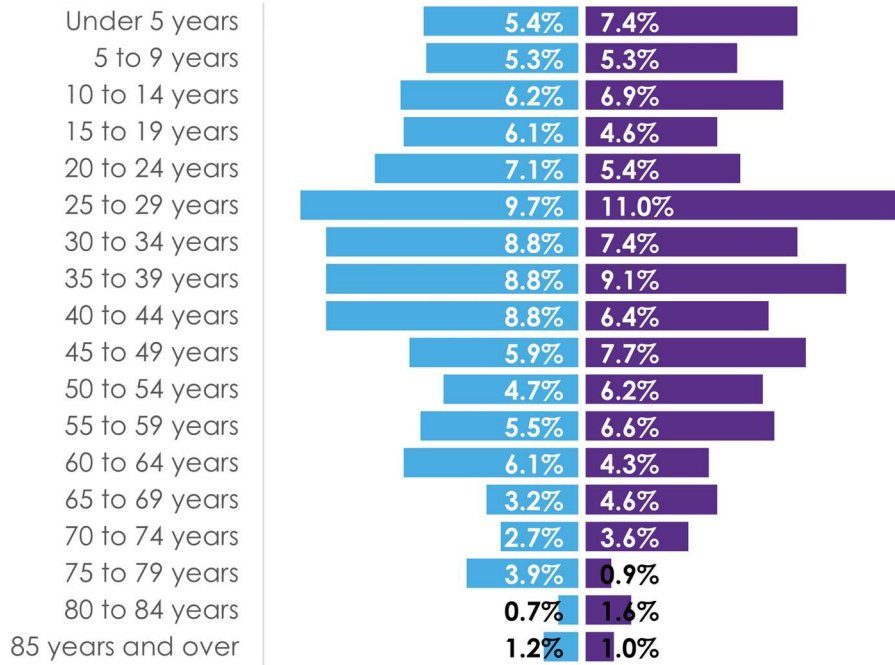
### Exhibit 3. Age of Residents, Tukwila and Comparison Jurisdictions, 2010 and 2020



Source: American Community Survey, 2010, 2020; CAI, 2022.

**Exhibit 4** shows the age distribution of Tukwila’s population by gender. With a median age of 37 in 2020, Tukwila’s population is well balanced between male and female residents, with a sex ratio (males per 100 females) of 100.9. The largest age bin, 25-29 years, holds a larger proportion of females as compares to males.

### Exhibit 4. Age by Residents by Gender, Tukwila, 2020



Source: American Community Survey, 2020; CAI, 2022.

### Population by Race, Immigration Status, and Language Spoken

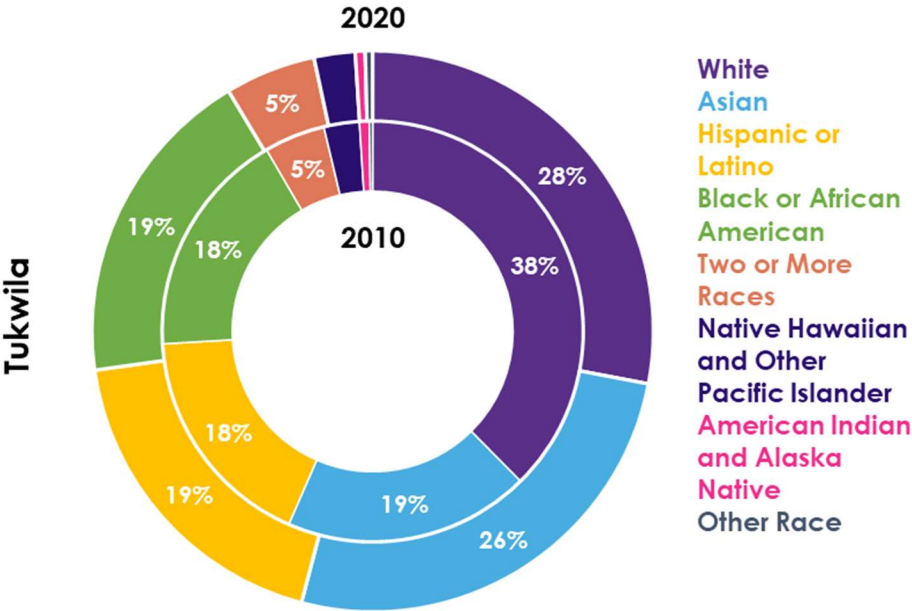
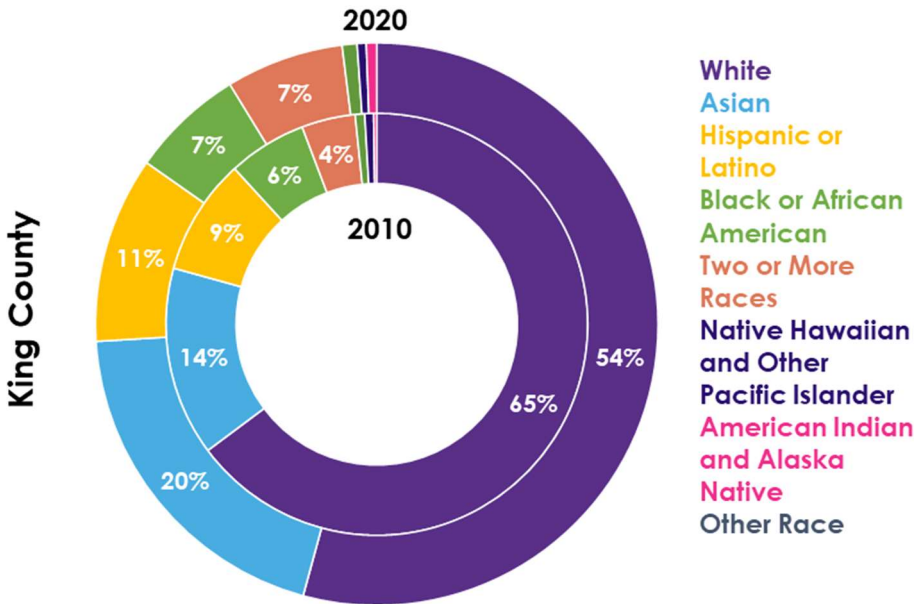
Understanding the racial and ethnic diversity of city residents helps inform the need for supporting diverse workers and businesses such as addressing cultural or language needs and tailored business and workforce training or support services.

*Diversity continues to grow in Tukwila, a city already more racially and ethnically diverse than the region and in which no racial group constitutes a majority*

**Exhibit 5** indicates that Tukwila is more racially diverse than King County. It had a larger share of non-white population than King County in 2010 and the share of non-white population continued to increase at a similar rate. The non-white share increased from 62% in 2010 to 72% in 2020 for Tukwila. The County had a smaller non-white share of 35% in 2010, and now has a 46% share.



Exhibit 5. Population by Race, Tukwila and King County, 2010 and 2020

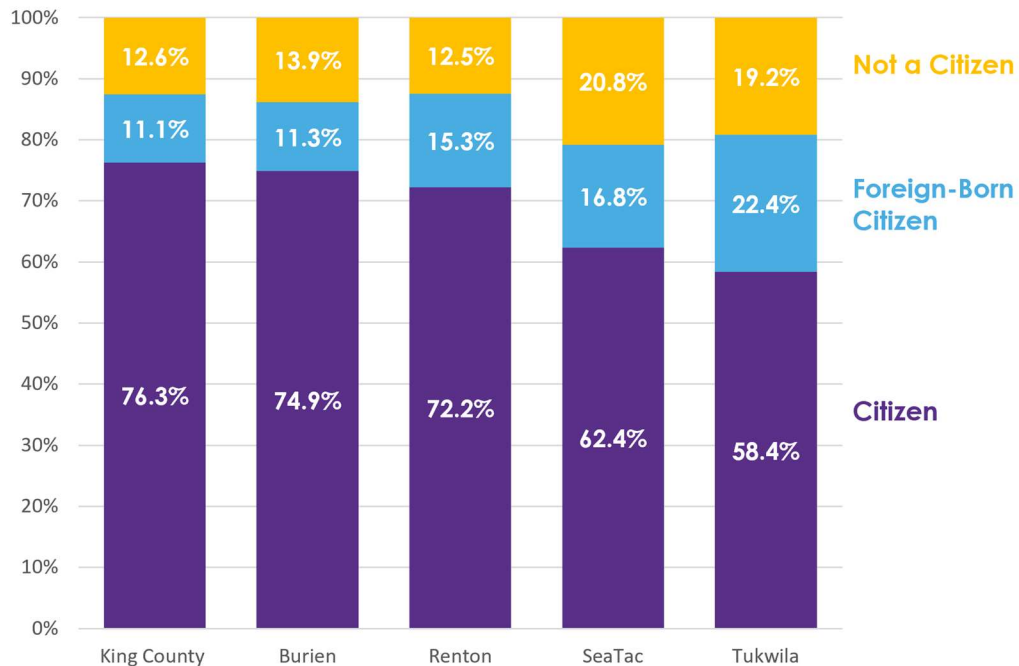


Source: American Community Survey, 2010, 2016-2020; CAI, 2022.

*Over 40% of Tukwila’s population are foreign born residents and more than half speak a language other than English at home*

Tukwila’s population has a larger share of foreign-born citizens (22%) and people that are not a citizen (19%) relative to both King County and most comparison jurisdictions (**Exhibit 6**). SeaTac is the only jurisdiction other than Tukwila that has an immigrant and refugee population that exceeds one third of the total population.

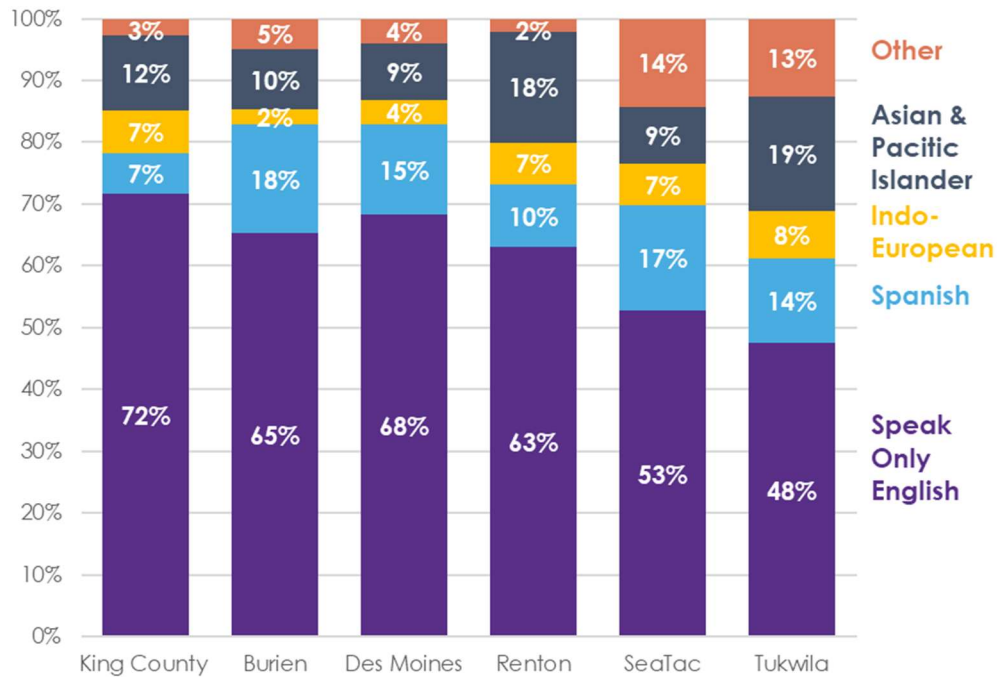
**Exhibit 6. Population by Immigration Status, Tukwila and Comparison Jurisdictions 2020**



Source: American Community Survey, 2016-2020; CAI, 2022.

**Exhibit 7** also speaks to Tukwila’s heightened level of cultural diversity relative to comparison cities and the county. Less than half of the population speak only English at home and SeaTac is the only city with a larger share of the population that speaks languages other than English, Asian & Pacific Islander, Spanish, and Indo-European.

