TIP strategies AUSTIN • SEATTLE — HEARTLAND — TheRetailCoach

TEN-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

ANALYSIS AND PROGRESS HIGHLIGHTS

THE CITY OF AUBURN, WA

JEFF MARCELL – AARON FARMER – LANZI LI

APRIL 8, 2019

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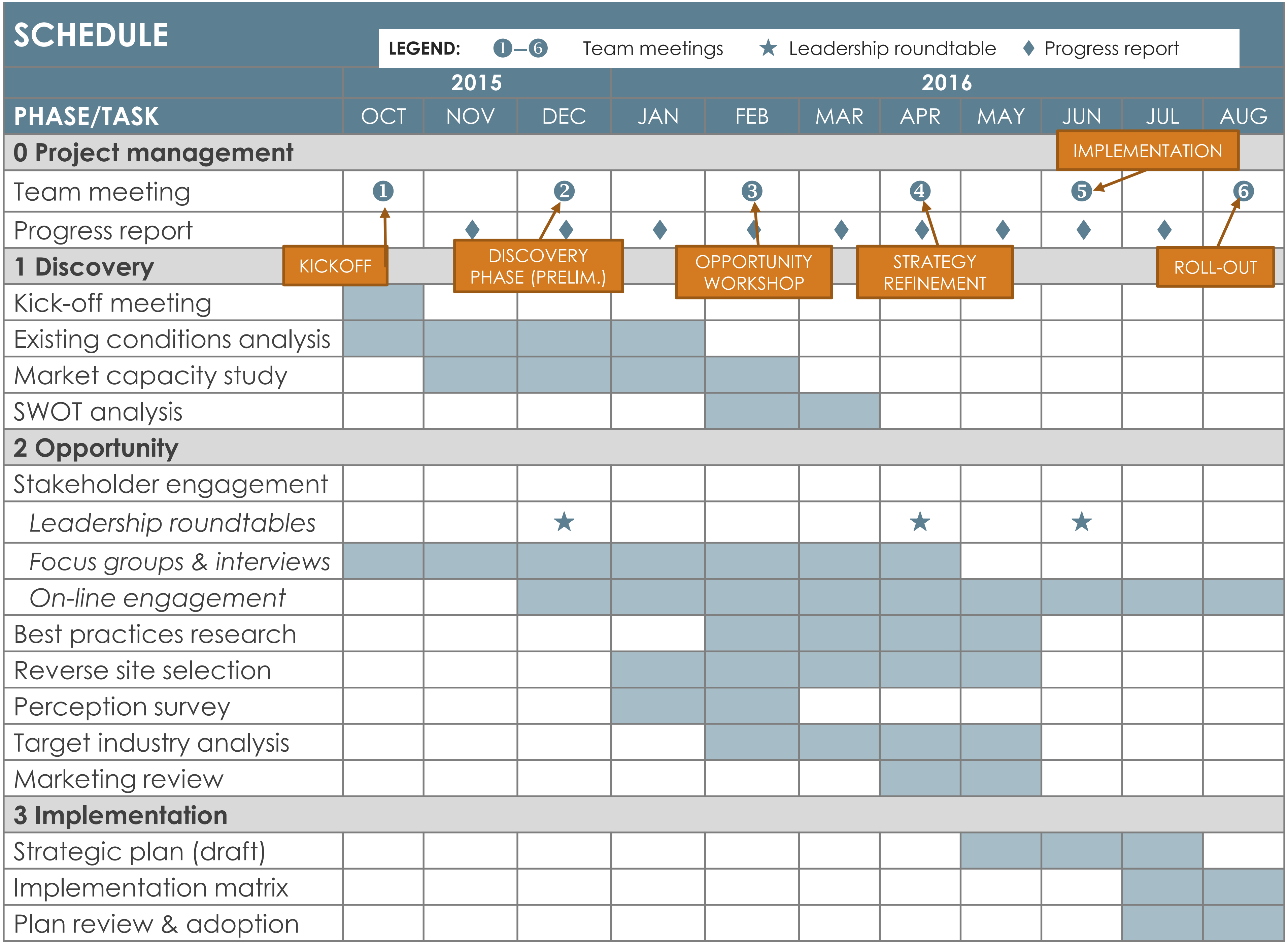
PROJECT OVERVIEW

COMPONENTS OF THE PLAN RFP

1. Kick-Off Meeting
2. Existing Conditions Analysis
3. Market Capacity Study
4. Strengths, Weaknesses, Opportunities, & Threats (SWOT) Analysis
5. Reverse Site Selection
6. Perception Survey (Site Selectors)
7. Best Practice Case Studies & Performance Metrics
8. Target Industry Validation & Selection
9. Public Engagement
10. Ten (10) Year Comprehensive Economic Development Strategic Plan
11. Economic Development Strategic Plan Review, Refinement, & Adoption
12. Project Management


SCHEDULE
LEGEND: 1–6 Team meetings ★ Leadership roundtable ♦ Progress report
2015
2016
PHASE/TASK
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
0 Project management
Team meeting
Progress report
KICKOFF
DISCOVERY PHASE (PRELIM.)
OPPORTUNITY WORKSHOP
STRATEGY REFINEMENT
IMPLEMENTATION
ROLL-OUT
1 Discovery
Kick-off meeting
Existing conditions analysis
Market capacity study
SWOT analysis
2 Opportunity
Stakeholder engagement
Leadership roundtables
Focus groups & interviews
On-line engagement
Best practices research
Reverse site selection
Perception survey
Target industry analysis
Marketing review
3 Implementation
Strategic plan (draft)
Implementation matrix
Plan review & adoption

2

THE RETAIL COACH

Retail Market Analysis 2019 Update

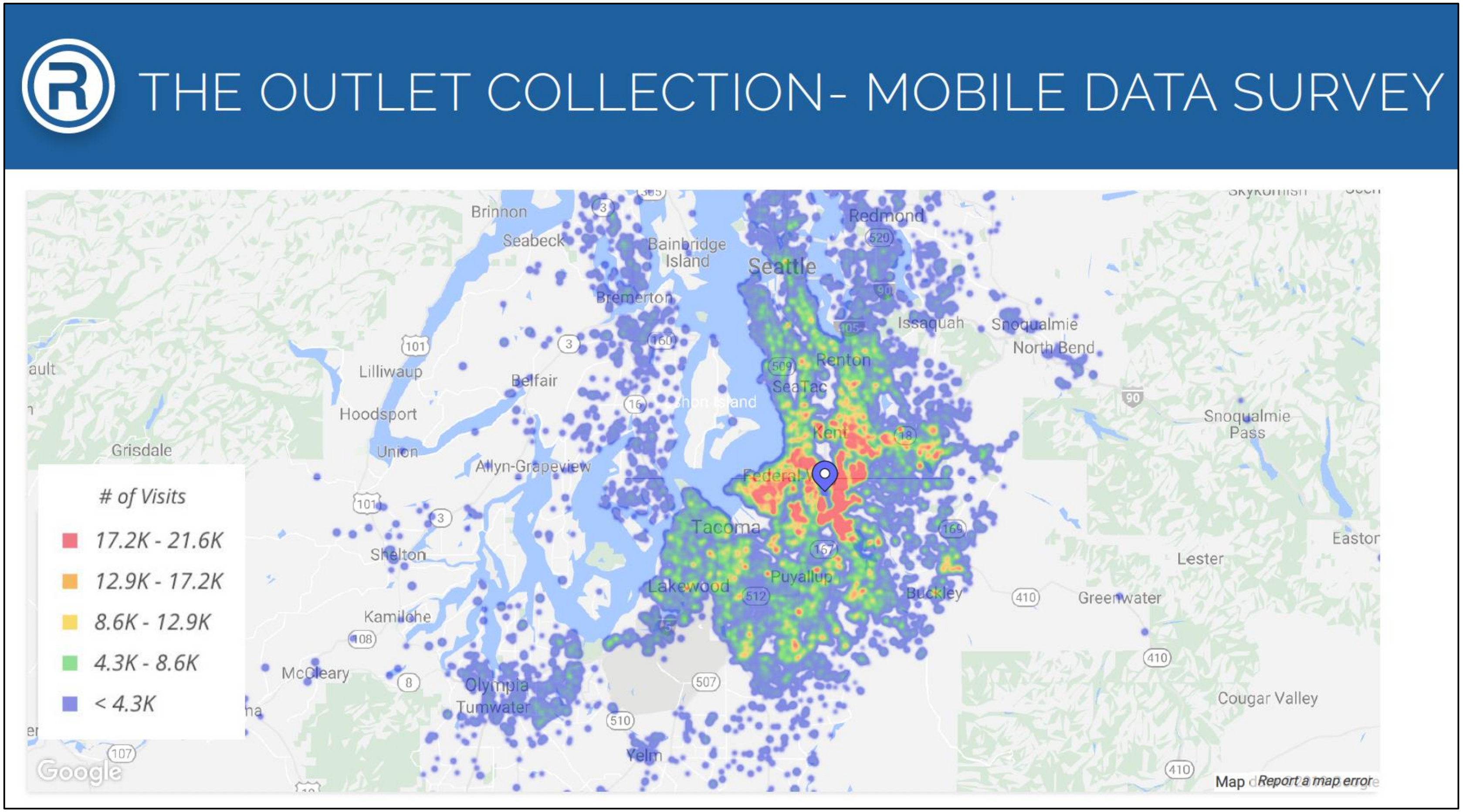
CITY OF AUBURN WASHINGTON

TheRetailCoach®

STRATEGY: ASSESSING AUBURN'S RETAIL OPPORTUNITIES

RETAIL TRADE AREA

Mobile Data Studies

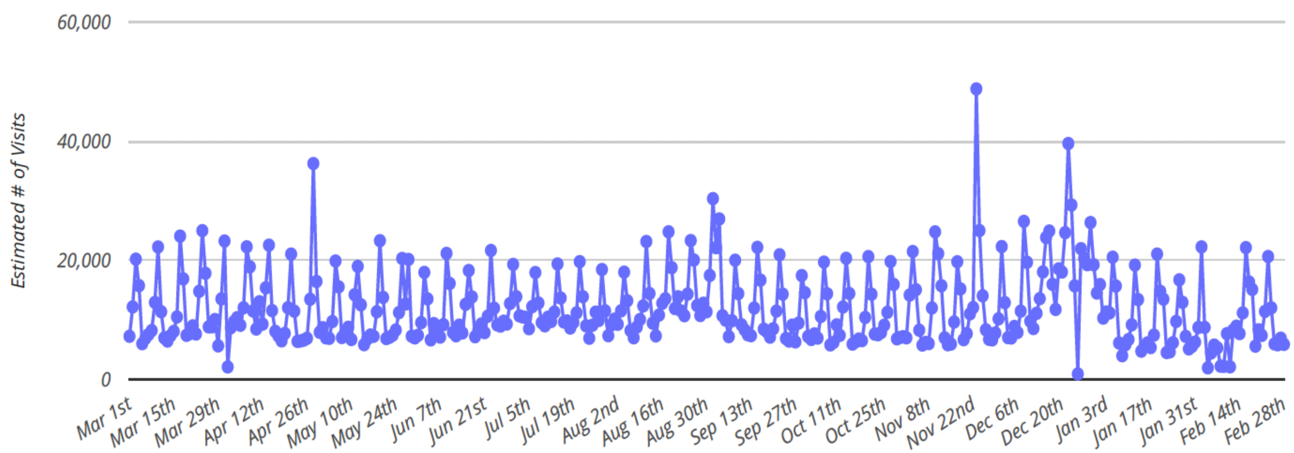


Cell Phone Data Studies

Metrics

	Est. # of Customers	Est. # of Visits
The Outlet Collection / Outlet Collection Dr SW	977.6K	4.4M

