

# ECONOMIC DEVELOPMENT ELEMENT

With proposed changes



## ECONOMIC DEVELOPMENT ELEMENT

### Introduction

This element represents the Town's policy plan for economic development for the next 20 years. Land determined to be appropriate for commercial and ~~industrial~~ ~~commercial/residential mixed-use~~ use has been identified on the land use maps adopted under the Land Use Element. Available public utilities and capital facilities are addressed in the Capital Facilities and Utilities Elements.

Steilacoom is a predominantly residential community with small areas set aside for local commerce, and a large ~~industrial~~ ~~commercial/residential mixed-use~~ area at the Town's northern border. The intent of these policies is to 1) retain existing businesses, 2) encourage business that promotes and enhances Steilacoom's small town atmosphere, and 3) encourages the best use of the ~~industrial~~ ~~Master Planned Development~~ area.

RCW 36.70A.070(7) requires economic development elements to contain three parts: a summary of the local economy, a summary of the strengths and weaknesses of the economy, and an identification of policies, programs and projects to foster economic growth and development.

### Land Use Assumptions

As set forth in the Land Use Element, the Town assumes that commercial activity will gradually infill into the existing commercially zoned areas ~~and the Master Planned Development Area~~ over the next 20 years. ~~The Industrial area may redevelop with commercial activity, but until the owners of the property produce a plan for the property, the impact will be unknown.~~ The Town's target of 138 new jobs by 2035 in part depends on new commercial activity ~~at the Industrial site in the Master Planned Development Area.~~

### *Summary of the Local Economy*

According to the 2008-2012 American Community Survey, Steilacoom had 5,116 residents over age 16, of which 2,996 were in the labor force. The civilian labor force had 2,679 people of which 2,541 were employed. There were 317 in the military labor force. Most civilian employment is concentrated in management (46.5%) and sales or office occupations (28.2%). A small percentage (3.2%) work at home, while the rest commute on average 26 minutes to their place of employment.

The Town's largest employer is the Steilacoom Historical School District. The Town's mix of non-governmental occupations include restaurants, gas station/convenience stores, professional offices and several small shops. There are numerous home occupations, mostly part time avocations.

The Town has a large ~~industrial area~~ ~~Master Planned Development Area~~ on its northern edge, the site of a former paper mill. The mill, closed in December 2000, once provided

a large portion of the tax base for the Town. The old mill buildings have been mostly demolished, but the The current owners have not announced plans for reusing the property are planning on developing the property utilizing a master planned development approach.

Steilacoom’s economic development is dependent on four factors: the continued success of the existing businesses, recruitment of new businesses that complement the Town, development or redevelopment of the vacant or underused commercial properties, and redevelopment of the former industrial area into a Master Planned Development Area.

**Summary of Strengths and Weaknesses**

Steilacoom possesses many strengths. The Town’s historic atmosphere is well established, with small-scale shops and restaurants providing a pre-existing ambiance for new development. Steilacoom residents have a median income higher than that of the rest of Pierce County, and are better educated than the average county resident.

Table 8.1 Comparison of Income  
 Source: 2008-2012 American Community Survey

	Steilacoom	Pierce County
Median Household Income	\$69,423	\$59,105
Mean Earnings	\$87,581	\$73,006
Percent Families below poverty level	4.1%	8.5%

Table 8.2 Education of Population over 25  
 Source: 2008-2012 American Community Survey

	Steilacoom	Pierce County
Percent with High School education or higher	94.4%	90.4%
Percent with bachelor’s degree or higher	35.3%	23.6%

The building and land use permit processes are streamlined and capable of quick and thorough review and decision-making. The Town has existing infrastructure; its streets and utilities have capacity for new development.

In addition to the commercial properties, there is a large 80+ acre former industrial area available for use that is being developed utilizing a master planned development area approach. The site has several buildings, high voltage power connections and a railroad spur.

The Town is not without its challenges. The Town is mainly a residential area. There are conflicting visions for commercial development among the Town’s residents. The Town

is not on a major highway or road. Outside of the **industrial area Master Planned Development Area**, there are few lots left zoned for commercial development. New development will consist of infill or redevelopment. All commercial buildings are subject to architectural review by the Preservation and Review Board, which adds additional time, costs and challenges to the permitting process.