### Exhibit 7. Percent of Population by Language Spoken at Home, 2020

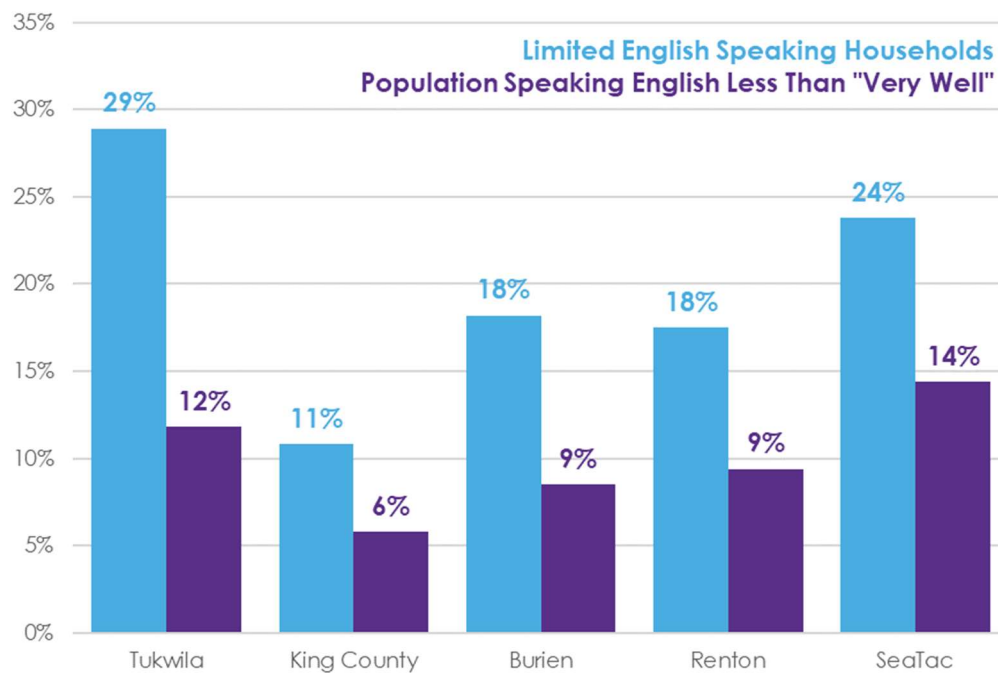


Source: American Community Survey, 2016-2020; CAI, 2022.

### *A large share of Tukwila’s population has limited English proficiency and many households report speaking English less than “very well”*

In addition to the high share of foreign born residents and non-English speakers, Tukwila has more Limited English-speaking households than comparison cities and the County as a whole and only SeaTac has a larger share of population that speaks English less than “Very Well” (**Exhibit 8**). The data do not offer gradations beyond “Very Well” and “Less Than Very Well”. Nearly 30% of all Tukwila households speak limited English, compared to 11% of all King County households.

**Exhibit 8. Population and Households by English Proficiency, Tukwila and Comparison Jurisdictions, 2020**



Source: American Community Survey, 2016-2020; CAI, 2022.

## Household and Housing Characteristics

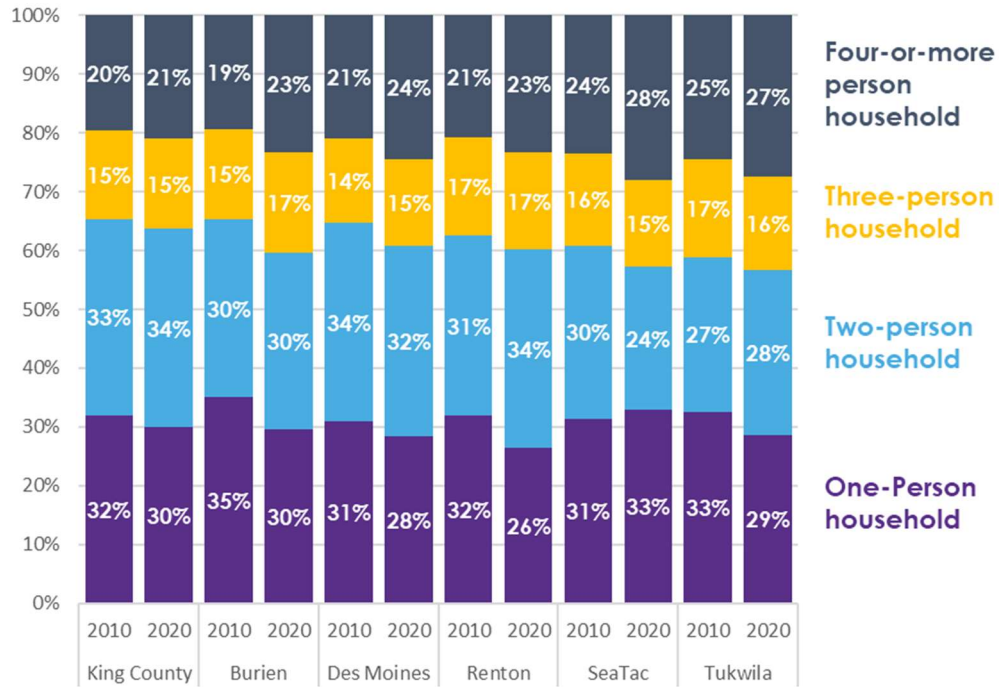
The characteristics and demographics of households may indicate varying wage and occupational needs and certain types, sizes, and styles of housing.

### Household Size and Type

***Larger households (over three-persons) account for 43% of total households in Tukwila***

Tukwila has a higher share of households with four-or-more people (27%) than almost all comparison cities and King County as a whole (**Exhibit 9**). All comparison jurisdictions saw an increase in household sizes since 2010. Of these, SeaTac has the same share of households with three-or-more people and more growth of larger households since 2010.

**Exhibit 9. Household Size, Tukwila, Comparison Jurisdictions, 2010 and 2020**



Source: American Community Survey, 2010, 2016-2020; CAI, 2022.

***Tukwila households with children have declined alongside singles, while those with seniors have grown***

Over the last ten years, Tukwila’s share of households with children declined from 35% in 2010 to 30% in 2020 (**Exhibit 10**). The share of households with seniors increased from 12% in 2010 to 17% in 2020. A smaller share of households now lives alone and there are fewer households with a disability. Housing, employment and other support needs vary across these household types.

**Exhibit 10. Change in Household Type Distribution, Tukwila, 2010 and 2020**

Household Type	2010	Share	2020	Share
With children	2,483	35%	2,168	30%
With a senior	858	12%	1,233	17%
Persons with disability	2158*	11%	1,816	9%
Living Alone	2,305	33%	2,085	29%
Total Households	7,095		7,302	

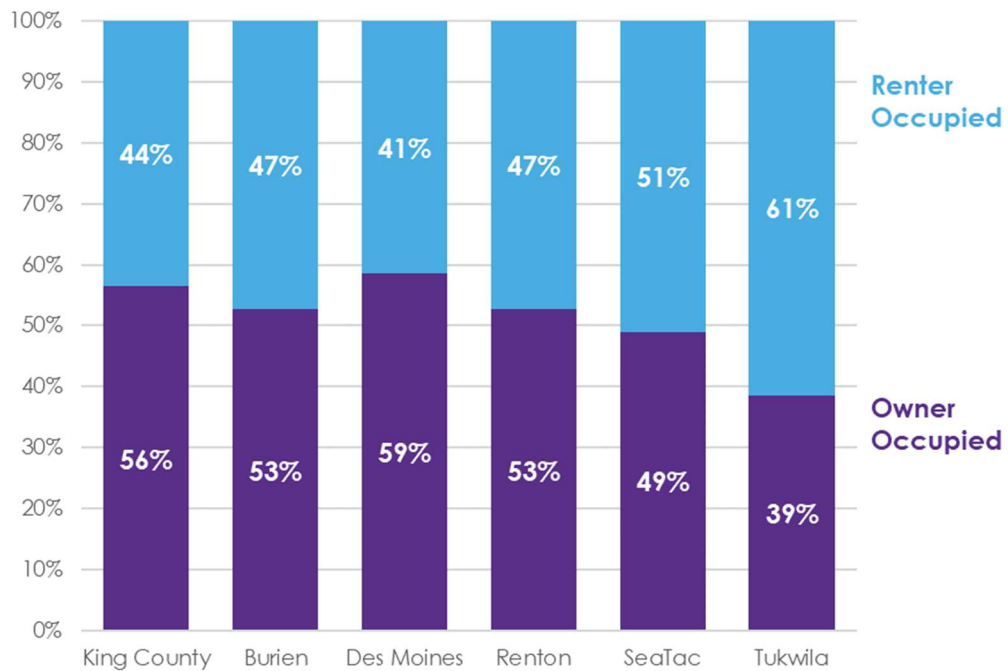
\*ACS 5-year 2012 estimate for Population with a Disability

Source: American Community Survey, 2010, 2012, 2016-2020; CAI, 2022.

*Tukwila continues to have a very large share of renters (61%) relative to comparison cities and King County (ranging from 41% to 51%)*

Tukwila has a much larger share of renters than both comparison cities and King County as a whole (**Exhibit 11**). Over 60% of the housing in Tukwila is renter-occupied, while the county has a 44% share of renters and adjacent SeaTac has a 51% share.

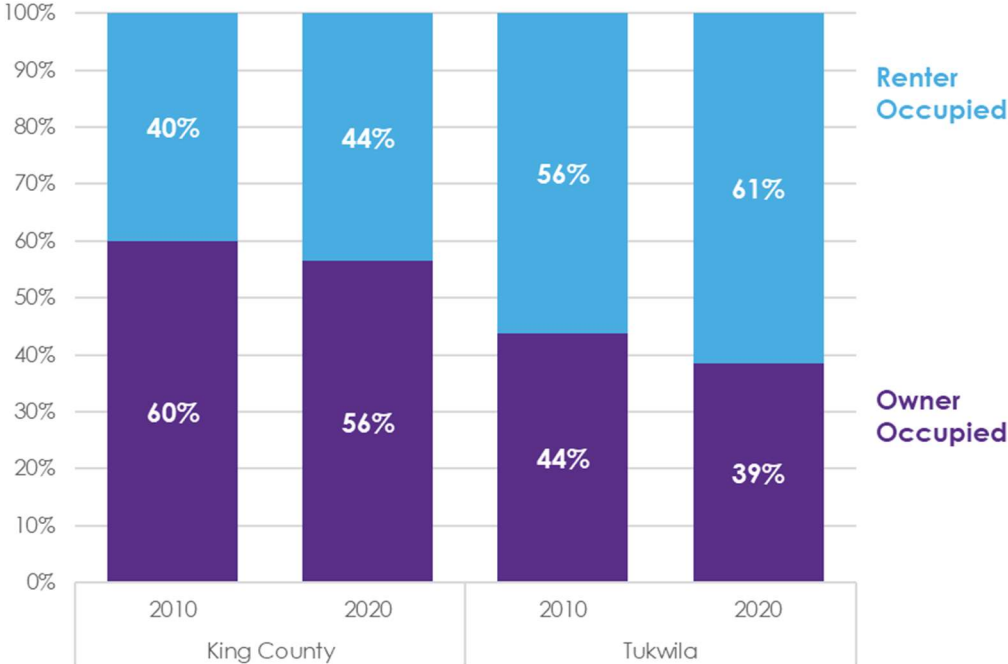
**Exhibit 11. Housing by Tenure, Tukwila and Comparison Jurisdictions, 2020**



Source: American Community Survey, 2016-2020; CAI, 2022.

**Exhibit 12** indicates that Tukwila’s share of renters has increased at a higher rate than King County as a whole over the last ten years. Renters made up over half (56%) of the housing in 2010 and this has increased to close to two thirds (61%) in 2020.

**Exhibit 12. Housing by Tenure, Tukwila and King County, 2010 and 2020**



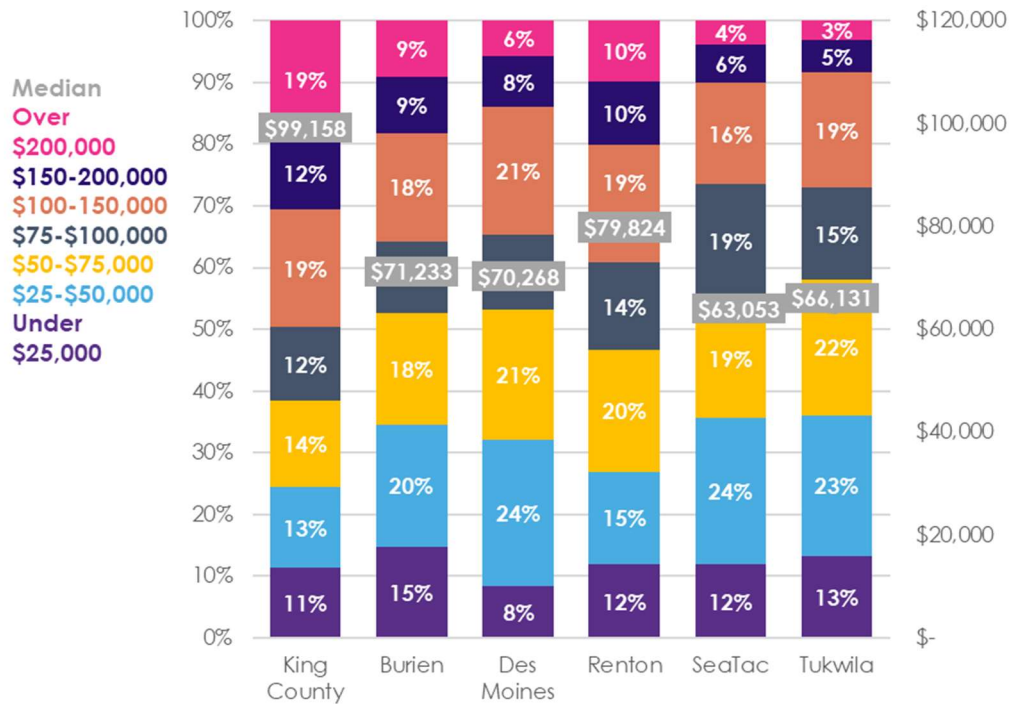
Source: American Community Survey, 2010, 2016-2020; CAI, 2022.