Visits Trend



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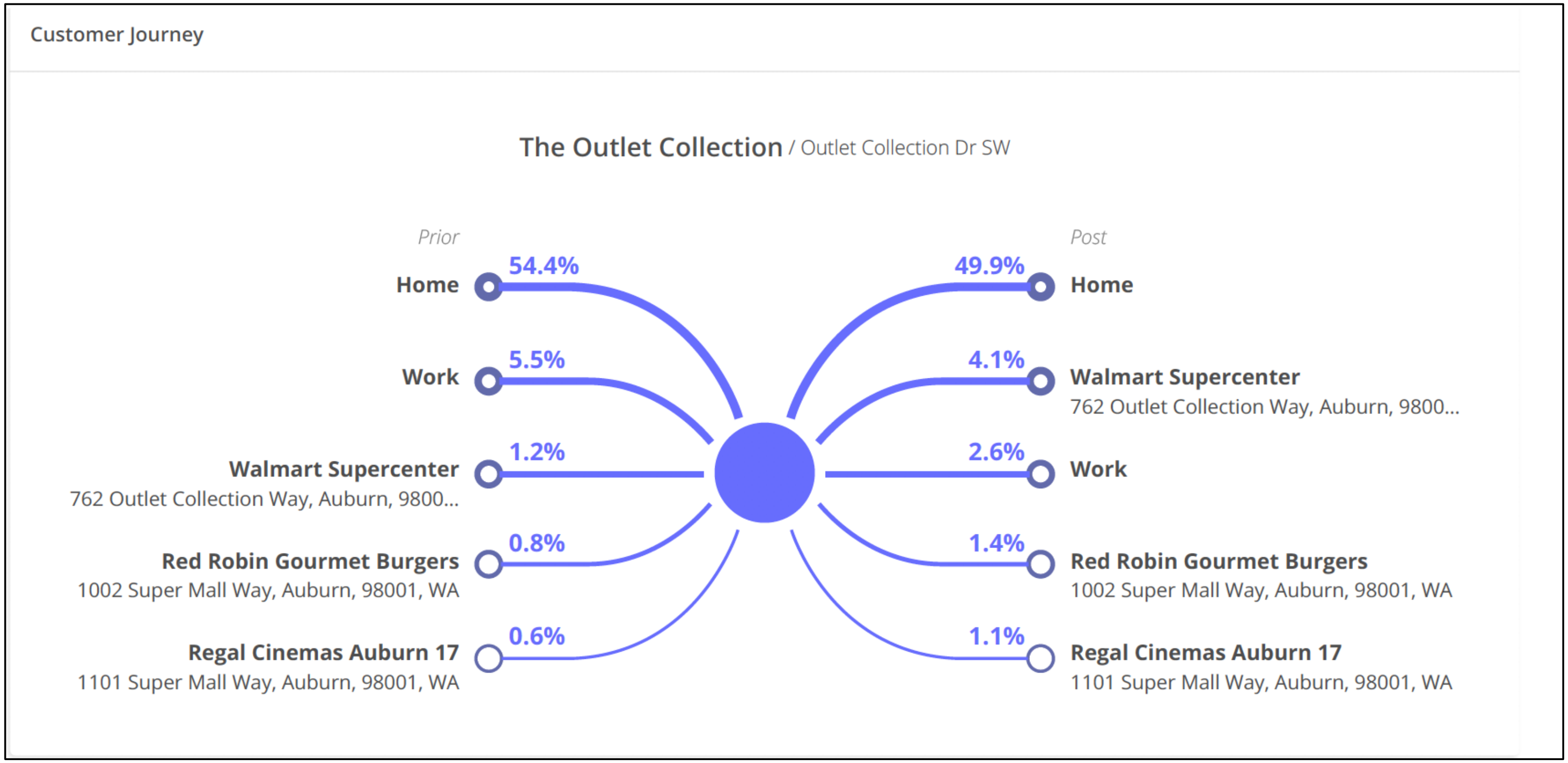

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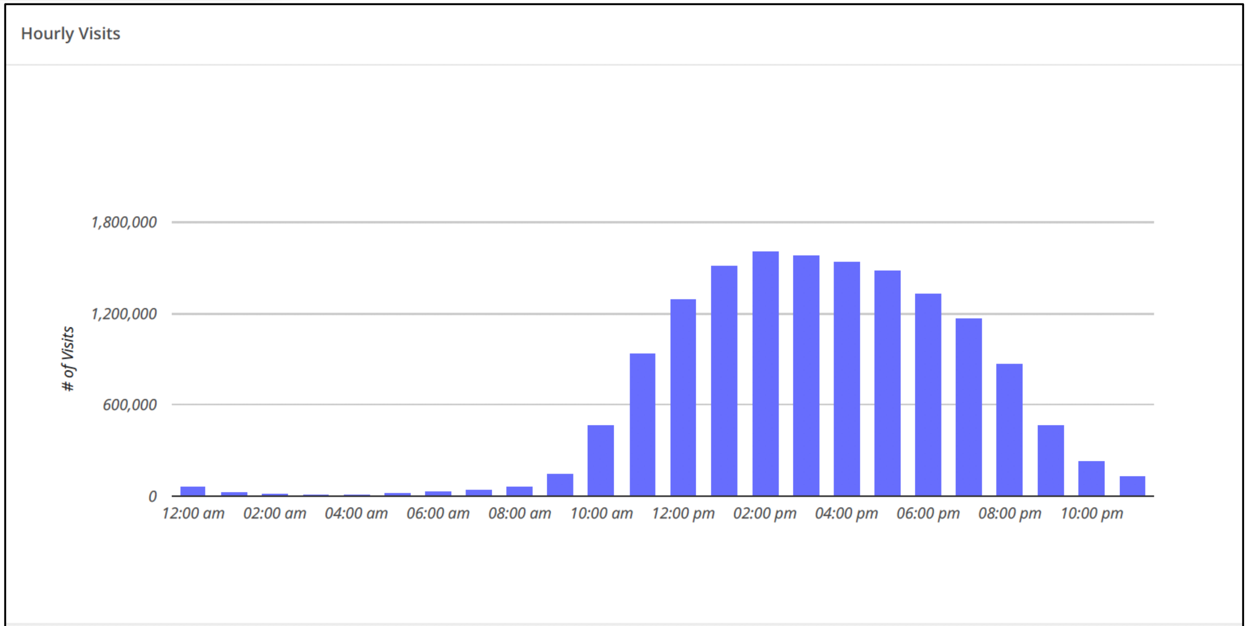
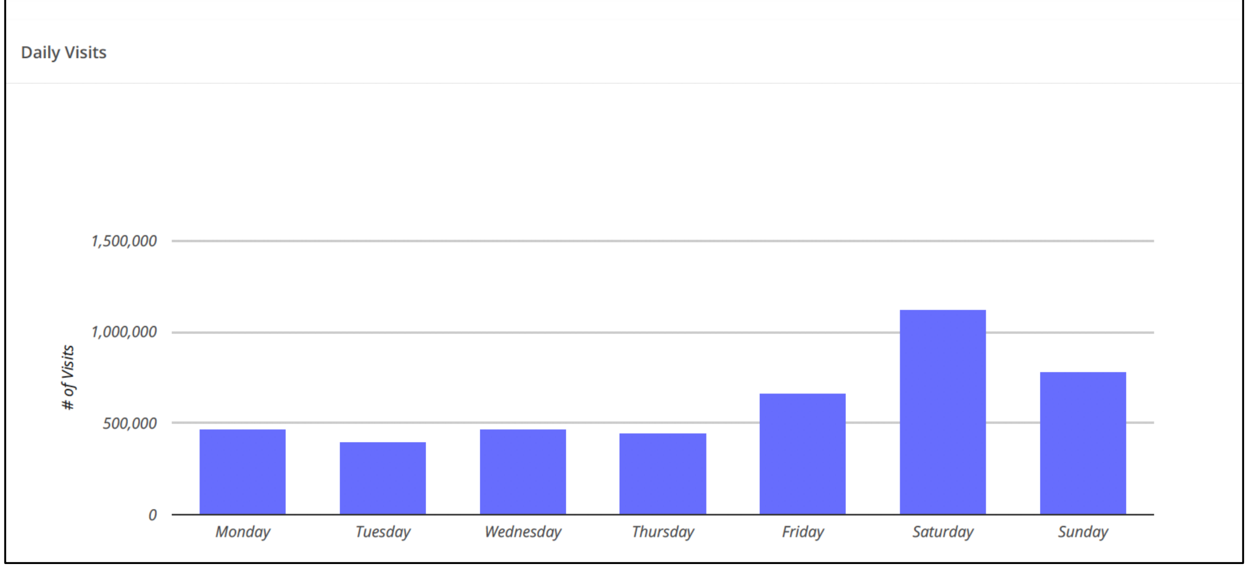
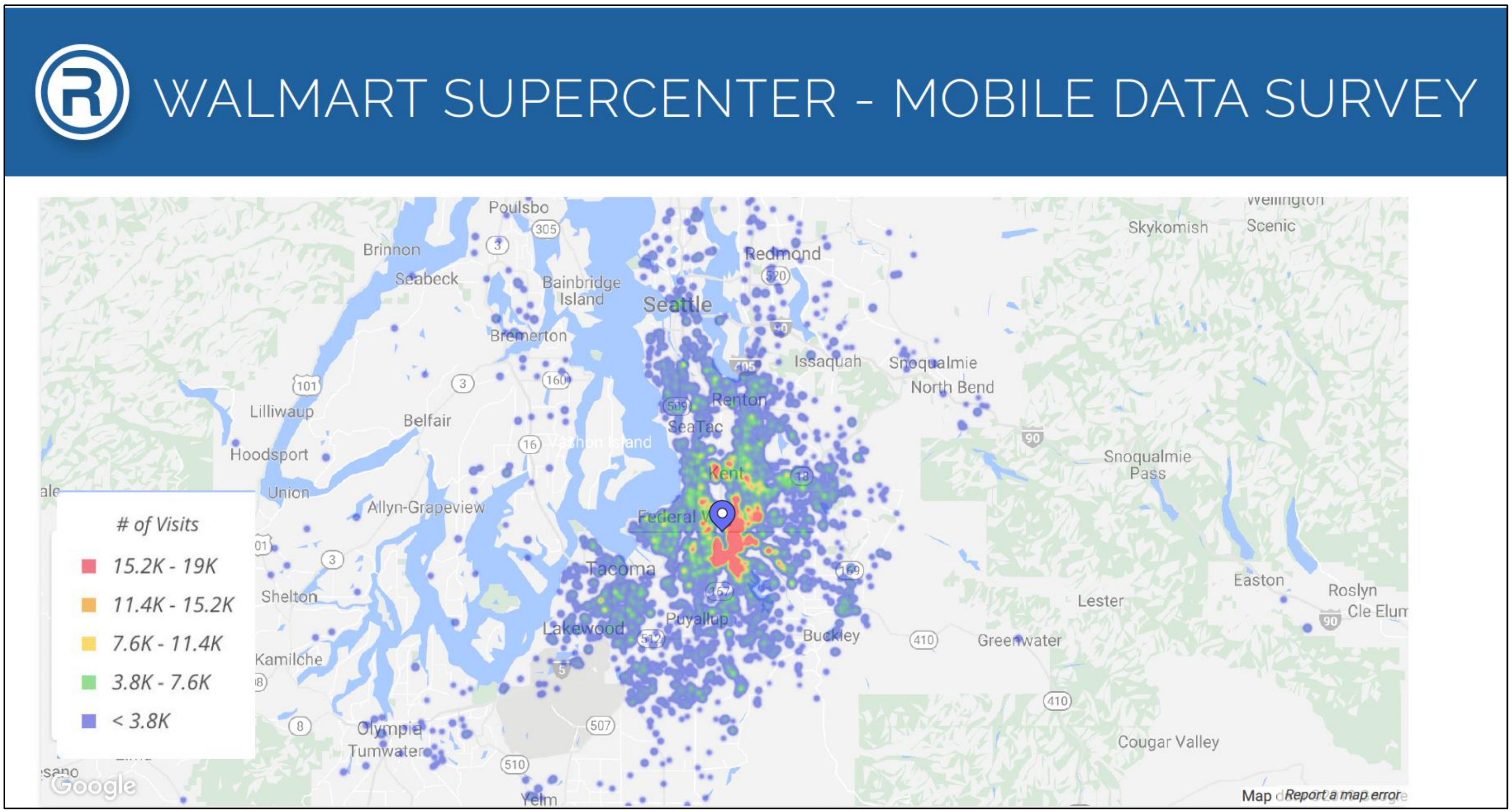