Table 8.3 Vacant and Underutilized Commercial Land Adjusted for Undevelopable Areas

Source: 2014 Buildable Lands Report

Zoning Designation	Vacant	Underutilized
Commercial General	.69 acres	1.91 acres
Commercial Shoreline	.19 acres	.74 acres
<b>Industrial Master Planned Development Area</b>		29.86 acres
Total	.88 acres	32.51 acres

**Note: Only the area occupied by the former paper mill was used to determine underutilized acreage for the Master Planned Development area.**

The **former** industrial site is not well situated **for industrial purposes**, as it is several miles from Interstate 5. Residential development and Chambers Creek, both factors that may inhibit new industrial uses, surround the site. **Redevelopment as a commercial site would require changes to the Comprehensive Plan and zoning designations depending on the use proposed. The current owner is developing the property as a Master Planned Development Area.**

## **Economic Development Goals and Policies**

The goals and policies for the economic development element recognize the Town's need to support its existing businesses, while attracting new business that enhance the Town's existing atmosphere and quality of life.

### ***Economic Development Goal 1. The Town shall support existing businesses***

**Policy Econ 1.1.** The Town shall process applications for permits and licenses in a timely and efficient manner.

**Policy Econ 1.2.** The Town shall maintain adequate public facilities and service levels through the Capital Facilities and Utilities Elements. The Town shall provide funding for infrastructure projects beneficial to existing businesses in the Town Center and other commercial zones.

**Policy Econ 1.3.** The Town shall work cooperatively with existing businesses and the Chamber of Commerce on matters of mutual interest. The Town shall share information and entertain public-private ventures to enhance the Town.

**Policy Econ 1.4.** The Town shall periodically review its regulatory, taxing, facility financing and expenditure practices and assess the impact on local businesses.

**Policy Econ 1.5.** Home occupations that are consistent with the character of adjoining properties and neighborhoods shall be permitted.

### ***Economic Development Goal 2. The Town shall encourage appropriate new businesses***

**Policy Econ 2.1.** The Town shall work with the Tacoma-Pierce County Economic Development Board to attract new businesses compatible with the current zoning.

**Policy Econ 2.2.** The Town shall work with the Washington State Department of Commerce and other appropriate agencies to maintain and enhance the Town's commercial areas.

**Policy Econ 2.3.** The Town shall consider redevelopment of private and public commercial areas for commercial and mixed-use development projects that include retail shops, professional offices, and living spaces.

**Policy Econ 2.4.** Future development within the Town Center shall be compatible with zoning and historic district regulations.

**Policy Econ 2.5.** Commercial and **Industrial Master Planned Development Area** uses shall be compliant with environmental and critical areas regulations.

**Policy Econ 2.6.** The Town shall support efforts to assist small and start -up businesses.

***Economic Development Goal 3. The Town shall encourage appropriate use of the industrial Master Planned Development area***

**Policy Econ 3.1.** The Town shall consider redevelopment of the industrial Master Planned Development area that is economically viable and maximizes the benefit to the Town.

**Policy Econ 3.2.** Future development of the industrial Master Planned Development area shall be compatible with surrounding uses. Industrial uses shall maintain a buffer from residential development.

**Policy Econ 3.3.** The Town shall adopt regulations allowing business park-style developments within the industrial zone requiring submission of site plan and development agreement prior to development of the Master Planned Development area.

***Economic Development Goal 4. The Town shall use Steilacoom's recreational opportunities as a source of economic development.***

**Policy Econ 4.1.** The Town shall encourage businesses that cater to recreational uses; bicycling, kayaking, diving, sailing, boating and others; to use and develop the Town's recreational resources.

***Economic Development Goal 5. The Town will consider the economic impacts of Joint Base Lewis-McChord on the Town in any future economic planning efforts.***

**Policy Econ 5.1.** Future economic planning efforts shall include consideration of JBLM staffing levels, housing demand and any anticipated transitioning of military personnel to civilian life.