Household Incomes and Expenses

***The 2020 median household income in Tukwila (\$66,131) was significantly lower than King County (\$99,158) and most comparison cities, and over one third of Tukwila’s households earn less than \$40,000***

The 2020 median household income in Tukwila (\$66,131) was significantly lower than King County (\$99,158) and most comparison cities (**Exhibit 13**). SeaTac is the only comparison jurisdiction with a lower median household income (\$63,053). Tukwila has the lowest share of high-income earners (27% earn over \$100,000 and only 8% of the population earns over \$150,000). Over one third of Tukwila and SeaTac households earn under \$40,000.

**Exhibit 13. Median Household Income, Tukwila and Comparison Jurisdictions, 2020**



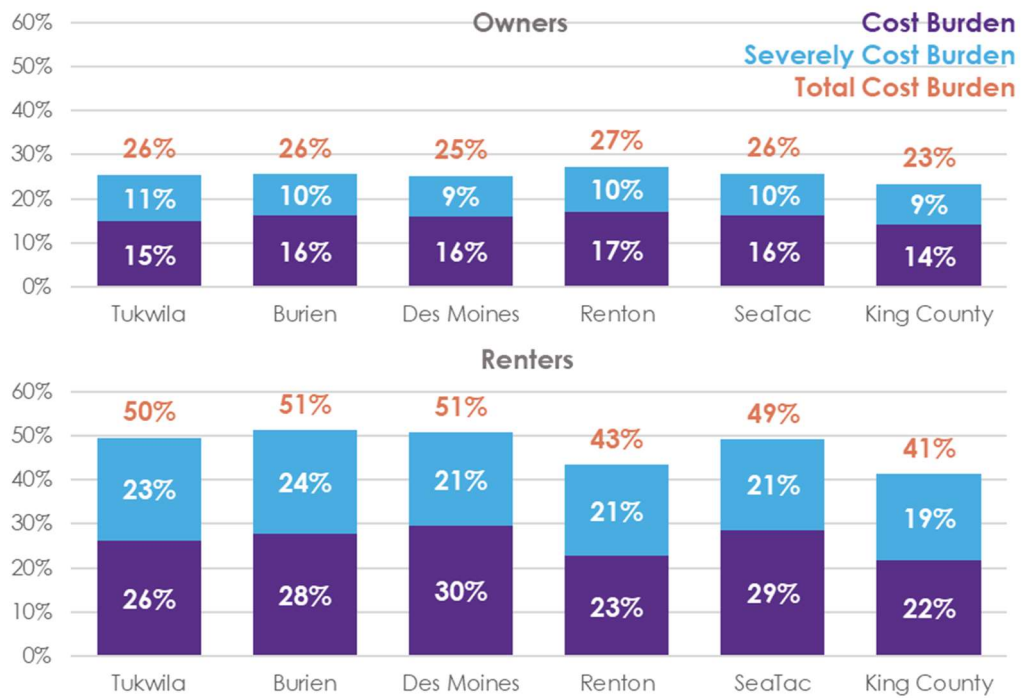
Source: ACS, 2020; CAI, 2022.

*Almost half of Tukwila’s renters are either cost-burdened or severely cost-burdened (49%) while the County has a lower share (41%)*

**Exhibit 14** summarizes the share of owners and renters that are cost-burdened or severely cost-burdened. Tukwila has a similar share of renters spending over 30% of their income on housing (50%) relative to many of comparison cities. However, this is a much larger share than the share of renters across King County (41%). Across all jurisdictions, owners are less likely to be cost burdened. About one-quarter (26%) of Tukwila’s owner-occupied households are cost burdened, which is comparable relative to comparison cities. King County as a whole has a slightly lower share of cost burdened owners than the selected comparison jurisdictions (23%).



**Exhibit 14. Share of Cost Burdened Owners and Renters, Tukwila and Comparison Jurisdictions, 2015-2019**

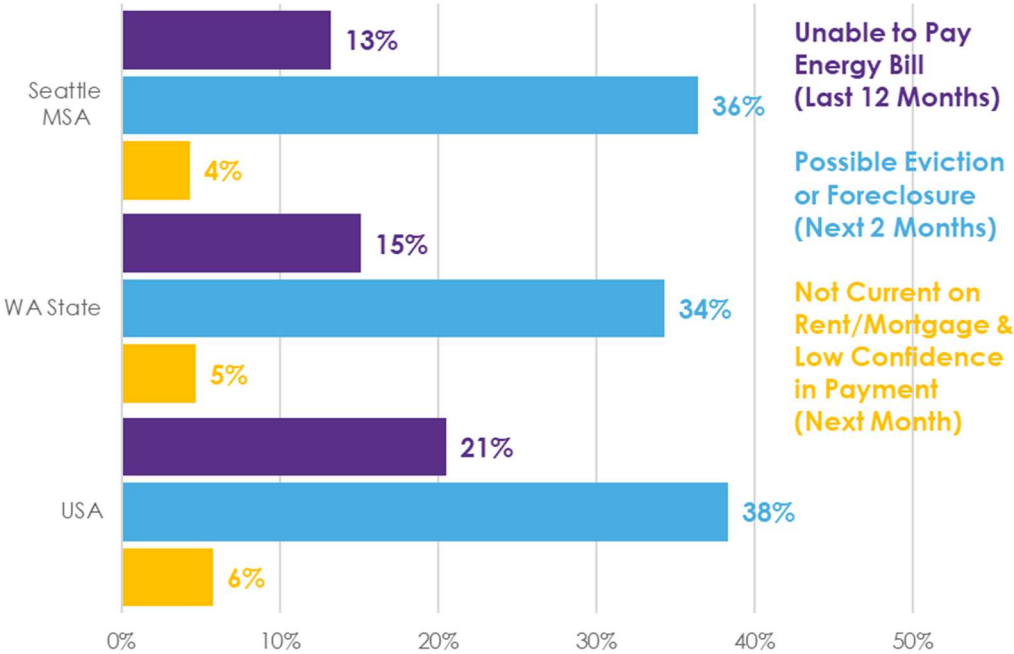


Source: HUD CHAS, 2015-2019; CAI, 2022.

***Over one-third of surveyed households in the Seattle MSA indicated they could face possible eviction or foreclosure in the next two months***

The most recent ACS Household Pulse Survey of households in Washington State and the Seattle Metropolitan Statistical Area sought to identify an estimate of households facing possible eviction or foreclosure as well as challenges keeping up with rent and mortgage payments and energy bills. Although this information was not collected at the city level, it can inform how Tukwila addresses policies related to housing insecurity. As of April-May 2022, one third of those surveyed in the Seattle MSA indicated they could face possible eviction or foreclosure in the next two months, 13% may be unable to pay their energy bills, and 4% are not current and face low confidence in their ability to pay rent or mortgage payments in the next month (**Exhibit 15**).

**Exhibit 15. Housing and Bill Payment Insecurity Perception, US, WA State, Seattle MSA, April-May 2022**



Source: ACS Household Pulse Survey, 2022; CAI, 2022.

**ECONOMIC INDICATORS**

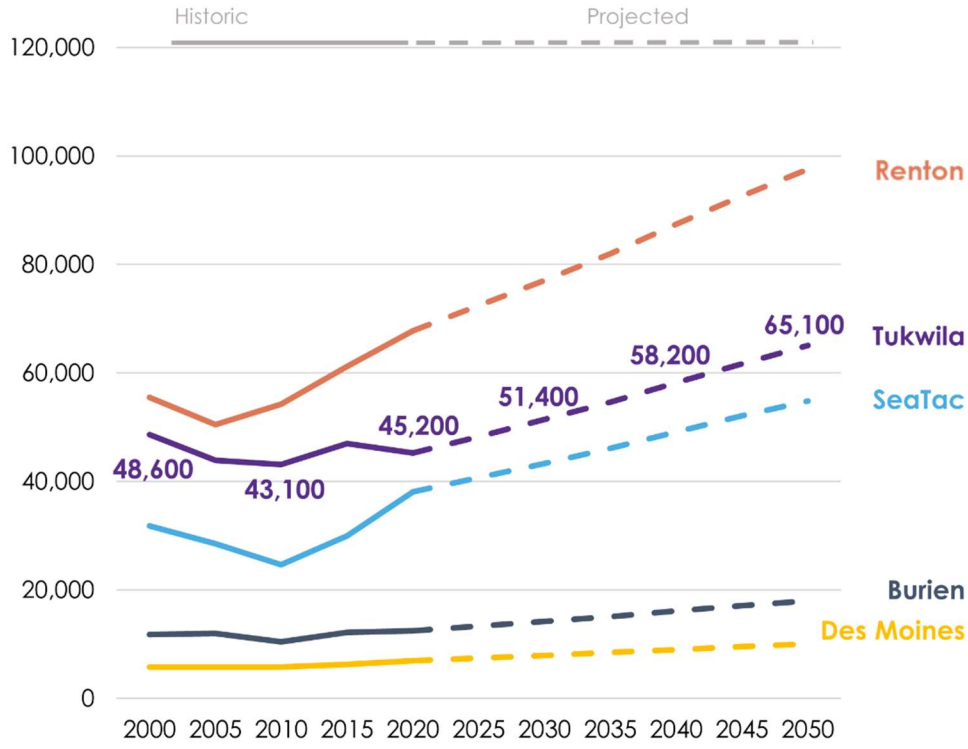
Economic indicators include total and industry-specific employment, cost of living, and industry dynamics. Building an understanding of these economic indicators can help frame how the City of Tukwila will approach business attraction and other economic development activities.

**Employment**

*Tukwila could add more than 20,000 jobs by 2050 if it maintains its share of regional employment, but a decline at the same rate as 2015 to 2020 would result in 9,000 fewer jobs by 2050*

As of 2020, there were an estimated 45,180 jobs located in Tukwila. If the City were to maintain its share of future employment growth in the region, as depicted in **Exhibit 16**, Tukwila would add 20,000 jobs by 2050. Historically, employment in Tukwila declined at a similar rate as comparison cities from 2000 to 2010. It grew at a slower rate than comparison cities from 2010-2015 and there was another decline in jobs from 2015 to 2020.

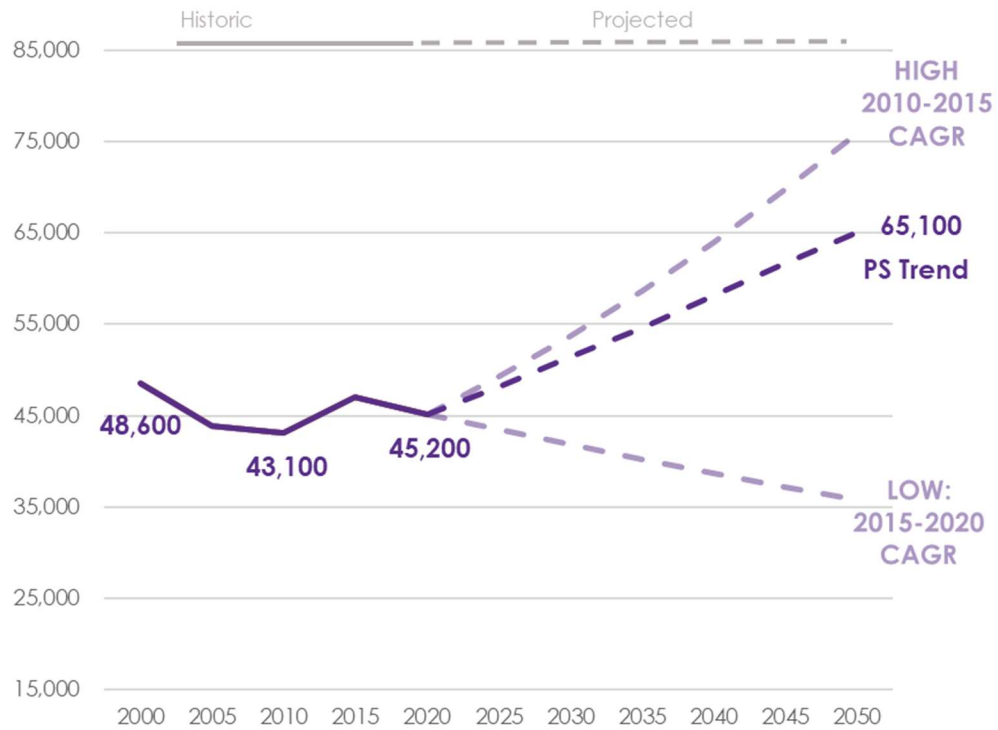
**Exhibit 16. Historic (2000 to 2021) and Forecast Employment (Regional Trend), Tukwila and Comparison Jurisdictions, 2000 – 2040**



Source: PSRC 2021; CAI, 2022.

**Exhibit 17** contains additional scenarios for employment growth in Tukwila. While Tukwila experienced moderate job growth from 2010 to 2015, employment levels declined by an average annual rate of -0.8% from 2015 to 2020. If the trend from the last five years is extended out to 2050, the city would lose over 9,000 jobs (the “low” CAGR in **Exhibit 17**). If it maintains its current share of the region’s employment (2%, as in **Exhibit 16** and as labelled “PS Trend” in **Exhibit 17**), Tukwila will have 65,000 jobs by 2050, adding close to 20,000 jobs. If the City grows at the rate it grew from 2010 to 2015 (1.7% average annual growth, the “high” CAGR in **Exhibit 17**), it could add as many as 30,000 jobs by 2050.