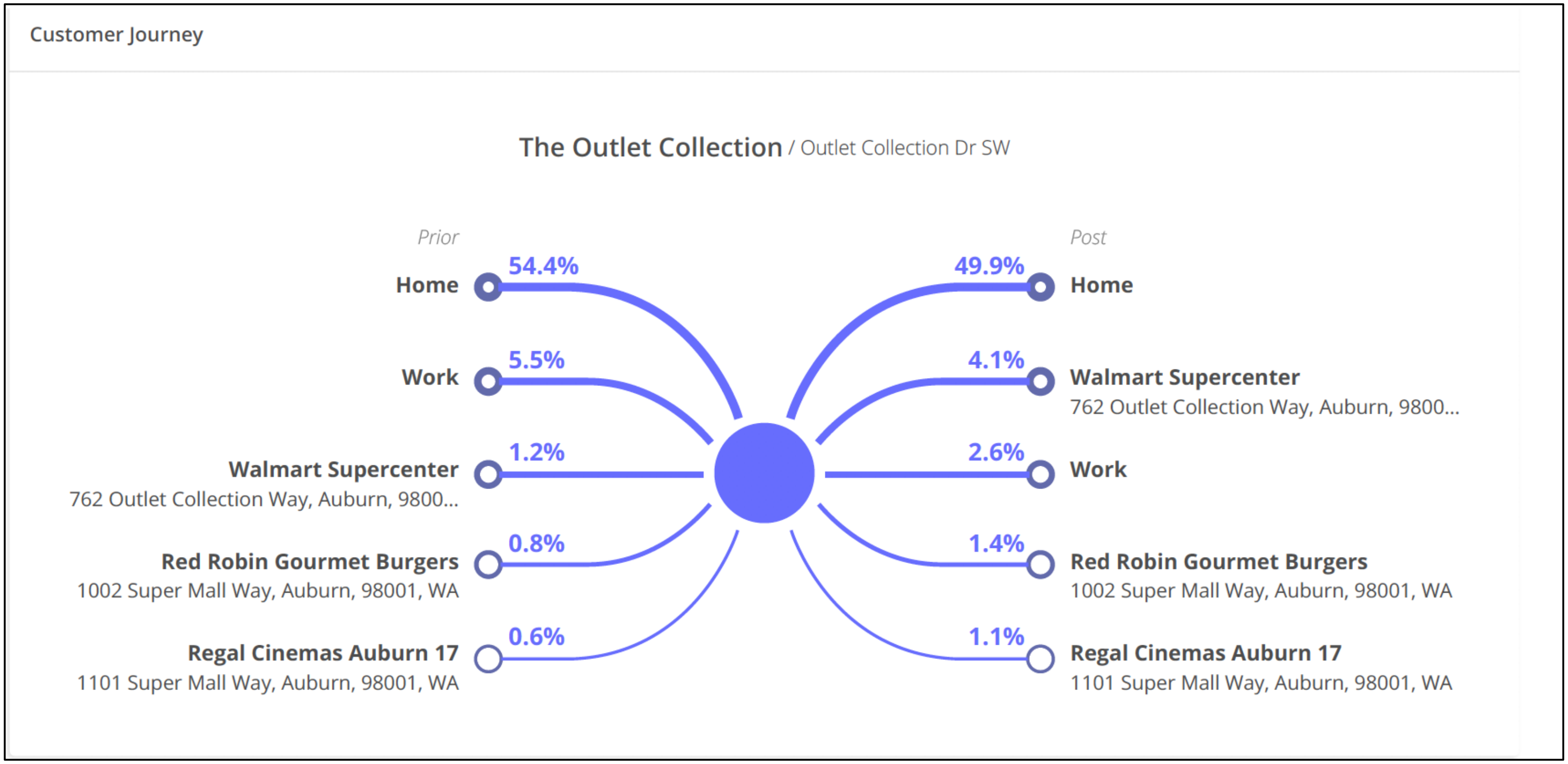


RETAIL TRADE AREA

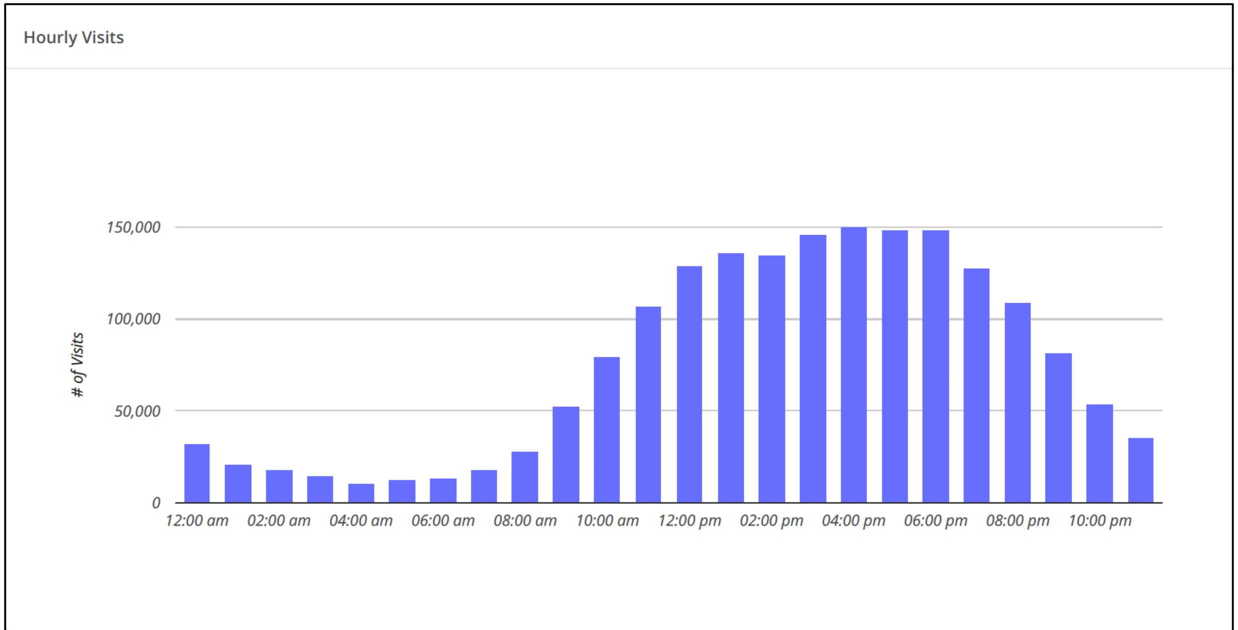
Mobile Data Studies

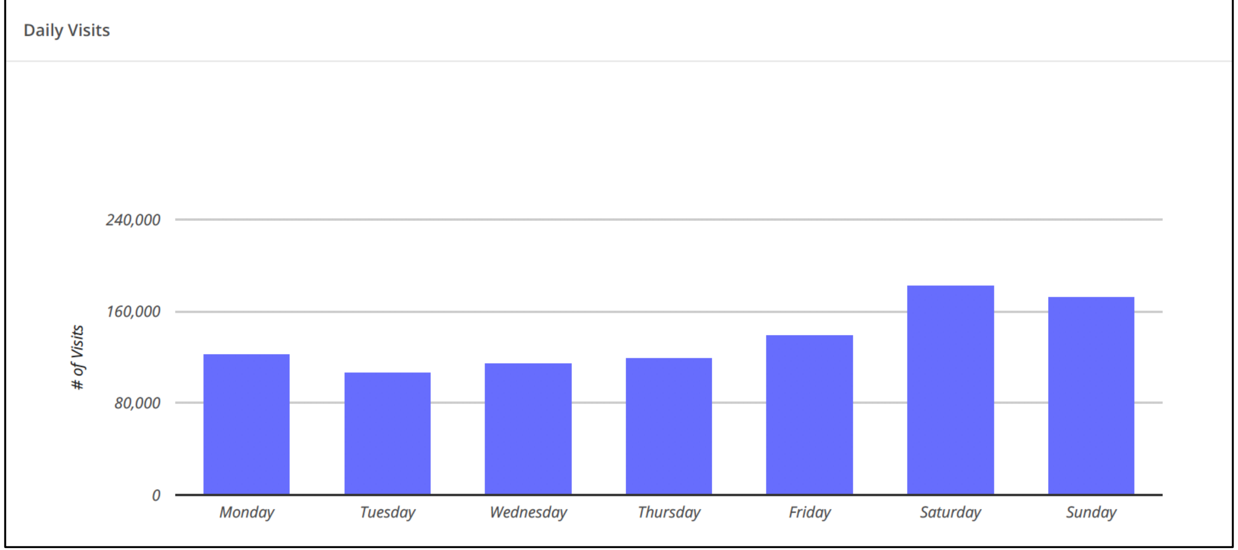


Cell Phone Data Studies

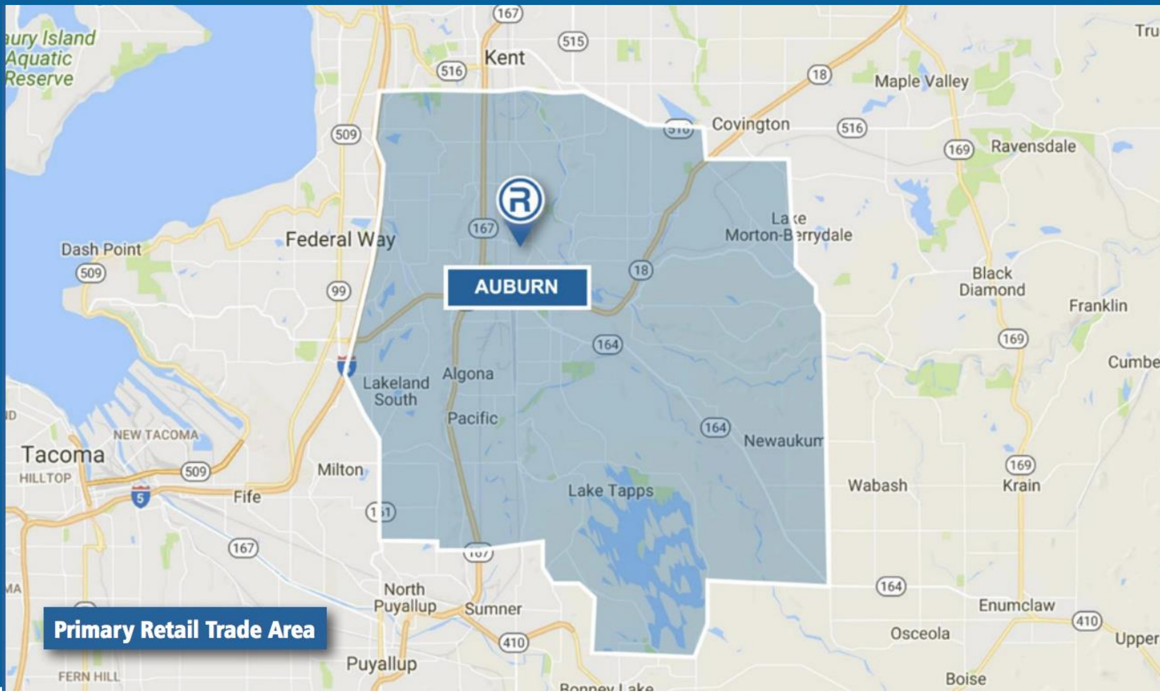


Cell Phone Data Studies





Retail Market Profile 2019



CITY OF AUBURN WASHINGTON

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January 2019. All information furnished is from sources deemed reliable and is submitted subject to errors, omissions, change of terms and/or conditions. Prepared by The Retail Coach, LLC, a national retail consulting and market research firm. 800.851.0962.

Population

	2000	2010	2019 ESTIMATE	2024 PROJECTION
Primary Retail Trade Area	132,468	158,446	185,052	198,895

2018: 181,842

Income

	2019 ESTIMATE
Average Household	$102,751
Median Household	$80,290
Per Capita	$36,143

2018 Avg. HH Income: $95,989

TheRetailCoach®

Educational Attainment

	2019 ESTIMATE
Graduate or Professional	7.5%
Bachelor's Degree	18.5%
Associate Degree	11.2%
Some College, No Degree	23.8%
High School Graduate	27.9%
Some High School, No Degree	6.7%
Less than 9th Grade	4.5%

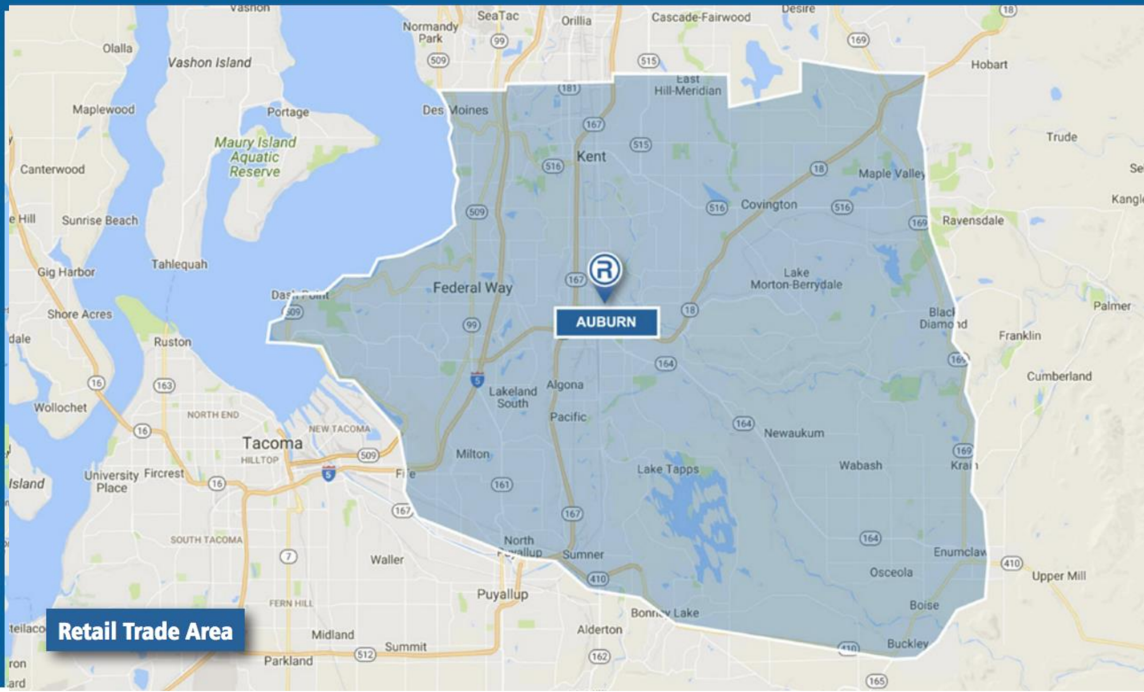
Race Distribution

	2019 ESTIMATE
White	64.73%
Black or African American	6.16%
American Indian/ Alaskan	1.88%
Asian	12.91%
Native Hawaiian/ Islander	1.79%
Other Race	6.31%
Two or More Races	6.22%
Hispanic or Latino (of any race)	13.06%