**Exhibit 17. Historical and Forecast Employment Growth Scenarios, Tukwila 2000 – 2040**

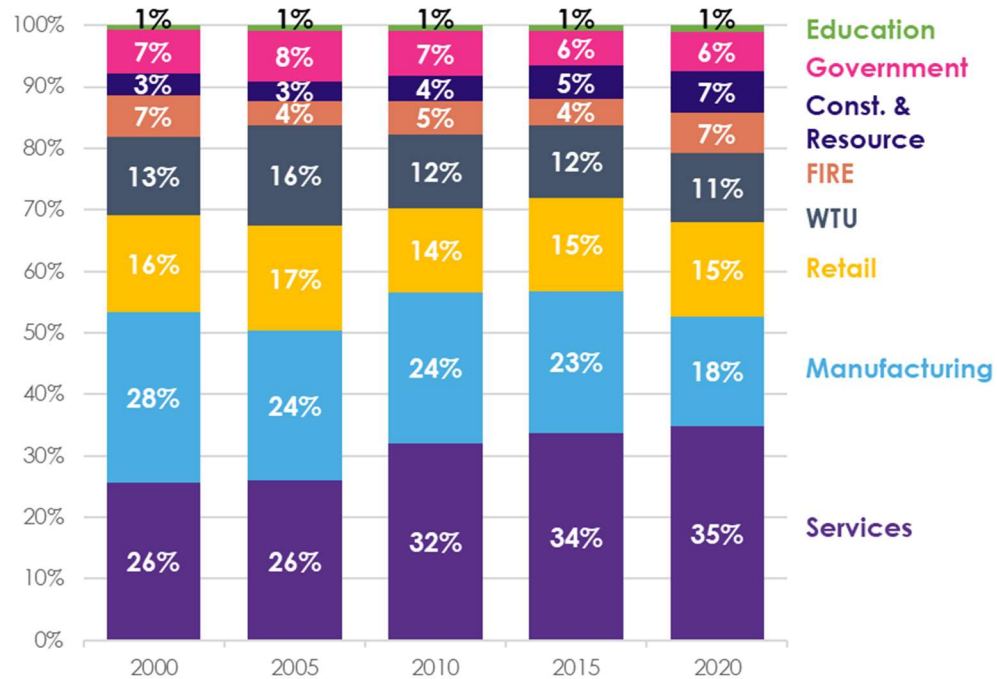


Source: PSRC 2021; CAI, 2022.

***The largest share of Tukwila’s jobs is in Services (35%), Manufacturing (18%), and Retail (15%) industries***

**Exhibit 18** summarizes the share of jobs associated with major employment sectors in Tukwila. As of 2020, the Services industry represented over one third of Tukwila’s employment and its share of the economy has grown significantly over the last 20 years. Manufacturing currently makes up close to one fifth of Tukwila’s employment (18%), but it represents a much lower share of the city jobs than it did in 2000 (28%). Retail jobs have maintained a relatively consistent share of the employment (ranging from 14-17% since 2000). Warehouse, Transportation, and Utilities (WTU) job share has ranged from 16% in 2000 to 11% in 2020. The job share is lower for FIRE, Construction and Resource, Government, and Education.

**Exhibit 18. Employment by Sector, Tukwila, 2000-2020**

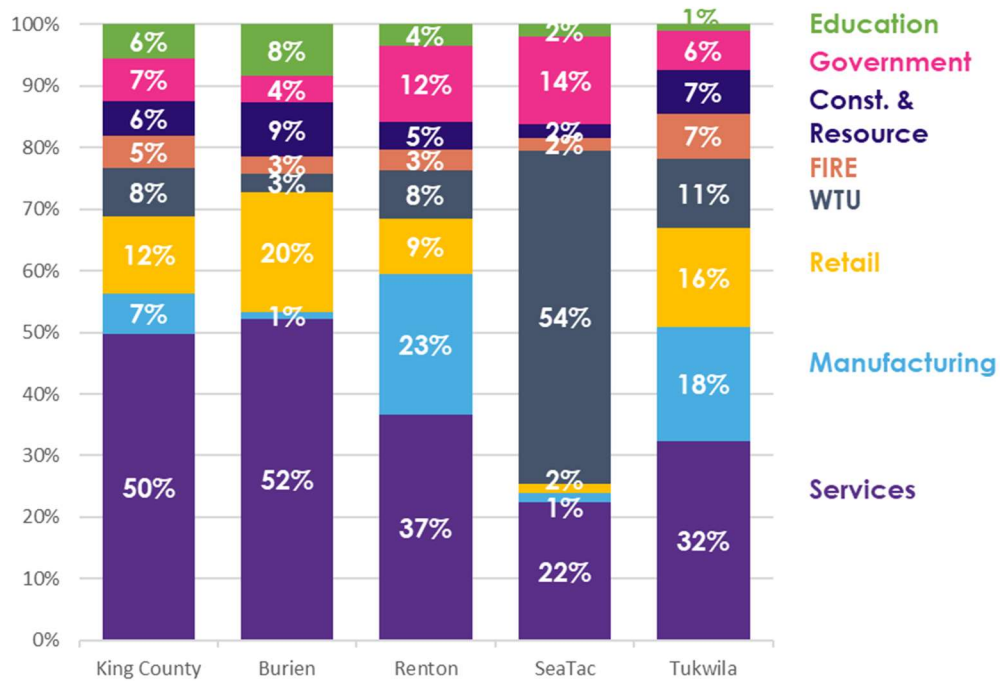


Source: PSRC 2021; CAI, 2022.

***Tukwila has a lower share of jobs in the Services sector and a higher share in Manufacturing and Retail relative to King County***

**Exhibit 19** contains a comparison of job share by industry among Tukwila’s comparison cities and King County. King County has a larger share of jobs in the Services sector (50%) and fewer jobs in manufacturing (7%) and WTU (8%). Burien also has a larger share of Services jobs (52%) as well as Retail jobs (20%). Renton resembles Tukwila’s job share, but it has a slightly larger share in Services (37%) and a much larger share in Manufacturing (23%). Over half of the jobs in SeaTac are in Warehouse, Transportation, and Utilities (54%), likely impacted given the proximity of SeaTac International Airport.

**Exhibit 19. Employment by Sector, Tukwila and Comparison Jurisdictions, 2021**



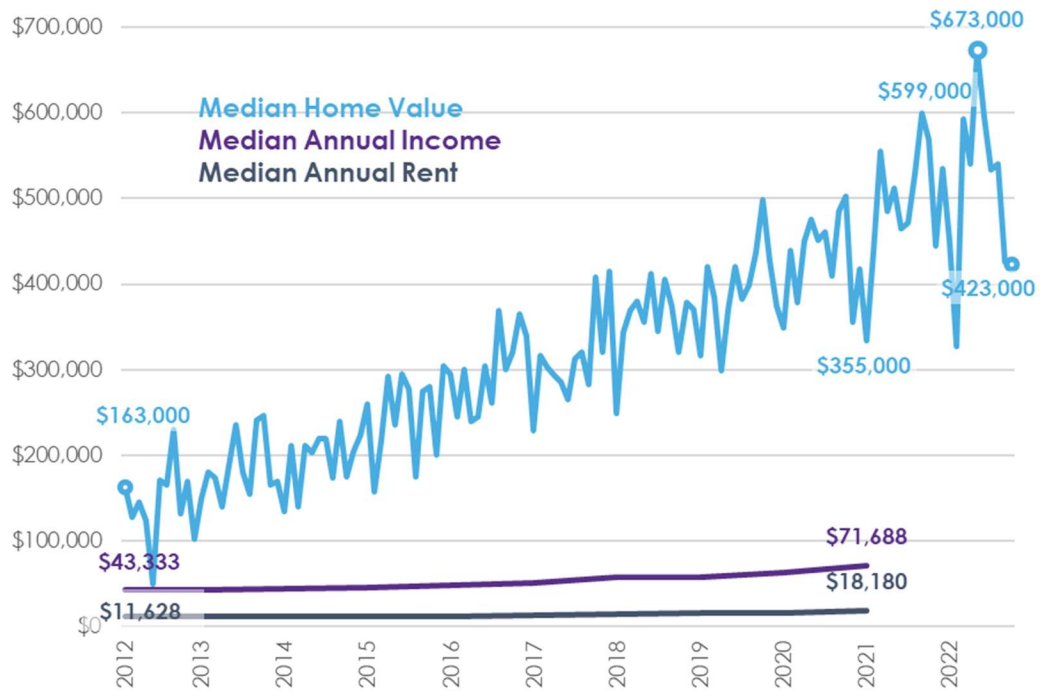
Source: PSRC 2021; CAI, 2022.

## Cost of Living

*While the rise in median incomes have largely kept pace with increasing rents, homeownership is becoming more unattainable, and rents remain high for those on a limited income*

**Exhibit 20** highlights the gap between incomes and rents and housing costs in Tukwila from 2012 to 2022. The median home value in Tukwila, based on sales data from Redfin, increased from \$163,000 in early 2012 to \$599,000 in late 2021, a 267% total increase. By annual average, home values increased at a higher rate in Tukwila compared to the county, with an CAGR of 14.3% from 2012-2022 compared to King County’s 9.6%. Median annual rent went from \$11,600 in 2012 to \$18,200 in 2021, a 57% increase. During this same period, median incomes went from \$43,300 to \$71,688, an increase of 66%. Median incomes have largely kept pace with rising rents, but house prices increased more rapidly, and homeownership is becoming increasingly unattainable. Additionally, the rise in rents is likely to have a higher impact in Tukwila due to the high share of households earning less than \$40,000 (**Exhibit 13**).

**Exhibit 20. Housing Costs and Income Change, Tukwila, 2012 to 2022**



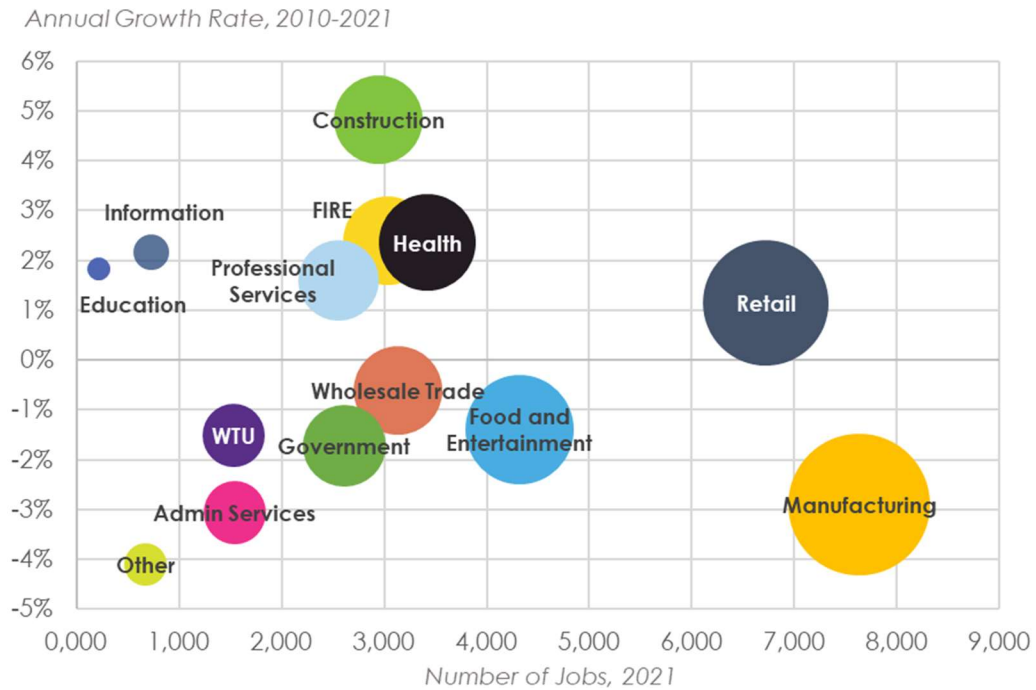
Source: Redfin, 2022; ACS, 2010-2021; CAI, 2022.

**Industries and Firms**

*Tukwila’s highest growth industries are Construction followed by FIRE, Health, and Information; Retail and Manufacturing continue to have many jobs, but Retail growth is slower, and Manufacturing has had job losses since 2010*

**Exhibit 21** charts the size and growth rate of different industries in Tukwila since 2010. The fastest growing industry with a significant number of jobs is Construction followed by Finance, Insurance, and Real Estate (FIRE), Health, and Professional Services. Information and Education industries have a limited number of jobs, but they are growing at a similar rate to FIRE and Health. Retail has maintained a reasonable growth rate and continues to have many jobs. Manufacturing continues to hold a high number of the jobs, but it has been in decline alongside Administrative Services and Other industries with smaller jobs numbers. Food and Entertainment, Warehousing, Transportation, and Utilities (WTU), Wholesale Trade, and Government also have had job losses since 2010.