Age

GROUPS	2019 ESTIMATE
9 Years and Under	13.40%
10-17 Years	10.39%
18-24 Years	8.83%
25-34 Years	15.47%
35-44 Years	12.95%
45-54 Years	13.10%
55-64 Years	13.10%
65 Years and Over	12.77%
DISTRIBUTION	**2019 ESTIMATE**
Median Age	36.40
Average Age	37.67

Retail Market Profile 2019



![City of Auburn Washington logo]

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Population

	2000	2010	2019 ESTIMATE	2024 PROJECTION
Retail Trade Area	439,046	501,421	573,010	612,937

2018: 566,033

Income

	2019 ESTIMATE
Average Household	$101,337
Median Household	$78,562
Per Capita	$37,015

2018 Avg. HH Income: $95,130

TheRetailCoach®

Educational Attainment

	2019 ESTIMATE
Graduate or Professional	8.4%
Bachelor's Degree	19.0%
Associate Degree	10.8%
Some College, No Degree	24.5%
High School Graduate	26.4%
Some High School, No Degree	6.5%
Less than 9th Grade	4.5%

Race Distribution

	2019 ESTIMATE
White	62.23%
Black or African American	7.63%
American Indian/ Alaskan	1.32%
Asian	13.47%
Native Hawaiian/ Islander	1.92%
Other Race	6.93%
Two or More Races	6.51%
Hispanic or Latino (of any race)	14.26%

Age

GROUPS	2019 ESTIMATE
9 Years and Under	13.41%
10-17 Years	10.21%
18-24 Years	8.63%
25-34 Years	15.52%
35-44 Years	13.33%
45-54 Years	13.01%
55-64 Years	12.86%
65 Years and Over	13.04%
DISTRIBUTION	**2019 ESTIMATE**
Median Age	36.60
Average Age	37.82

Retail Gap Analysis

Community RGA

DESCRIPTION	POTENTIAL SALES	ACTUAL SALES	*LEAKAGE/SURPLUS	†LEAKAGE INDEX
Total retail trade including food and drinking places	**$1,716,880,174**	**$1,472,050,310**	**$244,829,864**	**0.86**
Motor vehicle and parts dealers	$238,346,836	$404,360,920	-$166,014,084	1.70
Automobile dealers	$191,439,302	$342,708,017	-$151,268,715	1.79
Other motor vehicle dealers	$24,864,441	$33,260,387	-$8,395,946	1.34
Automotive parts, accessories, and tire stores	$22,043,092	$28,392,516	-$6,349,424	1.29
Furniture and home furnishings stores	$23,774,534	$18,614,554	$5,159,980	0.78
Furniture stores	$10,824,101	$3,768,508	$7,055,593	0.35
Home furnishings stores	$12,950,433	$14,846,046	-$1,895,613	1.15
Electronics and appliance stores	$18,016,424	$3,945,927	$14,070,497	0.22
Household appliance stores	$2,765,800	$898,913	$1,866,887	0.33
Electronics stores	$15,250,624	$3,047,014	$12,203,610	0.20
Building material and garden equipment and supplies dealers	$82,518,203	$79,225,520	$3,292,683	0.96
Building material and supplies dealers	$71,254,442	$76,200,104	-$4,945,662	1.07
Home centers	$36,675,490	$43,555,757	-$6,880,267	1.19
Paint and wallpaper stores	$1,493,496	$3,029,869	-$1,536,373	2.03
Hardware stores	$9,249,739	$3,437,171	$5,812,568	0.37
Other building material dealers	$23,835,717	$26,177,307	-$2,341,590	1.10
Lawn and garden equipment and supplies stores	$11,263,762	$3,025,416	$8,238,346	0.27
Outdoor power equipment stores	$1,815,761	$144,424	$1,671,337	0.08
Nursery, garden center, and farm supply stores	$9,448,000	$2,880,992	$6,567,008	0.30
Food and beverage stores	$176,511,986	$133,945,050	$42,566,936	0.76
Grocery stores	$158,341,494	$112,427,319	$45,914,175	0.71
Supermarkets and other grocery (except convenience) stores	$153,218,995	$105,902,361	$47,316,634	0.69
Convenience stores	$5,122,500	$6,524,958	-$1,402,458	1.27
Specialty food stores	$5,299,436	$6,735,139	-$1,435,703	1.27
Beer, wine, and liquor stores	$12,871,055	$14,782,592	-$1,911,537	1.15

Community RGA

DESCRIPTION	POTENTIAL SALES	ACTUAL SALES	*LEAKAGE/SURPLUS	†LEAKAGE INDEX
Health and personal care stores	$47,823,925	$36,797,103	$11,026,822	0.77
Pharmacies and drug stores	$37,844,502	$24,713,622	$13,130,880	0.65
Cosmetics, beauty supplies, and perfume stores	$2,742,050	$5,696,201	-$2,954,151	2.08
Optical goods stores	$2,184,853	$2,432,132	-$247,279	1.11
Other health and personal care stores	$5,052,521	$3,955,148	$1,097,373	0.78
Gasoline stations	$69,172,107	$115,234,564	-$46,062,457	1.67
Clothing and clothing accessories stores	$46,472,987	$87,180,528	-$40,707,541	1.88
Clothing stores	$35,615,647	$66,269,737	-$30,654,090	1.86
Men's clothing stores	$1,084,089	$7,500,708	-$6,416,619	6.92
Women's clothing stores	$3,991,961	$14,567,154	-$10,575,193	3.65
Children's and infants' clothing stores	$1,482,222	$9,002,229	-$7,520,007	6.07
Family clothing stores	$25,125,758	$19,705,398	$5,420,360	0.78
Clothing accessories stores	$1,418,282	$5,158,805	-$3,740,523	3.64
Other clothing stores	$2,513,336	$10,335,443	-$7,822,107	4.11
Shoe stores	$5,087,270	$5,364,701	-$277,431	1.05
Jewelry, luggage, and leather goods stores	$5,770,069	$15,546,090	-$9,776,021	2.69
Jewelry stores	$5,418,069	$15,502,011	-$10,083,942	2.86
Luggage and leather goods stores	$352,001	$44,079	$307,922	0.13
Sporting goods, hobby, musical instrument, and book stores	$17,911,065	$22,432,283	-$4,521,218	1.25
Sporting goods, hobby, and musical instrument stores	$15,931,761	$21,603,801	-$5,672,040	1.36
Sporting goods stores	$9,429,730	$20,290,772	-$10,861,042	2.15
Hobby, toy, and game stores	$4,093,473	$1,089,703	$3,003,770	0.27
Sewing, needlework, and piece goods stores	$1,382,242	$223,326	$1,158,916	0.16
Musical instrument and supplies stores	$1,026,317	$0	$1,026,317	0.00
Book stores and news dealers	$1,979,304	$828,482	$1,150,822	0.42

Community RGA

DESCRIPTION	POTENTIAL SALES	ACTUAL SALES	*LEAKAGE/SURPLUS	†LEAKAGE INDEX
General merchandise stores	$187,419,950	$337,738,590	-$150,318,640	1.80
Department stores	$26,951,690	$44,828,203	-$17,876,513	1.66
Other general merchandise stores	$160,468,260	$292,910,387	-$132,442,127	1.83
Miscellaneous store retailers	$26,700,326	$38,352,054	-$11,651,728	1.44
Florists	$929,799	$6,358,675	-$5,428,876	6.84
Office supplies, stationery, and gift stores	$4,143,493	$6,170,278	-$2,026,785	1.49
Office supplies and stationery stores	$1,945,068	$5,525,187	-$3,580,119	2.84
Gift, novelty, and souvenir stores	$2,198,425	$645,091	$1,553,334	0.29
Used merchandise stores	$6,838,583	$1,939,486	$4,899,097	0.28
Other miscellaneous store retailers	$14,788,450	$23,883,615	-$9,095,165	1.62
Pet and pet supplies stores	$5,269,848	$3,129,904	$2,139,944	0.59
All other miscellaneous store retailers	$9,518,602	$20,753,711	-$11,235,109	2.18
Non-store retailers	$635,940,676	$40,717,129	$595,223,547	0.06
Food services and drinking places	$146,271,155	$153,506,088	-$7,234,933	1.05
Special food services	$10,688,009	$4,761,743	$5,926,266	0.45
Drinking places (alcoholic beverages)	$6,908,481	$1,991,989	$4,916,492	0.29
Restaurants and other eating places	$128,674,666	$146,752,356	-$18,077,690	1.14
Full-service restaurants	$65,870,351	$53,273,640	$12,596,711	0.81
Limited-service restaurants	$46,999,872	$89,170,379	-$42,170,507	1.90
Cafeterias, grill buffets, and buffets	$1,285,519	$2,143,290	-$857,771	1.67
Snack and nonalcoholic beverage bars	$14,518,923	$2,165,047	$12,353,876	0.15

Primary Retail Trade A

DESCRIPTION	POTENTIAL SALES	ACTUAL SALES	*LEAKAGE/SURPLUS	†LEAKAGE INDEX
Total retail trade including food and drinking places	**$3,206,901,598**	**$1,472,050,310**	**$1,734,851,288**	**0.46**
Motor vehicle and parts dealers	$445,199,881	$404,360,920	$40,838,961	0.91
Automobile dealers	$357,582,908	$342,708,017	$14,874,891	0.96
Other motor vehicle dealers	$46,443,437	$33,260,387	$13,183,050	0.72
Automotive parts, accessories, and tire stores	$41,173,536	$28,392,516	$12,781,020	0.69
Furniture and home furnishings stores	$44,407,637	$18,614,554	$25,793,083	0.42
Furniture stores	$20,217,968	$3,768,508	$16,449,460	0.19
Home furnishings stores	$24,189,669	$14,846,046	$9,343,623	0.61
Electronics and appliance stores	$33,652,260	$3,945,927	$29,706,333	0.12
Household appliance stores	$5,166,142	$898,913	$4,267,229	0.17
Electronics stores	$28,486,117	$3,047,014	$25,439,103	0.11
Building material and garden equipment and supplies dealers	$154,132,922	$79,225,520	$74,907,402	0.51
Building material and supplies dealers	$133,093,728	$76,200,104	$56,893,624	0.57
Home centers	$68,504,890	$43,555,757	$24,949,133	0.64
Paint and wallpaper stores	$2,789,650	$3,029,869	-$240,219	1.09
Hardware stores	$17,277,270	$3,437,171	$13,840,099	0.20
Other building material dealers	$44,521,918	$26,177,307	$18,344,611	0.59
Lawn and garden equipment and supplies stores	$21,039,194	$3,025,416	$18,013,778	0.14
Outdoor power equipment stores	$3,391,598	$144,424	$3,247,174	0.04
Nursery, garden center, and farm supply stores	$17,647,596	$2,880,992	$14,766,604	0.16
Food and beverage stores	$329,700,685	$133,945,050	$195,755,635	0.41
Grocery stores	$295,760,647	$112,427,319	$183,333,328	0.38
Supermarkets and other grocery (except convenience) stores	$286,192,506	$105,902,361	$180,290,145	0.37
Convenience stores	$9,568,141	$6,524,958	$3,043,183	0.68
Specialty food stores	$9,898,635	$6,735,139	$3,163,496	0.68
Beer, wine, and liquor stores	$24,041,403	$14,782,592	$9,258,811	0.61