**Exhibit 21. Industry Size and Annual Growth Rate, Tukwila, 2010-2021**



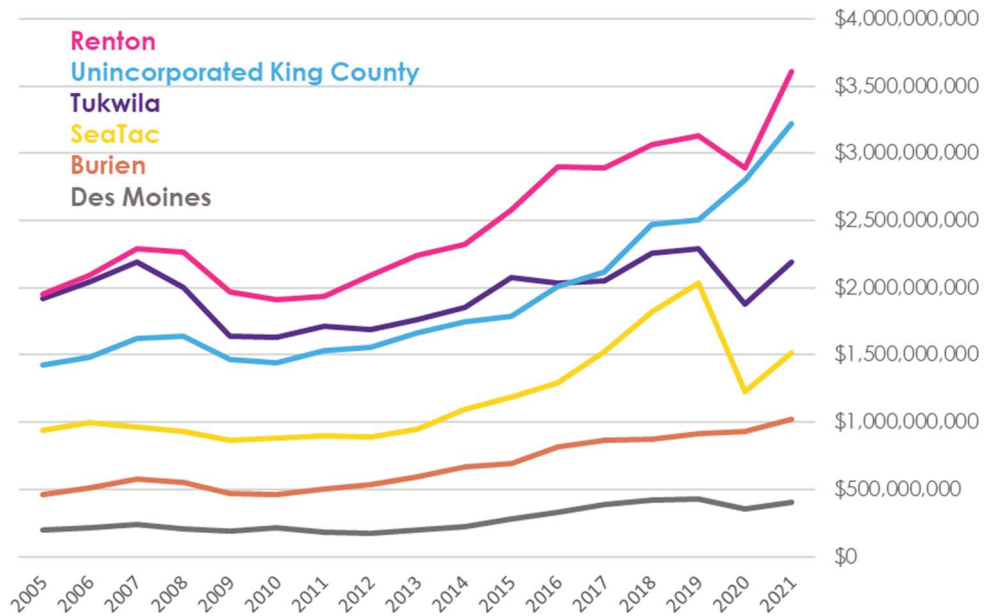
Source: PSRC, 2010-2021; CAI, 2022.

*Tukwila has consistently had higher taxable retail sales than comparison cities, it faced significant declines from 2019 to 2020, and it has not fully recovered to pre-pandemic levels*

**Exhibit 22** indicates the annual taxable retail sales among Tukwila, comparison cities, and unincorporated King County. In 2005, Tukwila had \$1.9 billion in taxable retail sales and increased to just under \$2.2 billion prior to the 2008 recession. After a low of \$1.63 billion in 2010, sales slowly increased through to 2015, leveled off through 2017, and again increased to a high of almost \$2.3 billion in 2019. The economic impacts from the COVID-19 pandemic led to a decline in retail sales at a low of \$1.9 billion in 2020. As of 2021 Tukwila’s taxable retail sales were \$2.2 billion, representing a rapid recovery to just under pre-pandemic levels. Except for Renton, Tukwila has consistently had taxable retail sales above comparison cities. It has faced more sharp increases and decreases relative to the slow, steady growth in Burien and Des Moines. Retail sales trends are like Renton, but Renton had more significant growth post-2009 recession and increased more significantly post-pandemic. Recent sales trends are similar to, but greater than, adjacent SeaTac’s. Given rapid inflation in recent years, sales tax receipts for Tukwila may be less impactful in terms of city revenue.



**Exhibit 22. Total Taxable Retail Sales, Tukwila & Comparison Cities, 2005-2021**



Source: Department of Revenue, 2022; CAI, 2022.

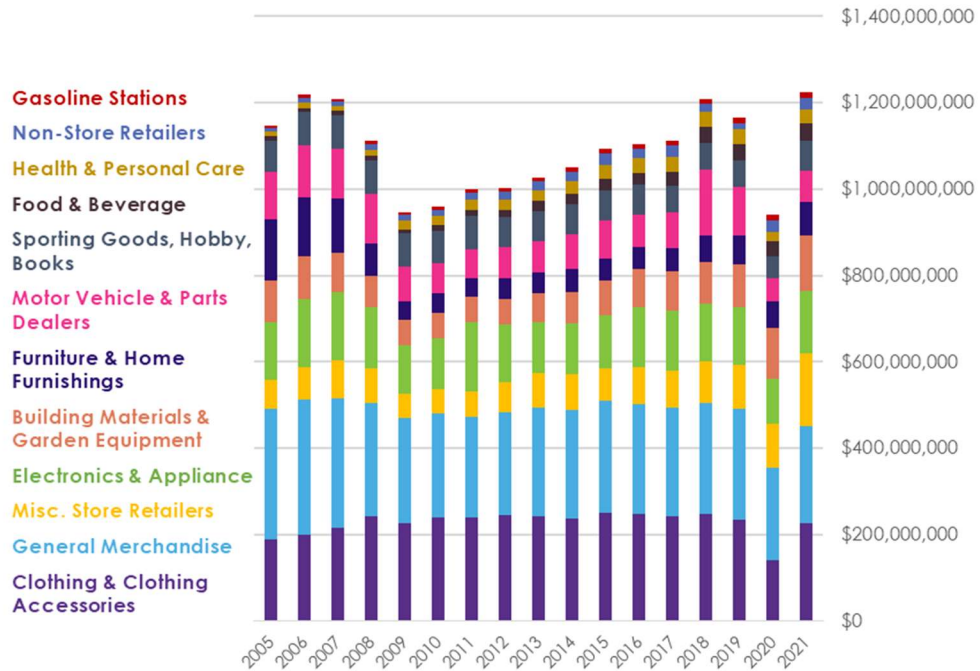
*The largest share of retail sales in Tukwila are in the Clothing and Clothing Accessories (\$226 million), which faced steep declines in 2020 and has not yet fully recovered.*

**Exhibit 23** charts the retail sales across different consumer categories for the City of Tukwila. The largest share of retail sales is Clothing and Clothing Accessories (\$226 million) followed by General Merchandise (\$224 million), Miscellaneous Store Retailers (\$170 million), Electronics and Appliances (\$145 million), and Building Material and Garden Equipment (\$127 million). There are also significant sales in Furniture & Home Furnishings (\$77 million), Motor Vehicle and Parts Dealers (\$74 million), and Sporting Goods, Hobby, Books (\$69 million). Food and Beverage (\$40 million), Health and Personal Care (\$34 million) also have significant sales in Tukwila, while Non-store Retailers that include E-Commerce (\$25 million) and Gas Stations (\$14 million) have the smallest share of Tukwila’s retail sales.

Tukwila’s retail sales declined significantly in connection with the start of the COVID-19 pandemic in 2020. The most significant decline in sales occurred in Clothing and Clothing Accessories (-\$96 million), Motor Vehicle & Parts Dealers (-\$60 million), and General Merchandise (-\$40 million) and these categories have not yet fully recovered. Remaining recovery in retail sales is most significant for Motor Vehicle and Parts Dealers and General

Merchandise, while Clothing and Clothing Accessories has had closer to a full recovery. There were no losses in Building Material and Garden Equipment, Non-store Retailers, and Gasoline Stations and the losses in all other categories recovered to pre-pandemic sales levels in 2021.

**Exhibit 23. Retail Sales per Category, Tukwila, 2005-2021**

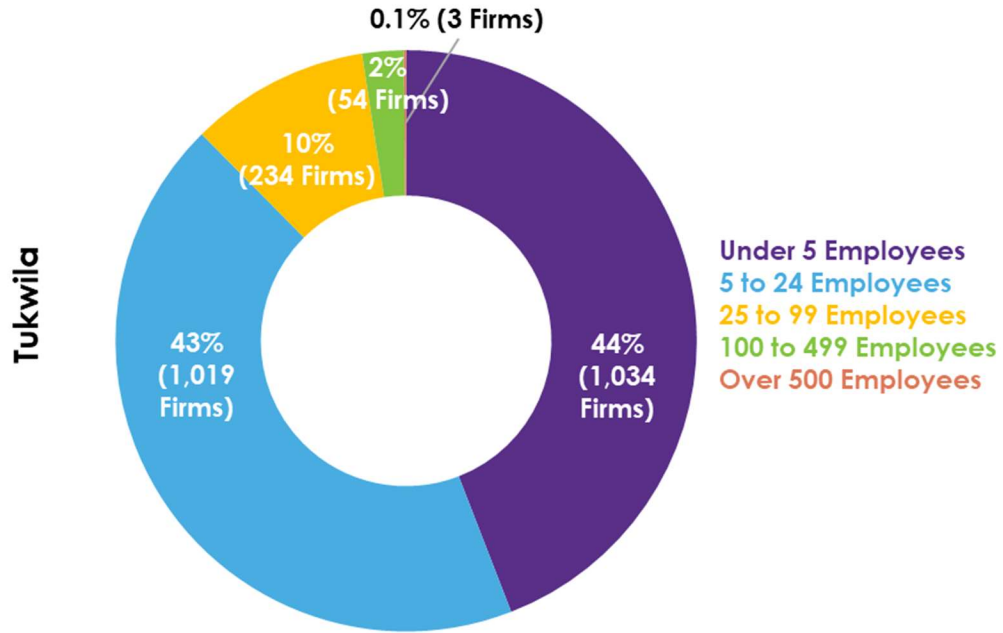


Source: Department of Revenue, 2022; CAI, 2022. Total value of retail sales by consumer categories in Exhibit 22 varies from the total taxable retail sales in Exhibit 21 since this data source only summarizes a subset for stores in Retail Trade (NAICS 44-45).

***Around 87% of Tukwila’s businesses have less than 25 employees and an average firm size of 15 employees.***

**Exhibit 24** summarizes the share of firms by number of employees. Around 87% of Tukwila’s firms have less than 25 employees and an average firm size of 15 employees. There are very few establishments with over 500 employees and firms with over 100 employees only make up a little over 2% of businesses in the city.

**Exhibit 24. Firm Numbers and Size, Tukwila and County, 2021**

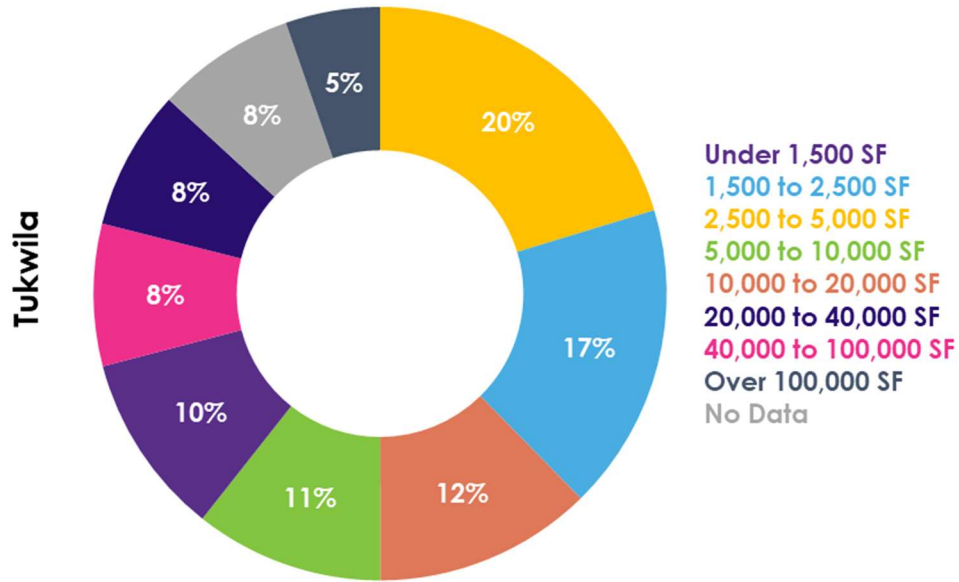


Source: Esri/DataAxle, 2021; ACS, 2021; CAI, 2022.

*Almost half of the businesses in Tukwila rely on less than 10,000 square feet and over one third use less than 5,000 square feet of commercial space.*

**Exhibit 25** summarizes the share of firms by square footage of commercial space in Tukwila. Over one third of businesses use less than 5,000 square feet (37%) and almost half use less than 10,000 square feet (48%). A little over one quarter use 10,000 to 100,000 square feet (28%) and only 5% of businesses use over 100,000 square feet.