Primary Retail Trade Area RGA

DESCRIPTION	POTENTIAL SALES	ACTUAL SALES	*LEAKAGE/SURPLUS	†LEAKAGE INDEX
Health and personal care stores	$89,328,670	$36,797,103	$52,531,567	0.41
Pharmacies and drug stores	$70,688,448	$24,713,622	$45,974,826	0.35
Cosmetics, beauty supplies, and perfume stores	$5,121,781	$5,696,201	-$574,420	1.11
Optical goods stores	$4,081,011	$2,432,132	$1,648,879	0.60
Other health and personal care stores	$9,437,430	$3,955,148	$5,482,282	0.42
Gasoline stations	$129,204,206	$115,234,564	$13,969,642	0.89
Clothing and clothing accessories stores	$86,805,298	$87,180,528	-$375,230	1.00
Clothing stores	$66,525,246	$66,269,737	$255,509	1.00
Men's clothing stores	$2,024,932	$7,500,708	-$5,475,776	3.70
Women's clothing stores	$7,456,446	$14,567,154	-$7,110,708	1.95
Children's and infants' clothing stores	$2,768,592	$9,002,229	-$6,233,637	3.25
Family clothing stores	$46,931,542	$19,705,398	$27,226,144	0.42
Clothing accessories stores	$2,649,160	$5,158,805	-$2,509,645	1.95
Other clothing stores	$4,694,574	$10,335,443	-$5,640,869	2.20
Shoe stores	$9,502,337	$5,364,701	$4,137,636	0.56
Jewelry, luggage, and leather goods stores	$10,777,715	$15,546,090	-$4,768,375	1.44
Jewelry stores	$10,120,225	$15,502,011	-$5,381,786	1.53
Luggage and leather goods stores	$657,490	$44,079	$613,411	0.07
Sporting goods, hobby, musical instrument, and book stores	$33,455,464	$22,432,283	$11,023,181	0.67
Sporting goods, hobby, and musical instrument stores	$29,758,390	$21,603,801	$8,154,589	0.73
Sporting goods stores	$17,613,468	$20,290,772	-$2,677,304	1.15
Hobby, toy, and game stores	$7,646,058	$1,089,703	$6,556,355	0.14
Sewing, needlework, and piece goods stores	$2,581,842	$223,326	$2,358,516	0.09
Musical instrument and supplies stores	$1,917,022	$0	$1,917,022	0.00
Book stores and news dealers	$3,697,074	$828,482	$2,868,592	0.22

Primary Retail Trade Area RGA

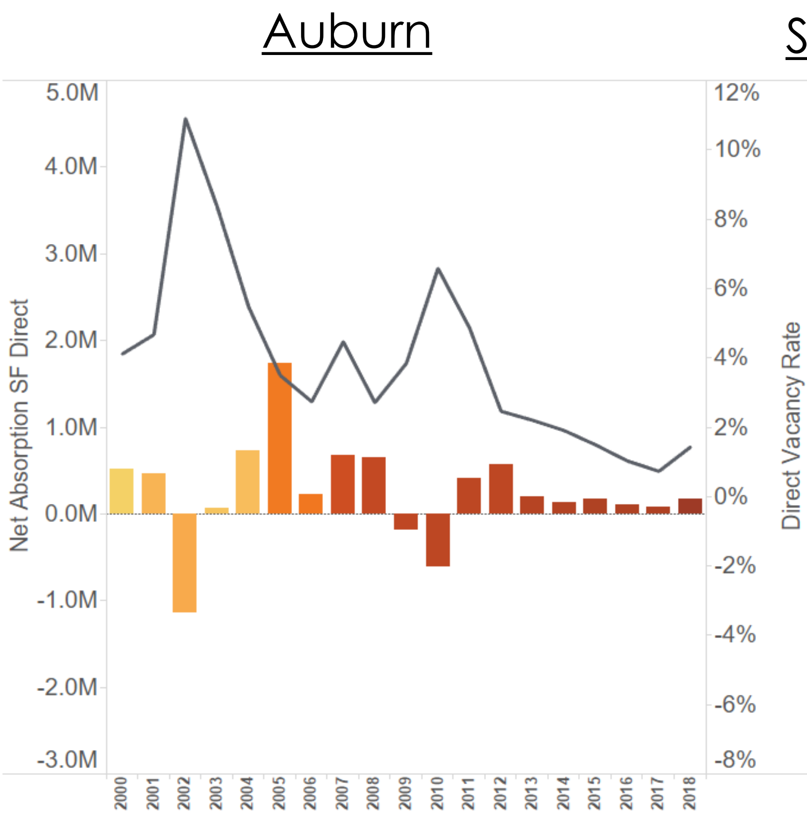
DESCRIPTION	POTENTIAL SALES	ACTUAL SALES	*LEAKAGE/SURPLUS	†LEAKAGE INDEX
General merchandise stores	$350,075,298	$337,738,590	$12,336,708	0.96
Department stores	$50,342,137	$44,828,203	$5,513,934	0.89
Other general merchandise stores	$299,733,161	$292,910,387	$6,822,774	0.98
Miscellaneous store retailers	$49,872,623	$38,352,054	$11,520,569	0.77
Florists	$1,736,740	$6,358,675	-$4,621,935	3.66
Office supplies, stationery, and gift stores	$7,739,489	$6,170,278	$1,569,211	0.80
Office supplies and stationery stores	$3,633,126	$5,525,187	-$1,892,061	1.52
Gift, novelty, and souvenir stores	$4,106,363	$645,091	$3,461,272	0.16
Used merchandise stores	$12,773,556	$1,939,486	$10,834,070	0.15
Other miscellaneous store retailers	$27,622,838	$23,883,615	$3,739,223	0.86
Pet and pet supplies stores	$9,843,368	$3,129,904	$6,713,464	0.32
All other miscellaneous store retailers	$17,779,471	$20,753,711	-$2,974,240	1.17
Non-store retailers	$1,187,851,779	$40,717,129	$1,147,134,650	0.03
Food services and drinking places	$273,214,875	$153,506,088	$119,708,787	0.56
Special food services	$19,963,765	$4,761,743	$15,202,022	0.24
Drinking places (alcoholic beverages)	$12,904,114	$1,991,989	$10,912,125	0.15
Restaurants and other eating places	$240,346,995	$146,752,356	$93,594,639	0.61
Full-service restaurants	$123,036,971	$53,273,640	$69,763,331	0.43
Limited-service restaurants	$87,789,448	$89,170,379	-$1,380,931	1.02
Cafeterias, grill buffets, and buffets	$2,401,177	$2,143,290	$257,887	0.89
Snack and nonalcoholic beverage bars	$27,119,399	$2,165,047	$24,954,352	0.08

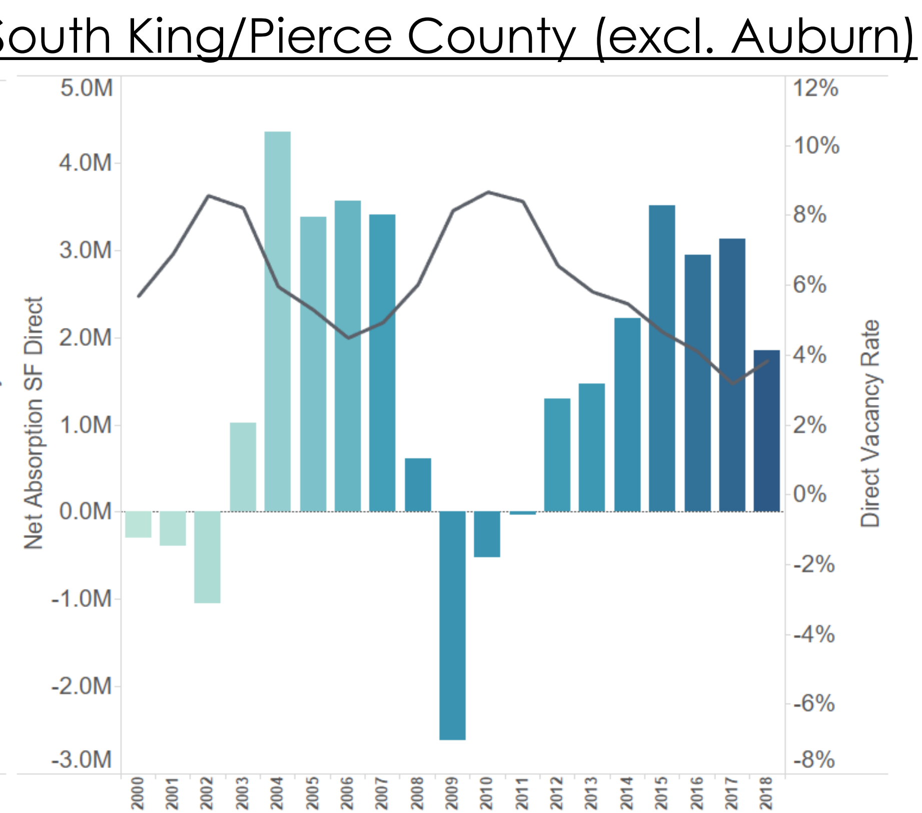
3

MARKET AND DEVELOPMENT CAPACITY

MARKET ASSESSMENT

Industrial Net Absorption & Vacancy Trends





- Slight vacancy increase for both Auburn and in Market Area since 2017

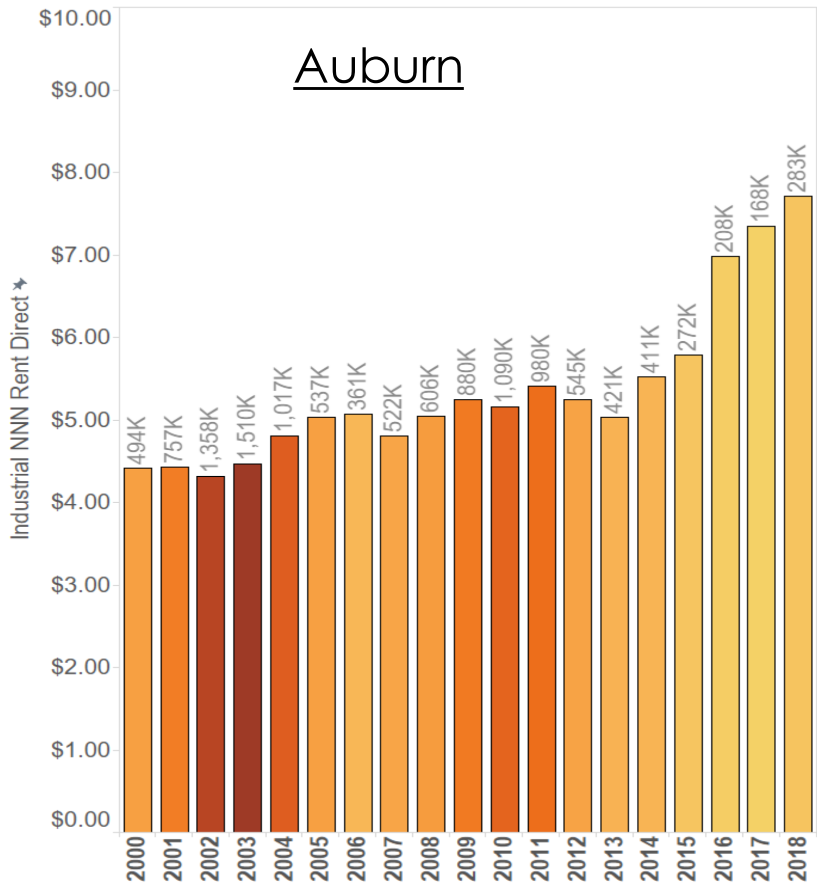
BARS: Net Absorption
LINE: Vacancy Rate

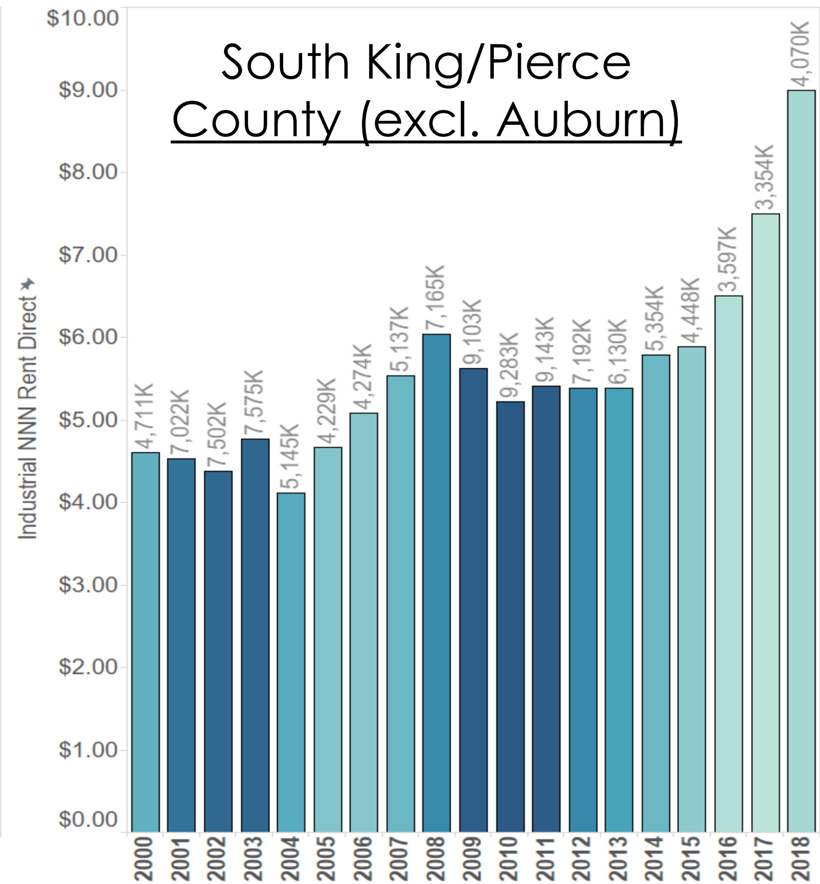
Inventory
\- +

Source: CoStar

MARKET ASSESSMENT

Industrial Rental Rate & Vacancy Trends





- Increase in rent since 2017 (4.9% increase in Auburn, 20% increase in Market Area)

BARS: Industrial Rent
LABEL: Vacant SF

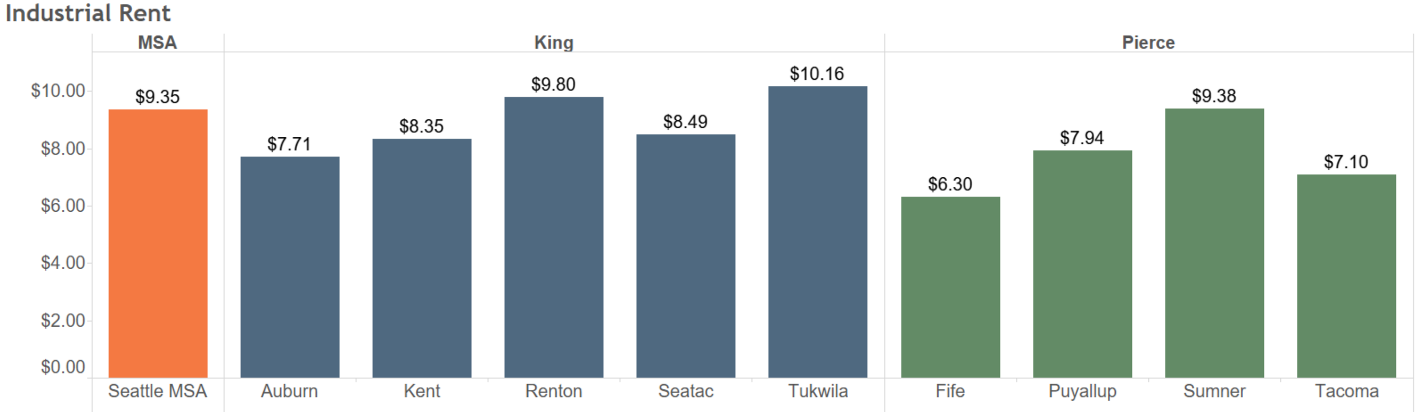
Vacancy
\- +

Source: CoStar

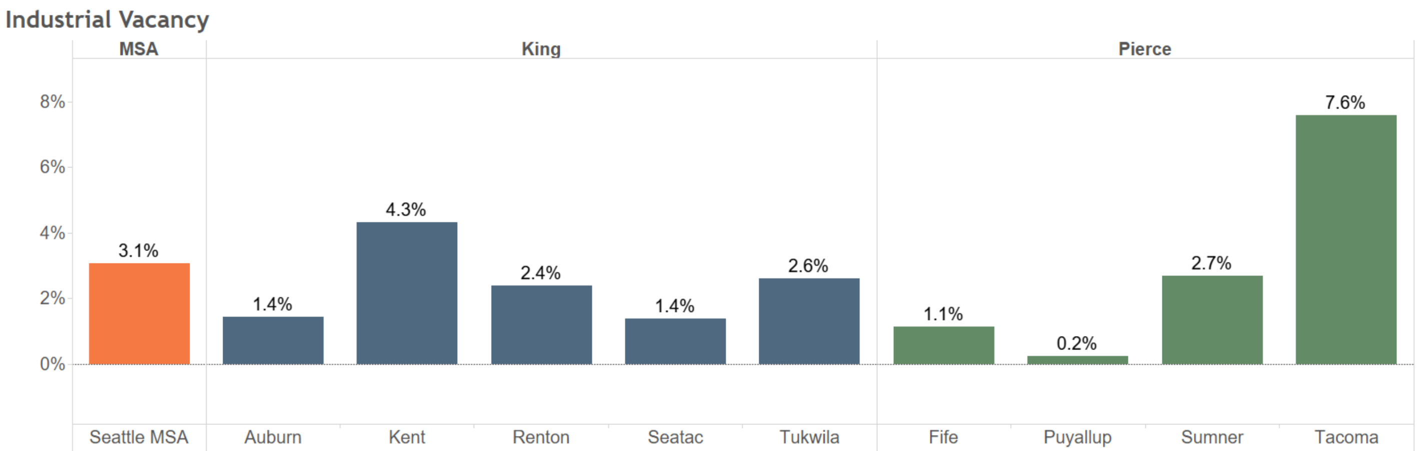
MARKET ASSESSMENT

Industrial Market Fundamentals Comparison

Average NNN Rent Direct



Direct Vacancy Rate

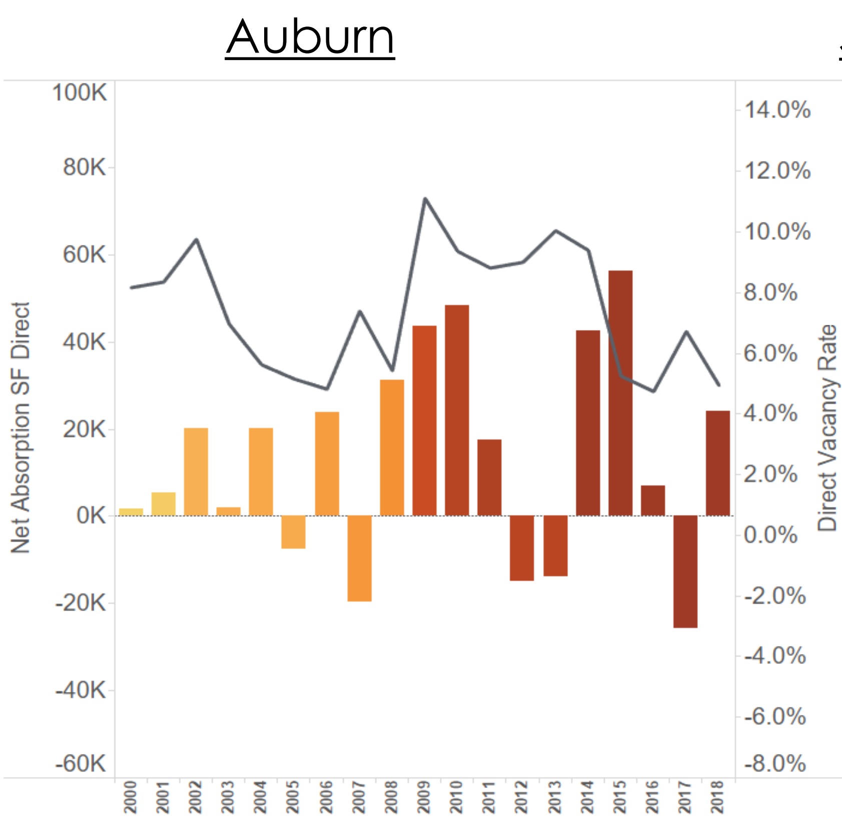


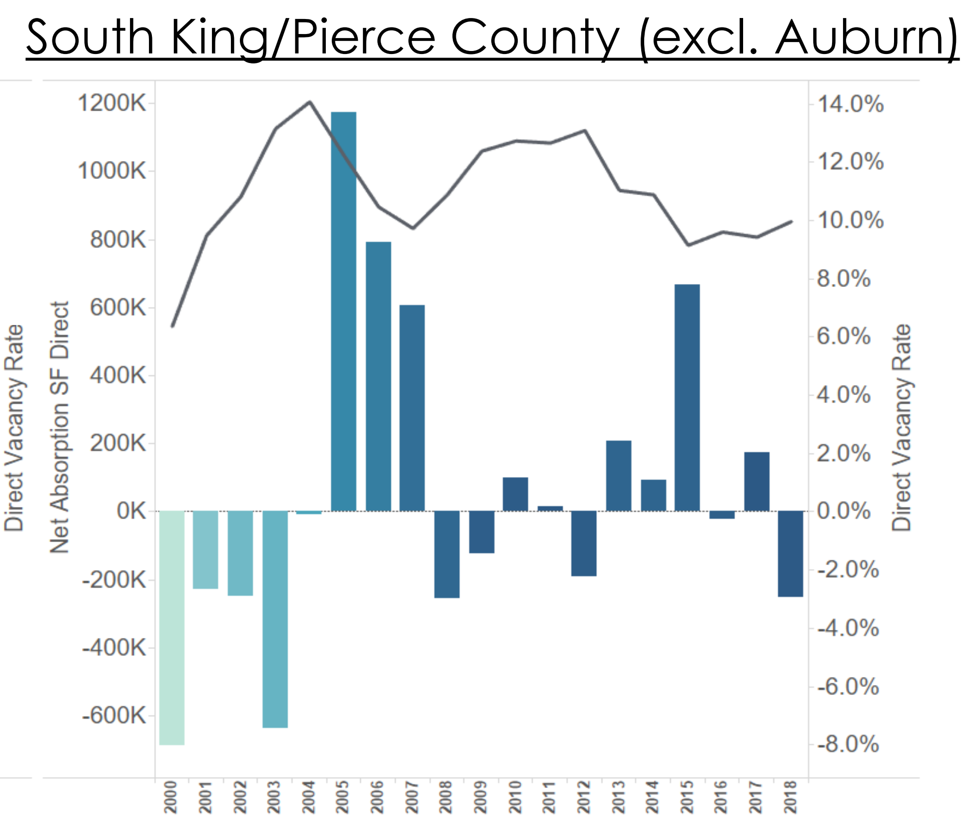
- Lower rent in Auburn compared to peer King County markets
- Very low vacancy compared to peer King County markets

Source: CoStar

MARKET ASSESSMENT

Office Net Absorption & Vacancy Trends





- Steady vacancy rate since 2015 in both Auburn (5%) and in Market Area (10%)