**Exhibit 25. Share of Firms by Square Footage, Tukwila, 2021**

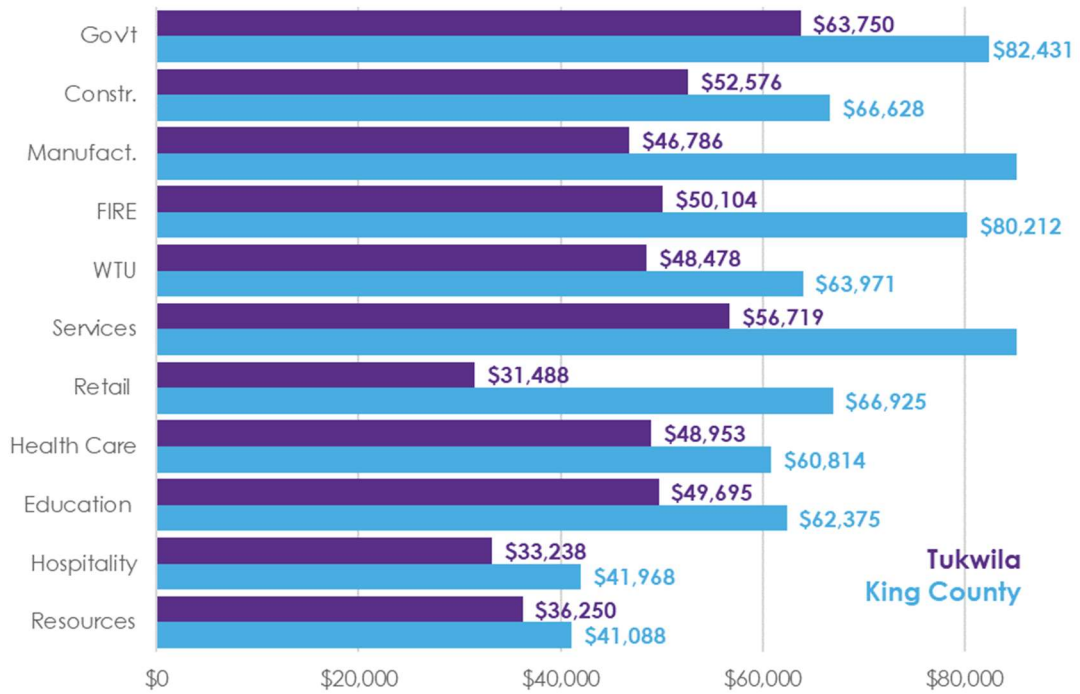


Source: Esri/DataAxle (2021), ACS

***Median wages are lower in Tukwila than King County across all industries, but the higher wage industries for Tukwila are Government, Services, and Construction***

Tukwila’s high wage industries are in Government (\$63,750) and Services (\$56,719) and its low wage industries are in Retail (\$31,488), Hospitality (\$33,238), and Resources (\$36,250) (**Exhibit 26**). Average wages range around \$45,000 to \$50,000 for the remaining industries. Median wages are less than King County across all industries, and the difference in wage levels between the City and County is most prominent in Retail, Manufacturing, FIRE, Services, and Retail.

**Exhibit 26. Average Median Wage by Industry, Tukwila and King County, 2020**



Source: ACS, 2020; CAI, 2022.

## WORKFORCE INDICATORS

Workforce indicators include occupational characteristics and capacities. This section focuses on job numbers and industries of workers who live in Tukwila. A portion of these jobs employ workers that live and work in the city, but data in this section will also refer to jobs across the region and state held by Tukwila residents.

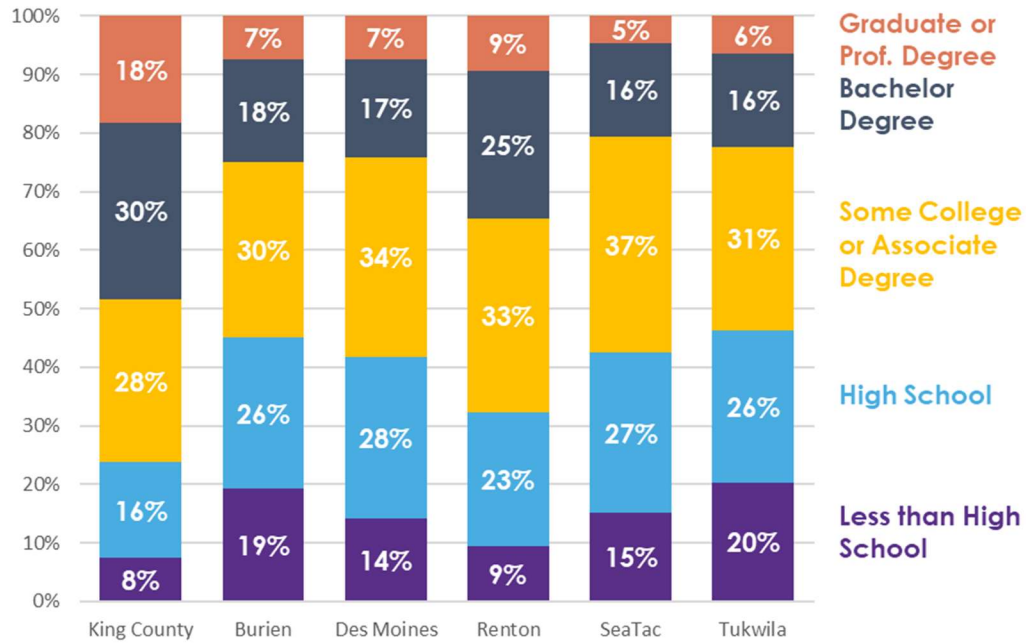
### Occupational Characteristics

*Tukwila’s residents have limited education levels relative to King County and comparison cities with one fifth without High School education (20%) and less than one quarter (22%) with a bachelor’s degree or above*

One fifth (20%) of Tukwila’s population over 18-years-old have less than a High School education, while the share in King County is 8% and Tukwila’s comparison cities also have a lower share than the City (**Exhibit 27**). Similar to all comparison cities other than Renton, around one quarter of Tukwila’s population has a High School education or above (26%), close to one third

have Some College (31%), around one sixth have a Bachelor’s Degree (16%), and only a small share have a Graduate or Professional Degree (6%). Close to half of King County has a Bachelor’s or above, while this is 22% for Tukwila and ranges from 21% to 34% among comparison cities.

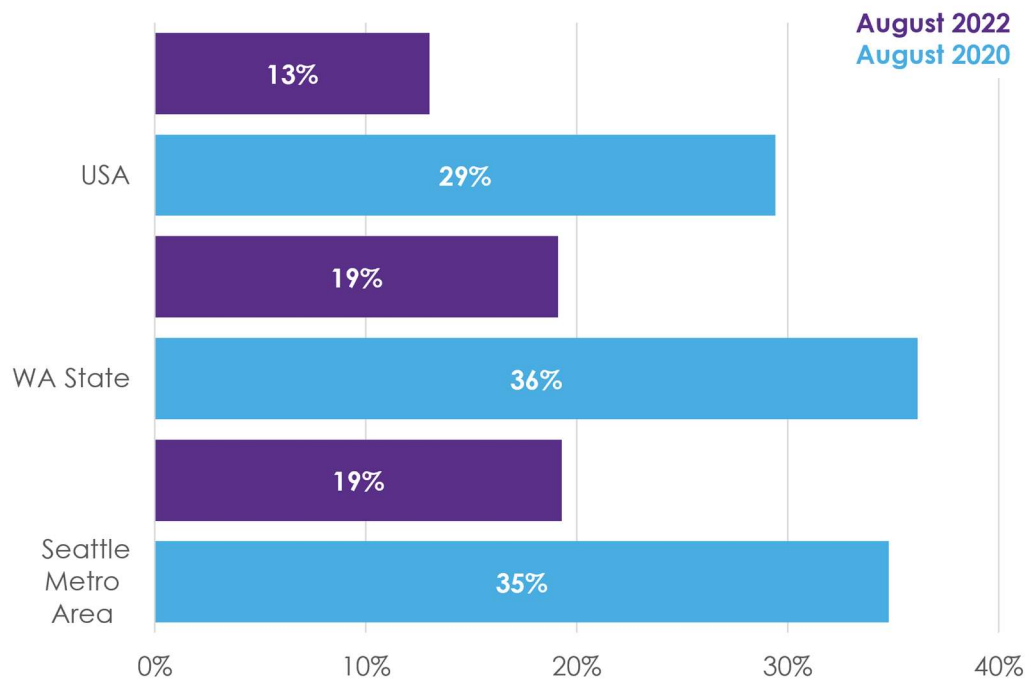
**Exhibit 27. Educational Attainment, Tukwila and Comparison Jurisdictions, 2020**



Source: ACS, 2020; CAI, 2022.

ACS Household Pulse Surveys of households the US, in Washington State, and in the Seattle Metropolitan Statistical Area sought to identify the impact of the COVID-19 pandemic on people’s educational pursuits. Although this information was not collected at the city level, it may inform how Tukwila addresses policies related to access to higher education and job training. In August 2020, at the height of the pandemic, 35% of those surveyed in the Seattle Metro area indicated that they cancelled their pursuit of post-secondary education (**Exhibit 28**). Large proportions of these cancellations were driven by health concerns over the Coronavirus, economic challenges related to the pandemic, and / or changes to institutions as a result of the pandemic. In comparison, 21% of those surveyed in the Seattle Metro area indicated their plans for pursuing higher education had not changed, while the remainder reported different changes to their education plans, such as taking fewer classes, switching institutions, or taking classes in different formats. In 2022, the number of people who cancelled their pursuit of post-secondary education in the Seattle Metro region dropped to 19% while the number of those with unchanged plans rose to 43%, signaling a significant, if temporary, realignment of education patterns in the region.

**Exhibit 28. Cancelled Pursuit of Post-Secondary Education, USA, WA State, Seattle MSA, August 2020 and August 2022**

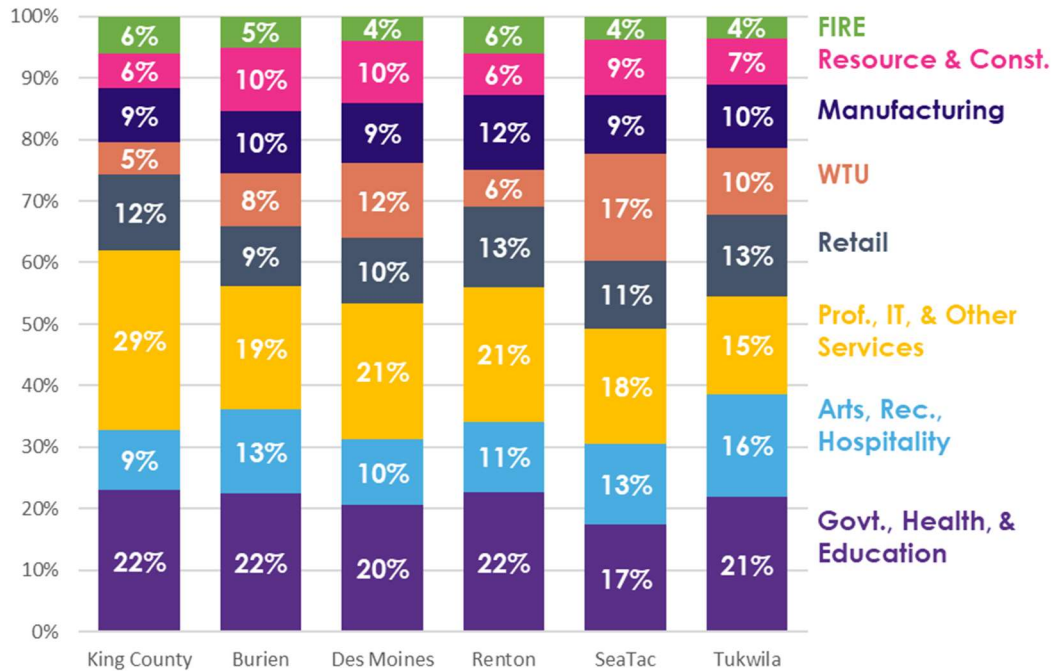


Source: ACS Household Pulse Survey, August 2020 and March 2021; CAI, 2022.

***Tukwila residents work in a wide range of industry sectors, and the largest share are employed in Government, Health and Education (21%)***

**Exhibit 29** indicates that Tukwila residents are employed by a wide range of industry sectors rather than a set of one or two dominant industries. The largest share work in Government, Health, and Education (21%); Arts, Recreation, and Hospitality (16%); Professional, IT, and Other Services (15%); and Retail (13%). The smallest share of residents is employed in FIRE (4%), Resource and Construction (7%), as well as an equal share between Manufacturing (10%) and WTU (10%).

**Exhibit 29. Resident Job Share by Industry, Tukwila and Comparison Cities, 2020**



Source: ACS, 2020; CAI, 2022.

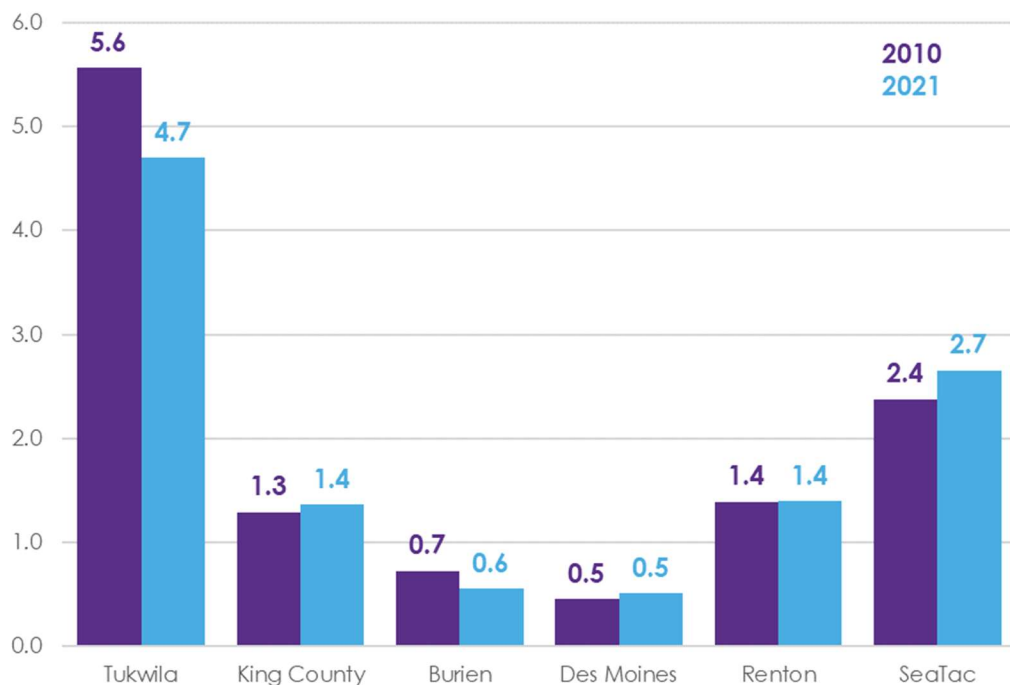
**Laborshed and Commutedshed**

*Tukwila has over four times the number of jobs to residents despite the addition of 1,084 units since 2010*

**Exhibit 30** provides a clear indication that Tukwila has a heightened level of employment relative to housing (4.7 jobs-to-housing ratio) compared to both King County (1.4) and comparison cities that have jobs-to-housing ratios ranging from 0.5 in Des Moines to 2.7 in SeaTac. This is despite 1,084 housing units added to the city since 2010.