BARS: Net Absorption
LINE: Vacancy Rate

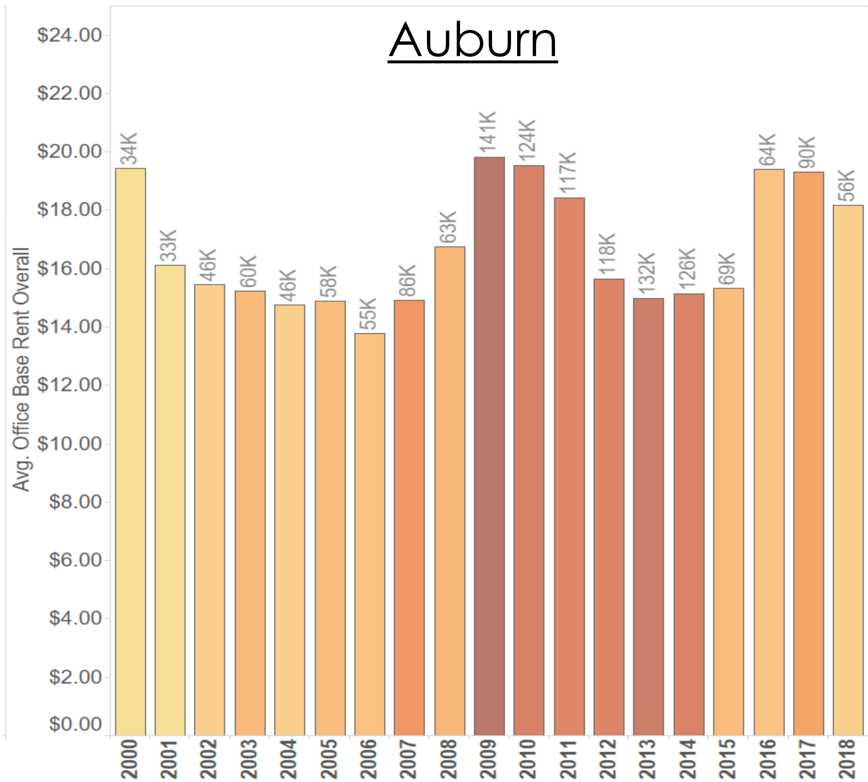
Inventory

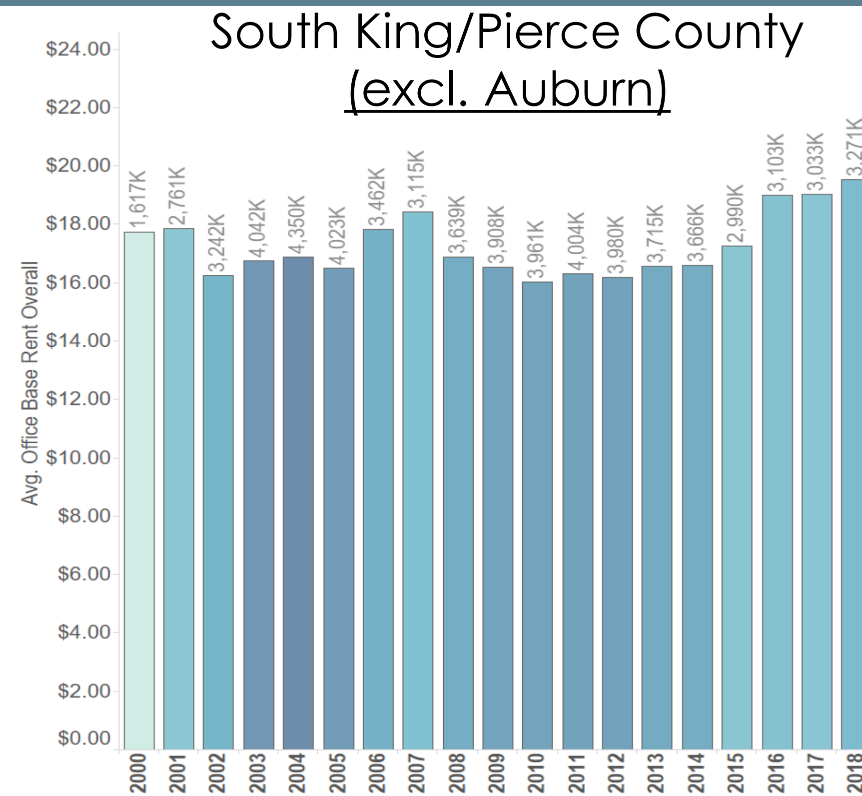
\- +

Source: CoStar

MARKET ASSESSMENT

Office Rental Rate & Vacancy Trends





- Slight rent decrease since 2017 (5.6% from $19.2 to $18.2) for Auburn

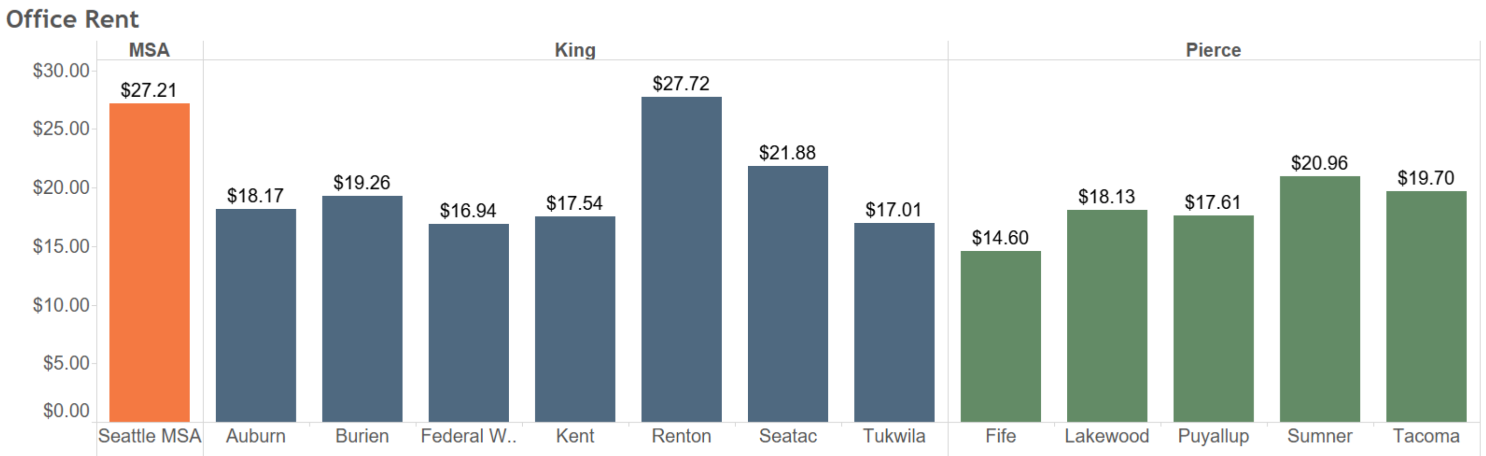
Label = Vacant Available SF

Source: CoStar

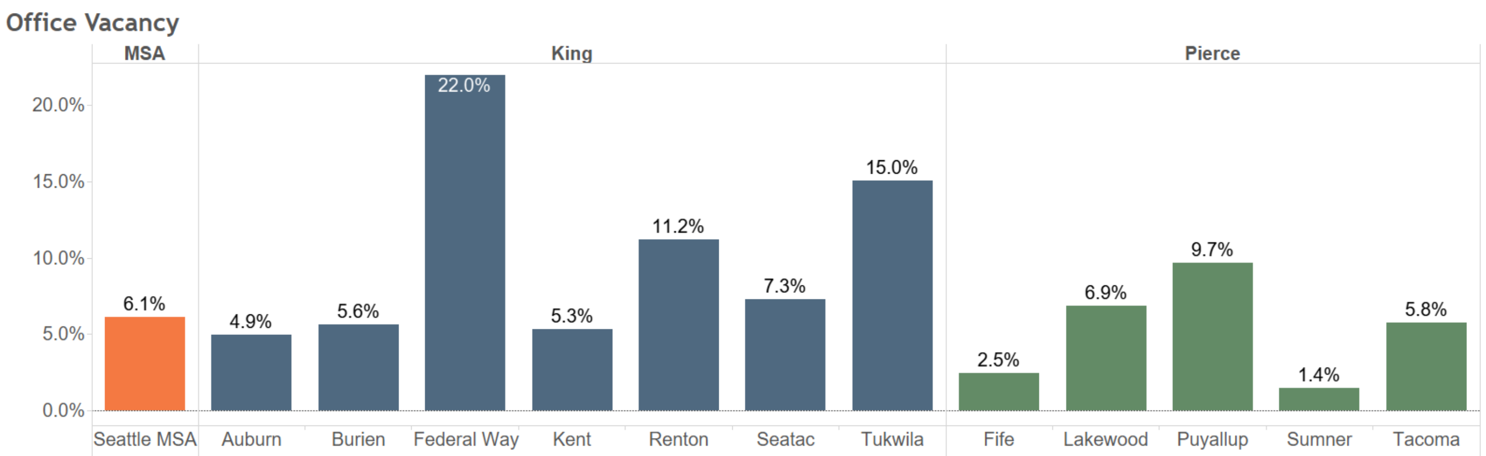
MARKET ASSESSMENT

Office Market Fundamentals Comparison

Average NNN Rent Direct



Direct Vacancy Rate



- Competitive rent for Auburn compared to peer markets
- Low vacancy rate compared to peer King County markets

Source: CoStar

MARKET CAPACITY

Full Buildout Scenario:
Additional Market and Employment Capacity

	Office		Industrial	
	Building SF	**Est. Jobs Supported**	**Building SF**	**Est. Jobs Supported**
Pipeline Parcel	1,611,000	6,000	36,000	25
Ready to Develop	890,000	3,300	5,385,000	3,800
Likely to Redevelop	351,000	1,300	2,194,000	1,500
Potential to Redevelop	768,000	2,900	3,313,000	2,300
Total Net New	**3,620,000**	**13,500**	**10,928,000**	**7,625**

Assumptions:
1 Office Job/240 SF
1 Industrial Job/1,350SF

2018 Permitted New Construction

Category	Sq. Ft
Office	792
Industrial	261,553*
Total	**262,345**

Major Completed Projects

- *North Auburn Industrial Warehouse(262k SF)
- Lakeland Heated Storage (71k SF)
- DCT Hudson Distribution Center (261 KSF)
- Boeing Operations Readiness Center (71k SF)

Source: City Of Auburn; King County Assessor

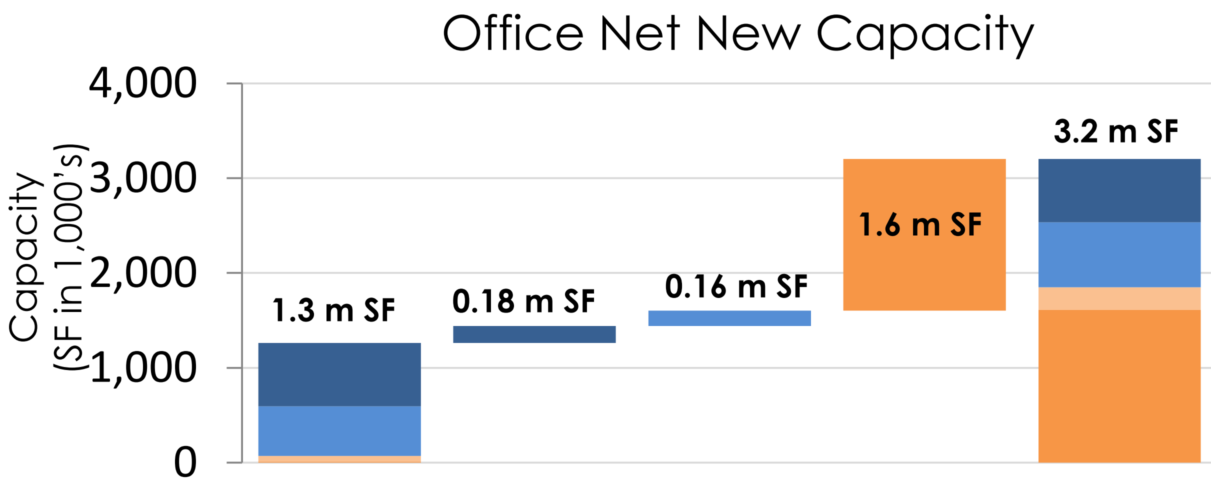
MARKET CAPACITY

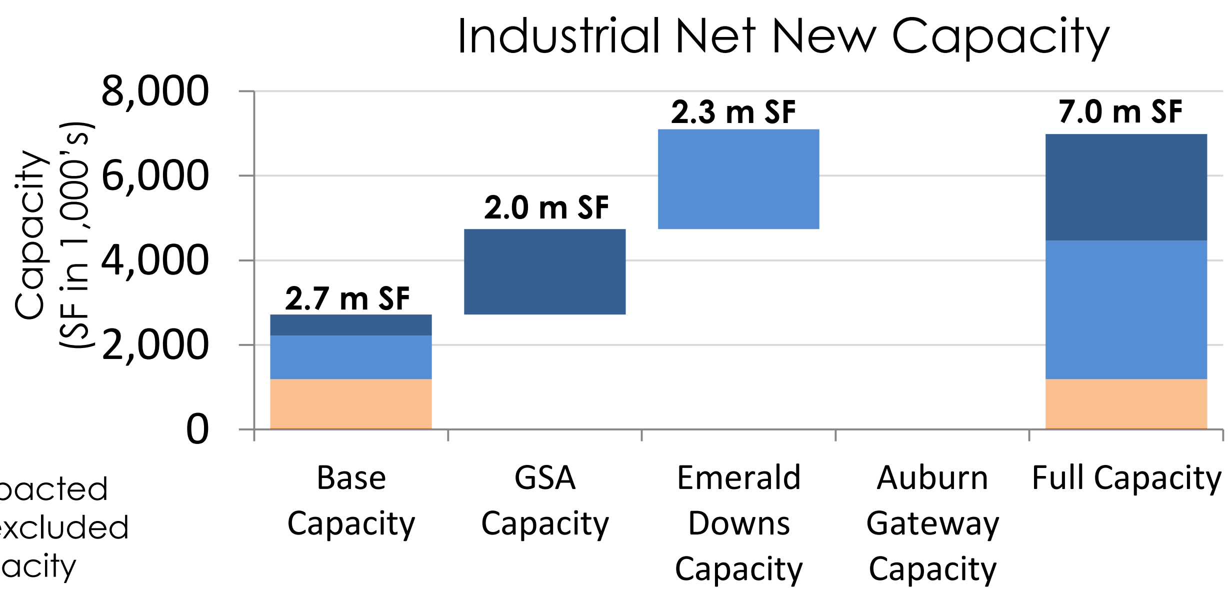
Industrial & Office Development Opportunity Areas

MARKET CAPACITY

2025 Office & Industrial Space Demand (sf)

	Office	Industrial
Employment Projection	4,592	17,582
Employment Increase	423	1,793
Space in Demand	101,520	2,420,550





- Potential to Redevelop
- Ready to Develop
- Likely to Redevelop
- Pipeline Parcel

*Wetland impacted areas were excluded net new capacity calculations.