**Exhibit 30. Jobs-to-Housing Units Ratio, Tukwila and Comparison Jurisdictions, 2010 & 2021**

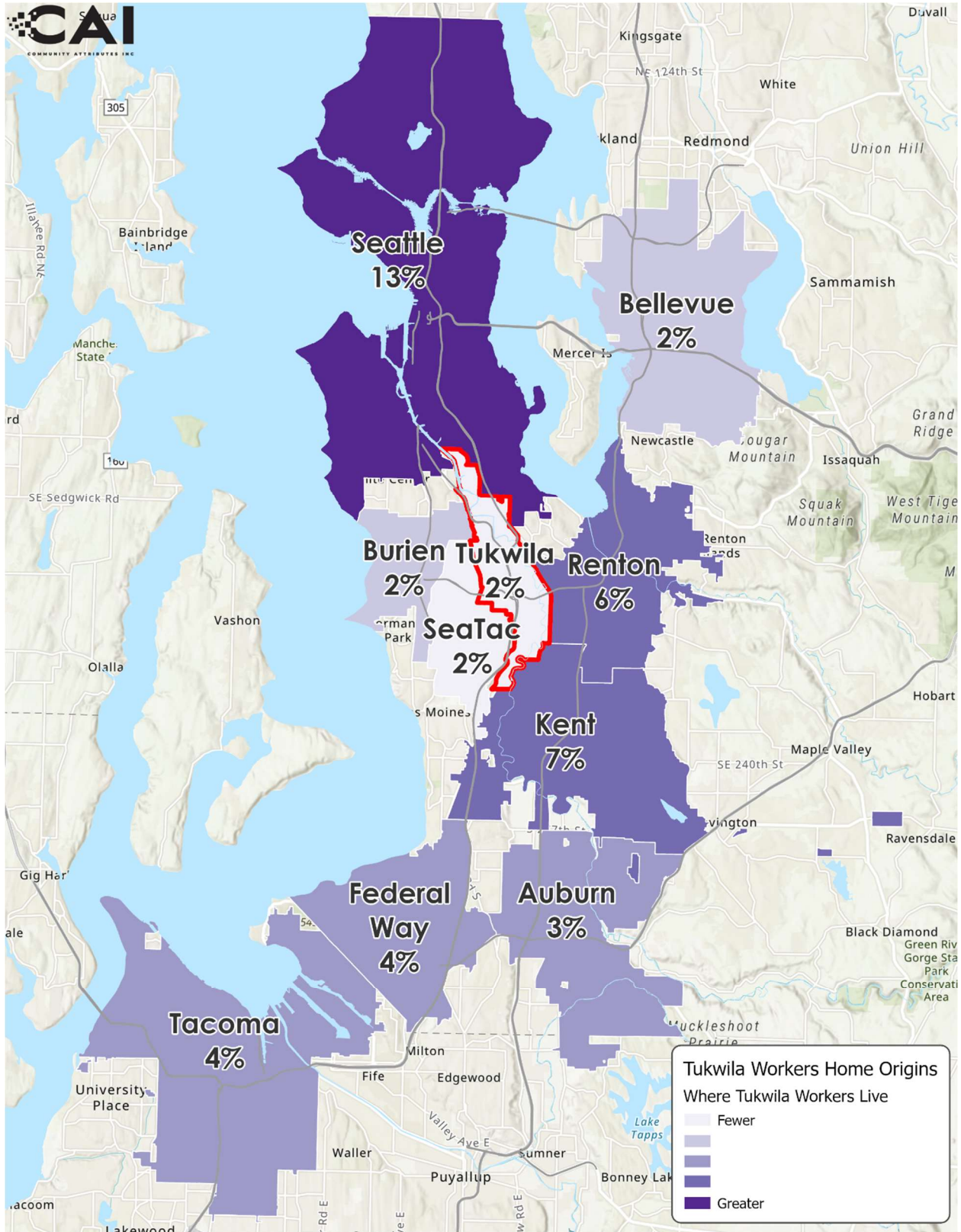


Source: PSRC, 2010 and 2021 (jobs); OFM, 2010 and 2021 (housing units); CAI, 2022.

*The largest share of workers in Tukwila jobs reside in, and commute from, Seattle, while only 2% of workers in Tukwila jobs also live in Tukwila. About 15% of workers commute from cities immediately adjacent to Tukwila.*

**Exhibit 31** maps out where those that work in Tukwila live. A very small portion of Tukwila’s workforce is drawn from residents within the city (1.7%) and the largest share of its workers commute from Seattle (12.9%). Around 15% commute in from adjacent cities, including Kent (7.1%), Renton (5.8%), and a limited share from Burien (2.3%) and SeaTac (1.7%). Around 14% commute in from areas that are a further distance from Tukwila, including Tacoma (3.9%), Federal Way (4%), Auburn (3.4%), and Bellevue (2.3%).

**Exhibit 31. Location of Residence Among Tukwila Workers, 2020**

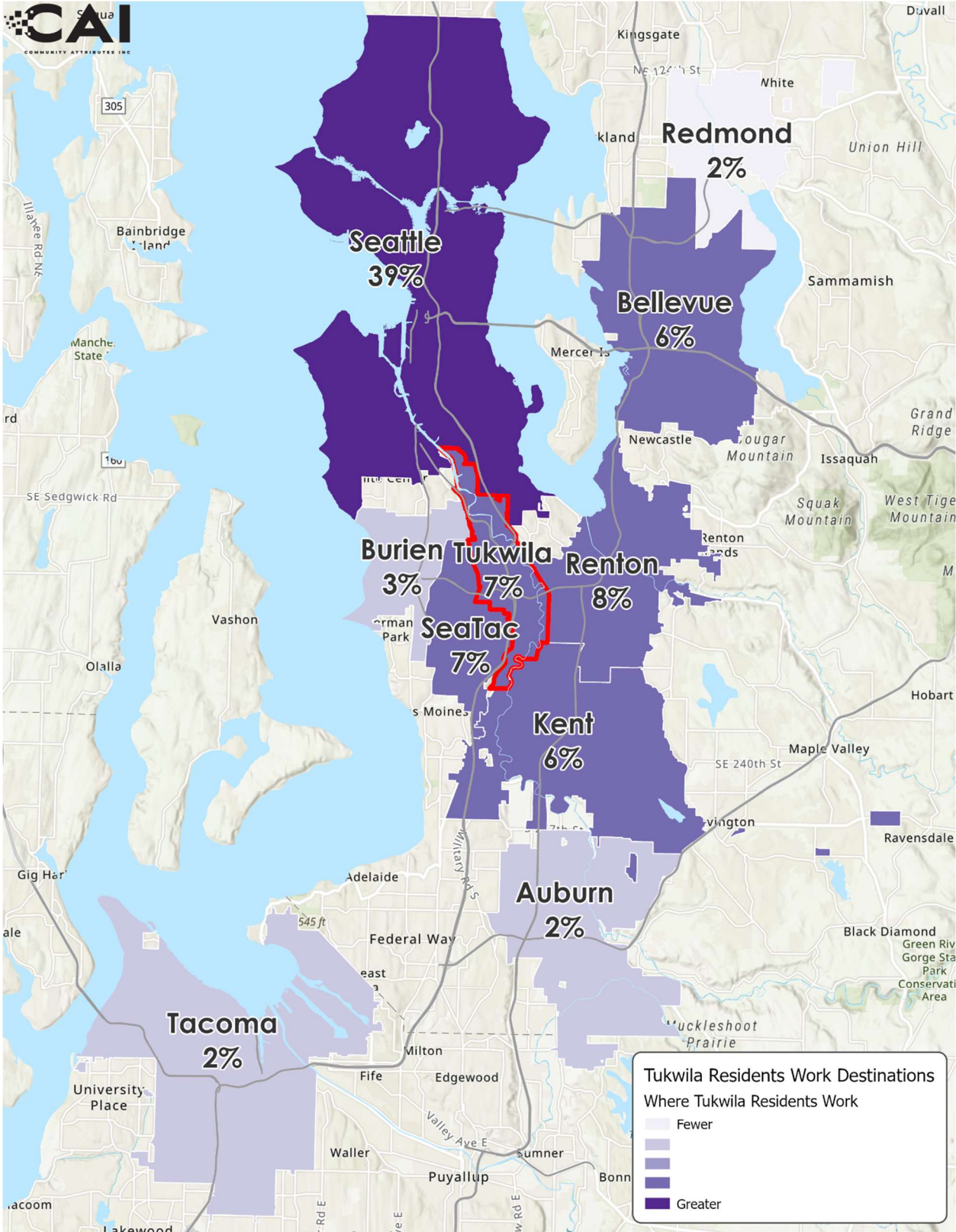


Source: U.S. Census LEHD, 2020; CAI, 2023.

*A large share of Tukwila’s working residents commute to Seattle (39%) and other adjacent cities (26%) for work, while 7% work in the city*

**Exhibit 32** maps out where those that live in Tukwila and work. Around 7% of Tukwila’s workforce residents work within the city, while over one third commute to Seattle (39%). Just under one quarter commute to adjacent cities for work (26.1%), including Renton (7.5%), SeaTac (6.7%), Bellevue (6.2%), as well as Kent (5.7%). A limited share of workers commutes to adjacent Burien (2.7%) and more distant areas such as Auburn (2%), Tacoma (2%), and Redmond (1.6%)

Exhibit 32. Location of Work Among Tukwila Residents, 2020



Source: U.S. Census LEHD, 2020; CAI, 2023.

## SMART CITIES LITERATURE REVIEW

Smart City initiatives, competitions, and policies look for ways cities can leverage information and communication technologies to address urban challenges, optimize city functions, promote economic growth, and improve resident quality of life.<sup>2</sup> In economic development, smart cities consider how these technologies, the Internet of Things (IoT), software, sensors, networks, data, and etc., can be applied towards expanding economic opportunities for citizens and making communities more resilient.<sup>3</sup>

The fundamental connection between infrastructure, technology, and economic development in cities is illustrated by the US Economic Development Administration's Smart City- focused i6 Challenge, now dubbed the Build to Scale Program.<sup>4</sup> Submissions find technological approaches to advance the EDA's investment priorities, including **equity**, recovery and resilience, workforce development, manufacturing, technology-based economic development, environmentally sustainable development, and exports and foreign direct investment.<sup>5</sup> The US Department of Transportation's own Smart Cities Challenge, launched in 2015, highlights practical solutions, such as technology applied to support more affordable and sustainable mobility choices, to promote freight efficiency, to monitor air pollution and identify emission hot spots, to connect underserved communities to job centers, to monitor power consumption and explore alternative energy sources, and to bridge the digital divide.<sup>6</sup> Some specific examples of smart city projects include;

- smart parking that helps drivers find a parking space and allows for digital payment
- smart traffic management that monitors traffic flow and optimizes traffic lights to reduce congestion
- ride-sharing services that are managed by a smart city infrastructure
- smart grid technologies that manage maintenance and planning for power supplies
- streetlights that dim when the roads are empty
- internet-enabled waste collection and fleet management systems

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<sup>2</sup> • National Geographic, "Smart Cities". Link:

<https://education.nationalgeographic.org/resource/smart-cities/>

<sup>3</sup> Nick Maynard (2020) Smart City Technologies: Driving Economic Growth and Community Resilience. Day One Project, Federation of American Scientists.

<sup>4</sup> US Economic Development Administration (2023) Investment Priorities, US Department of Commerce ([Investment Priorities | U.S. Economic Development Administration \(eda.gov\)](https://www.eda.gov/investment-priorities))

<sup>5</sup> US Economic Development Administration (2023) Regional Innovation Strategies Program i6 Challenge (now Build to Scale Program), US Department of Commerce

<sup>6</sup> US Department of Transportation (2016). Smart City Challenge Lessons Learned.

- Sensors that enable early warning for incidents like floods, landslides, hurricanes or droughts
- Monitoring areas of high crime
- A notification system that allows citizens to tell officials of any problems, such as potholes
- Sensors that monitor infrastructure problems such as leaks in water pipes
- Technology that improves the efficiency of manufacturing, urban farming, energy use

### **Best Practices Applicable to Tukwila**

Today, technology is embedded as an essential tool in solving economic development challenges as data-driven planning, technology-based economic development, and environmentally-sustainable development become priorities nationwide.<sup>7</sup> Exploring the role of technology in Tukwila’s economic development strategies, the best practices of smart cities applicable to Tukwila will follow, some of which the City is already doing

- Smart traffic flow management system, which can combine a central control system with controls for traffic lights and sensors for detecting delays or the amount of traffic at particular intersections. The control system can adjust the timing of the lights based on the amount of traffic and how well that traffic is flowing. Some systems can adjust timing, for example, for buses or emergency vehicles as well.
- Smart toll roads may also be provisioned. For example, sensors may be installed that detect when a car passes a toll plaza and deduct the toll from a user account. In addition, a variable toll may be assessed based on traffic conditions. For example, express toll lanes may be implemented that monitor traffic and charge a greater amount based on the amount of usage of the lane.
- Smart parking-meter network. Parking meters may, for example, be equipped with sensors or other monitors that communicate with a central server and a user app to advise when a parking spot is available and guide a driver to it. Such meters may be able to automatically charge a parker for using the spot and advise the user and, potentially, law enforcement when the meter time has expired.
- Smart electric meters, which are digital. Electric meters can be used to replace the old, mechanical meters that require personnel to “read” the meter once a month. They can provide more timely monitoring of a particular customer’s usage and communicate wirelessly, so that no one needs to enter a backyard. Smart meters may also allow the utility to identify a source of a power outage more rapidly. Control of the house’s electricity can be handled easily from a centralized

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<sup>7</sup> US Economic Development Administration (2023) Regional Innovation Strategies Program i6 Challenge (now Build to Scale Program), US Department of Commerce

location, without requiring a utility crew to go out to turn it on or off. Smart meters can also allow for differential rate provisioning. That is, a consumer can be charged more for higher usage during peak hours.

- Some utilities have proposed the use of microgrids. These are groups of interconnected loads and sources that typically connect to the wider grid but can also be disconnected to operate autonomously as an “island.” Such microgrids can function as backups if there is a failure in the larger grid, but also can operate more efficiently.
- Streetlights may come to be networked as part of the smart city. Some cities, for example, are replacing old streetlights with those using more efficient light-emitting diodes, or LEDs. These new streetlights can also support cameras and other sensors for monitoring crowds or high-traffic areas. Sensors can even be installed to monitor pollutants.
- Expanding access to the internet is an essential step to bridging the digital divide. Some programs focus on expanding broadband access, while others create dedicated spaces with public wifi. For example, public buses or bus stops which offer wifi to passengers.

## INFRASTRUCTURE ASSESSMENT

Infrastructure is the base upon which economic growth is built. Efficient infrastructure is essential for the movement of goods, whether that be through freight, air, or rail. Thus, assessment of Tukwila’s infrastructure and plans for infrastructure improvement is an essential consideration when developing economic development strategies.

As part of the Soundside Region’s connected transportation infrastructure, supply chains, workforce, and businesses, Tukwila offers many locational advantages. These include the Sea-Tac International Airport, Sounder commuter rail, and Link light rail as well as several notable anchor employers, such as the airport, Westfield Southcenter mall, downtown Seattle hotels, and Boeing work sites.<sup>8</sup> Tukwila not only offers strong vehicular connections through routes like the I-5, I-405, and State Route 518, but it has invested in transit and rail infrastructure, evidenced through spaces such as the Tukwila Urban Center (TUC), a central transit hub that is also envisioned as a thriving mixed use center, Tukwila International Boulevard Station (TIBS), a key light rail station on the route connecting the airport to Downtown Seattle, and Tukwila Station, the new multi-modal transit hub that includes commuter rail, a bus transit center with transfer plaza, paratransit, a bus layover area, and amenities for cyclists and pedestrians<sup>9</sup>.

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<sup>8</sup> Soundside Alliance for Economic Development (2023) Key Industries, Link: [Southwest King County Soundside Region Key Industries \(soundsidealliance.org\)](https://www.soundsidealliance.org/)

<sup>9</sup> City of Tukwila (2016) Tukwila Transit Plan Update

Tukwila’s 2023-2028 Financial Planning Model and Capital Improvement Program (CIP) addresses current and anticipated infrastructure deficiencies in the city and region.<sup>10</sup> Its Vision for Tukwila is the city of opportunity, the community of choice. In strategic goals, the CIP outlines a community of inviting neighborhoods and vibrant business districts, a solid foundation for all Tukwila residents, a diverse and regionally competitive economy, a high performing and effective organization, and a positive community identity and image. The CIP further plans the city’s significant investments over the next six years. Examples of critical investments outlined include investments in utilities to upgrade facilities, ensure future water storage, enhance fish passage, and maintain levees, aligning with strategic plan goals, and street overlays, which continue to receive \$1.4 million per year to maintain a high pavement rating. The Allentown Truck Reroute project secures funding to identify alternative routes for trucks accessing the BNSF intermodal yard, thereby improving the quality of life in the Allentown neighborhood. Funding is allocated for the replacement of the 42nd Avenue Bridge, with anticipated completion by the end of 2025. Furthermore, the program includes the design and construction of Phase II of the Consolidated Shops facility, aimed at increasing the efficiency of public works functions. Various pedestrian and transportation safety-related improvements will be undertaken, including crosswalks, traffic calming measures, sidewalk installations, and signal projects. In the realm of parks, investments will focus on improving amenities, open spaces, and multipurpose trails, ensuring equitable access, and enhancing the overall quality of life for Tukwila residents.

Regional plans, including the Puget Sound Regional Council's (PSRC) Vision 2050, the draft Sound Transit 3 plan, and King County’s Metro Connects play a crucial role in anticipated investments from state and federal governments. Vision 2050 envisions Tukwila as a significant focal point for infrastructural investment, given its status as an urban growth center and its northern designation as a manufacturing and industrial center.<sup>11</sup> The Sound Transit 3 plan proposes various improvements for South Sounder service.<sup>12</sup> Key improvements for Tukwila includes increasing frequency, capacity, and span of service, better transit connectivity around Tukwila Station, and expanded parking capacity. The plan also envisages the addition of a Boeing Access Road light rail station, serving an underserved area, fostering transit accessibility, and encouraging transit-oriented development. It also plans for station-area access improvements and introduces the I-405 Bus Rapid Transit (BRT) line, bridging regional east-west connections and providing seamless transit for commuters traveling to Bellevue, Lynnwood, and

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<sup>10</sup> 2023-2028 Financial Planning Model and Capital Improvement Program (2022). City of Tukwila, Washington. Link: [PW-Current-CIP.pdf \(tukwilawa.gov\)](#)

<sup>11</sup> PSRC (2020) Vision 2050: A Plan for the Central Puget Sound Region

<sup>12</sup> Sount Transit (2016) Sound Transit 3: The Regional Transit System Plan for Central Puget Sound



intermediate stations. Metro Connects, the King County Metro Long-Range Plan, describes the Via to Transit (AKA Metro Flex) pilot program, an on-demand service connecting riders to and from transit hubs in southeast Seattle and Tukwila. It also outlines the 2025 and 2040 long-range system networks, offering improved frequencies and additional connections to destinations, including Sea-Tac Airport Station, providing enhanced accessibility and connections between Tukwila Transit Center, Tukwila Station, and downtown Renton.<sup>13</sup>

Tukwila’s robust infrastructure, coupled with regional infrastructure plans and investments underscore Tukwila's commitment to fostering economic growth and improving the overall quality of life for its residents and workforce.

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<sup>13</sup> King County (2021), Metro Connects, King County Metro Long-Range Plan

## APPENDIX

### Appendix A. Guiding Policies

#### Greater Seattle Partner's Framework

Relevant strategies that can inform Tukwila's Strategy include:

- Inclusive Economy strategies tied to BIPOC, immigrant communities, and women can help in elevating stories related to entrepreneurs and new businesses, workforce development system improvements for better hiring, business ownership and executive leadership, expanded assistance for government contracting, and strengthening the collective capacity to dismantle institutional racism.
- Investment strategies cover identifying and addressing inequities and infrastructure gaps, investments in displaced and unemployed workers, and connecting graduates to employment in the regional economy.
- Competitiveness strategies in the framework additionally address the need to better build a global reputation and competitiveness; promote a start-up economy and entrepreneurial spirit; prepare effectively for business expansion; and link businesses economic contributions to community benefits (such as by “engag[ing] leaders at major companies to assess and address impacts to local communities”).
- Industry-focused strategies speak to leveraging the region's strong technology foundation alongside traditionally strong industry clusters that include aerospace, maritime, military, and health care.
- Resiliency strategies address reinforcing regional efforts to address housing affordability, transportation and mobility needs for businesses and workers, and relief programs to address poverty.

#### Puget Sound Regional Council's Vision 2050

The PSRC's Vision 2050 is a Regional Economic Strategy provides a frame for Tukwila's economic development planning with relevant policy and programmatic focus areas and target industries:

#### Expanding Economic Opportunity

- Equity focus throughout economic development efforts
- Expand region's childcare ecosystem
- Expand support for small and medium sized businesses and businesses owned by marginalized communities
- Advance economic development with small cities and rural communities
- Encourage economic growth across all parts of the region
- Provide adequate support for pre-K through 12 education systems that serve all students

- Coordinate and expand programs in higher education and training to address workforce gaps and advance economic opportunity for all
- Embrace, celebrate, and promote the diversity of the region's people

### **Global Competitiveness**

- Strengthen the region's regulatory and industry competitiveness framework
- Build resiliency into the region's export-focused industries
- Sustain and evolve the conditions necessary for innovation
- Strengthen and coordinate recruitment, retention, and investment efforts
- Support and promote international trade and tourism
- Preserve, protect, and support ports, industrial lands, military installations, and maritime sites
- Build up and sustain ports and other infrastructure to support trade, logistics, and freight mobility
- Sustain and grow commercial air travel connections domestically and globally

### **Quality of Life**

- Focus new growth in urban areas, regional centers, and cities
- Ensure a diversity of housing stock that is affordable and connected to jobs
- Improve the region's transportation system
- Preserve, enhance and improve the region's environmentally critical lands
- Ensure the region is a healthy place to live, work, and play for all residents
- Protect the global environment
- Build resiliency into, and increase access to, the region's arts, culture, and tourism industries

### **New and Expanded Focus Areas**

- **Equity** – *Forward Together* Framework and Regional Equity Strategy
- **Health** – Address health inequities, respond to COVID-19 impacts.
- **Broadband** – Leverage federal funding opportunities and growth broadband capacity.
- **Housing** – PSRC Regional Housing Strategy
- **Workforce** - Develop strategies and analysis around the region's workforce development systems to strengthen economic recovery, support equity, build resiliency, and develop the region's talent pipeline. Expand childcare capacity.
- **Local Planning** – Technical Assistance to jurisdictions on economic development elements, tracking job distribution, work from home impacts, and women in the workforce.

- **Regional Competitiveness** – Update Industrial Lands Analysis, examine tax increment financing best practices, provide technical assistance to local jurisdictions in applying for federal recovery funding, and support new industry growth opportunities (Commerce’s ICAP)
- **Business Recovery**
- **Industry Resilience**

**Key Regional Export Industries and 2022 Focus**

- **Aerospace & Aviation** – Washington Space Economy Report and Commercial Aviation Coordinating Commission, expand production of sustainable aviation fuels.
- **Information and Communication Technology** – Analyze impact of expertise in artificial intelligence, cloud computing, and cybersecurity
- **Maritime**
- **Military and Defense**
- **Life Sciences and Global Health**
- **Clean Technology**
- **Tourism, Arts & Culture** – Accelerate recovery of arts and culture institutions, marketing efforts related to recovery and new trade.
- **Transportation and Logistics**
- **Business Services**

## Appendix B. SWOT Analysis

The following section outlines the results of a strengths, weaknesses, opportunities, and threats (SWOT) analysis conducted using data from the Landscape Assessment as well as data from recent engagement.

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### Strengths

Sustainable economy built upon robust retail, hospitality, and experiential sectors with various strong anchors and major employers  
Multiculturalism and diversity, including culturally diverse businesses  
Westfield Mall and Southcenter Blvd as centers of economic vitality  
Planned or potential investment / development in the City (Boeing Longacres, Tukwila South, etc)  
Vibrant community: Welcoming, tight-knit, diverse, multi-cultural, and inter-generational  
Tourism: A family-friendly destination with plentiful retail and entertainment offerings  
Locational Advantage: nearby airport, major highways, & Seattle  
Support for businesses of all sizes

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### Weaknesses

Crime, homelessness, and drug use  
Difficulty in finding and retaining labor  
High commercial rent costs  
Low wages  
high Cost of Living  
Auto-Reliance

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### Opportunities

Workforce development: collaboration between school systems and businesses (ex. CorePlus Aerospace)  
Increasing residential population and developing affordable or workforce housing  
Establishing a larger and more cohesive identity (beyond shopping malls)  
Infrastructure enhancement: transportation, park, and recreation improvements  
Trust building with communities of color  
Strengthen network between the City, key businesses, workforce development groups, and other business assistance groups

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### Threats

Public safety concerns  
Regulatory inefficiency, such as permitting and inspections, or regulations that challenge small businesses  
Some lack of essential services and community support space, including health care, grocery, social services, and community gathering space  
City reputation for businesses, residents, and visitors.