Source: City Of Auburn, King County Assessor

4

10 YEAR PLAN PROGRESS/HIGHLIGHTS AND SCORECARD

OPPORTUNITY AREAS

DELIVERY

A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn

PRODUCT

An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base

PLACE

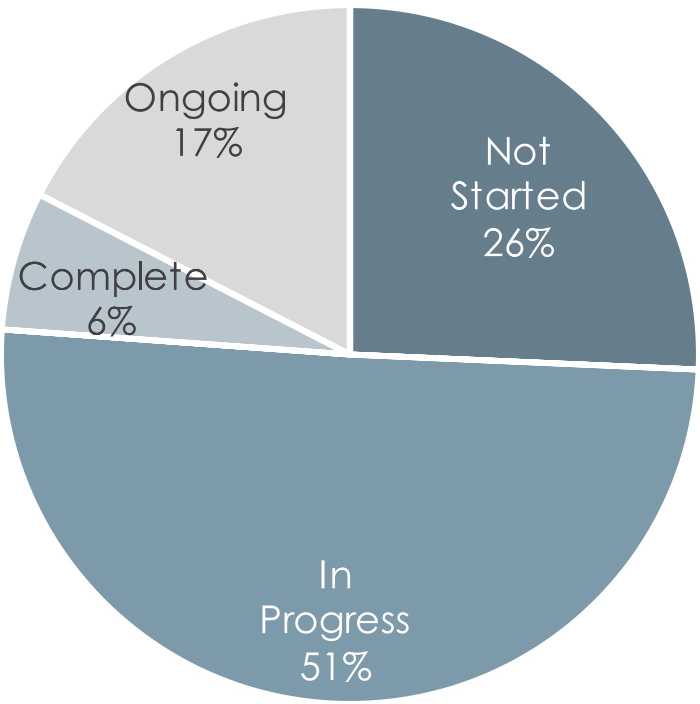
Attractive gateways, impression corridors, and destinations that define the character of Auburn

MESSAGING

A coordinated marketing and branding campaign that elevates Auburn’s reputation among internal and external audiences

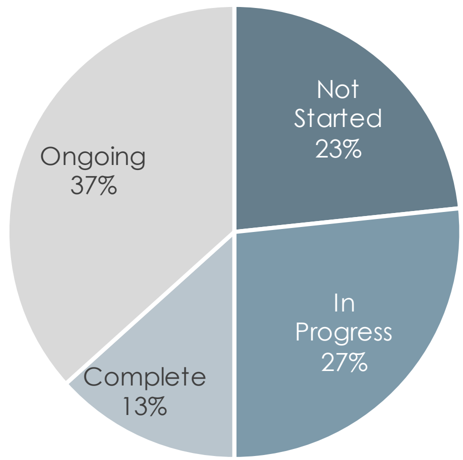
IMPLEMENTATION PROGRESS

ALL OPPORTUNITIES

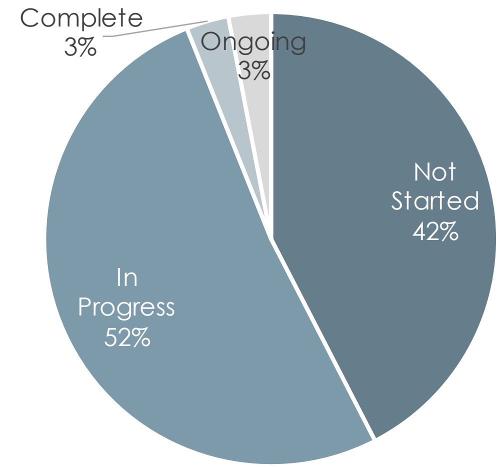


Note: Original categories (Not Started, In progress, and Complete) were expanded to include "Ongoing" status in order to better reflect the nature of some plan activities.

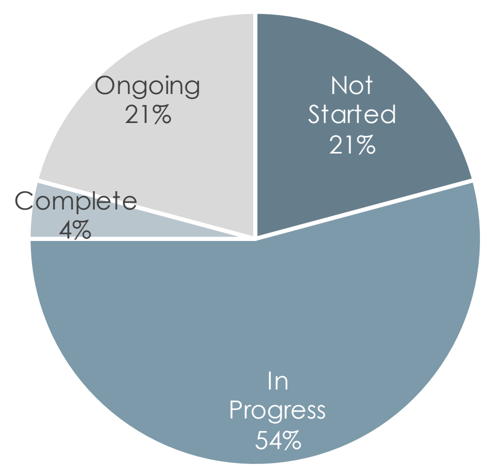
1: DELIVERY



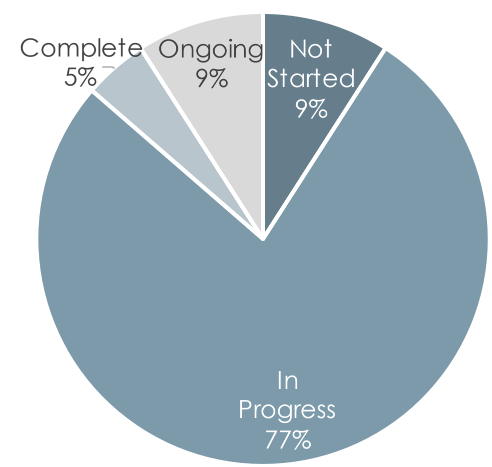
2: PRODUCT



3: PLACE



4: MESSAGING



DELIVERY

A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn

- Hired Economic Development Officer
- Entrepreneurship
  - Continued Year 2 Incubator Operations
  - Contracted SBDC for 10 Business Classes
- Mayor Business Visits scheduled every 3 weeks
- Regional Organizations:
  - Supported Regional EDC reorganization into GSP
  - Deepened Pierce County EDB Relationship
- Expanded business participation in weekly networking
- CTE Forum with Businesses & Schools

PRODUCT

An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base

- Commercially zoned land analysis (Heartland)
- Continued coordination with GSA during ongoing surplus/land disposal process
- Continued facilitation of developer attraction to RPG property
- Business License Permitting dashboard to increase efficiency
- Reinvigorated BIA, ADA

PLACE

Attractive gateways, impression corridors, and destinations that define the character of Auburn

- Identified Sound Transit parking garage location
- Revised BIA ratepayer types (exemption rules)
- Assisted A Little Knitty & Rail Hopin DUC relocation
- Assisted Relocation of Heritage Fire affected businesses

MESSAGING

A coordinated marketing and branding campaign that elevates Auburn's reputation among internal and external audiences

- Developed marketing strategy based on extensive regional A/B testing
- Updated "Doing Business in Auburn" Resource Guide
- I-5 Corridor "Create Your Own Adventure" campaign
- Digital Marketing & Audience targeting for multiple business forums
- Multiple FAM trips & Hotel Concierge trainings

RESULTS

- Community organizations are functioning again: BIA, ADA, Tourism Board, LTAC
- Deepened SBDC relationship resulting in education opportunities for 450 RSVP'd business class attendees
- New infill /construction resulting in 380k+ sft.: Ingalinas, Bio Impact, Panatone, Laser Cut NW, Space Flight, Cascade Gasket and double digit job creation.
- Downtown
  - 2 residential projects – 400+ units
  - New restaurants and stores
- 300+ new hotel rooms planned

PRIORITIES FOR 2019

- Begin Auburn Way South revitalization work
- Increase business retention & expansion through:
  - More personalized business interaction (direct email, newsletters, in person)
  - Broadening the Buy Local program (in store decals, publishing business interest stories, small business Saturday events, awareness of sales tax revenue as related to city improvements)
  - Industry cluster focus groups & surveys

AUBURN ECONOMIC DASHBOARD

2018

59,952
JOBS

4.1%
UNEMPLOYMENT

40,963
LABOR FORCE

$9.2 B
REGIONAL PRODUCT

TOP INDUSTRIES BY EMPLOYMENT:

GOVERNMENT

MANUFACTURING

RETAIL TRADE

CONSTRUCTION

Source: Emsi 2019.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed, US Bureau of Labor Statistics.
Note: Industries by 2-digit NAICS code ranking. Emsi figures represent the sum of the following ZIP codes: 98001, 98002, 98071, 98092.

AUBURN ECONOMIC DASHBOARD

2018

+15.7%
JOB GROWTH
2013-2018

4.1%
UNEMPLOYMENT

40,963
LABOR FORCE

$9.2 B
REGIONAL
PRODUCT

TOP INDUSTRIES BY EMPLOYMENT:

GOVERNMENT

MANUFACTURING

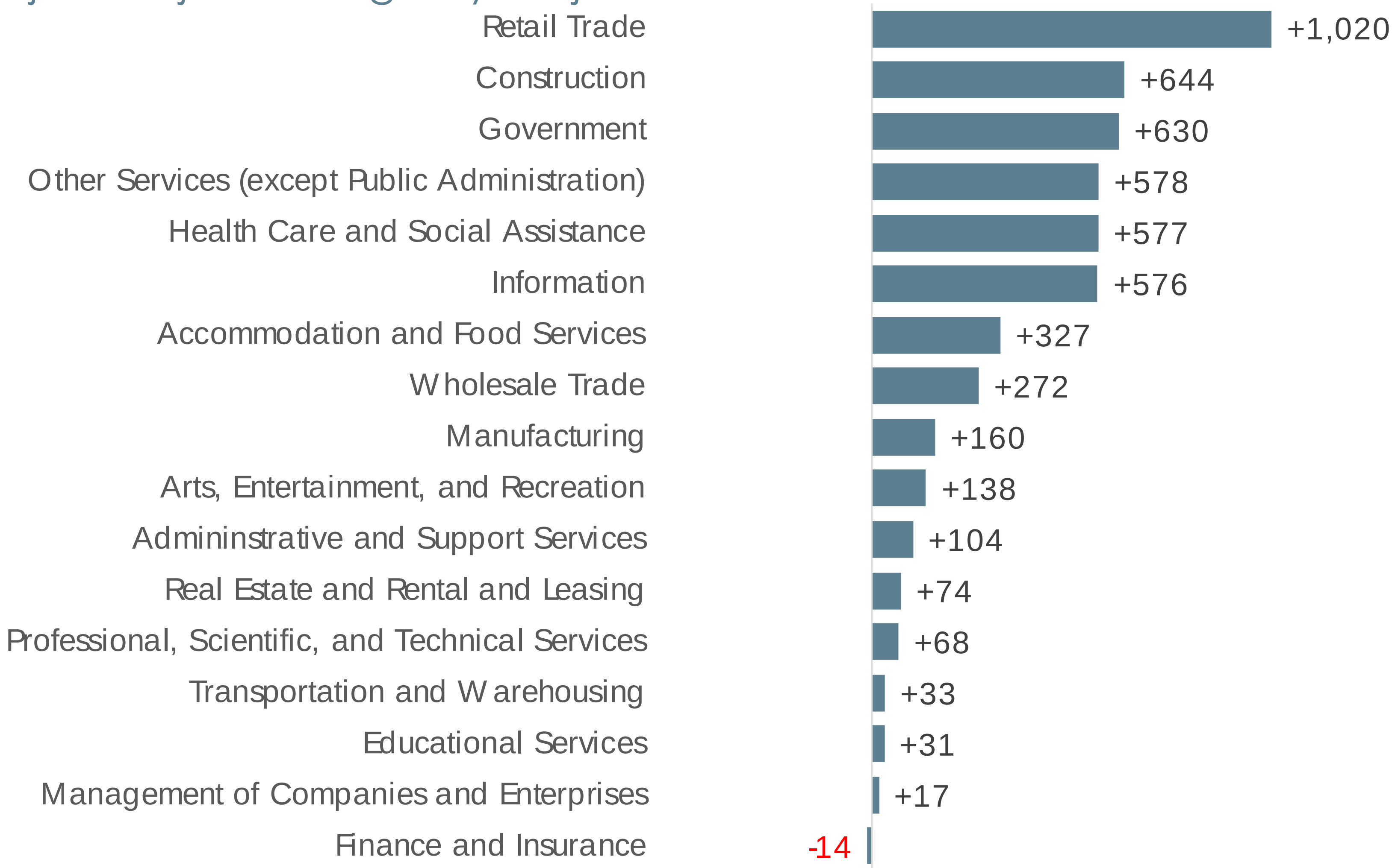
RETAIL TRADE

CONSTRUCTION

Source: Emsi 2019.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed, US Bureau of Labor Statistics.
Note: Industries by 2-digit NAICS code ranking.

EXPECTED INDUSTRY GROWTH (CITY OF AUBURN)

Projected job change by major sector, 2018-2023



Source: Emsi 2019.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed. City of Auburn defined as as 98001, 98002, 98071, 98092 ZIP codes. Excludes sectors with fewer than 100 jobs in 2018 (i.e., Agriculture; Mining, Quarrying, and O&G; Utilities; and unclassified employment).

PERFORMANCE: TAX BASE

Property Tax Base

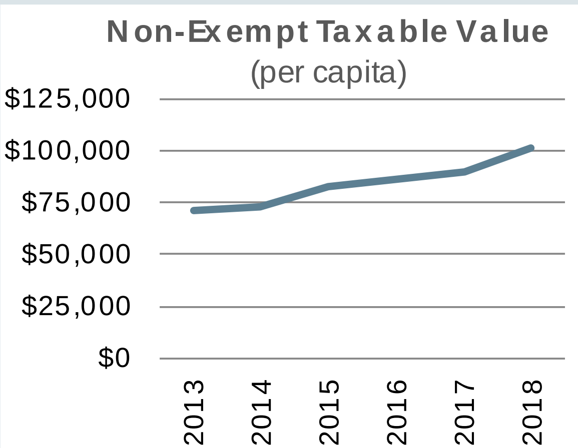
\+ The tax base has grown steadily since 2013.

Commercial Tax Base

\- The share of the commercial tax base is below 2013 peak.

Retail Sales

\+ Retail sales tax receipts per capita have remained steady.



Source: King County Tax Assessor

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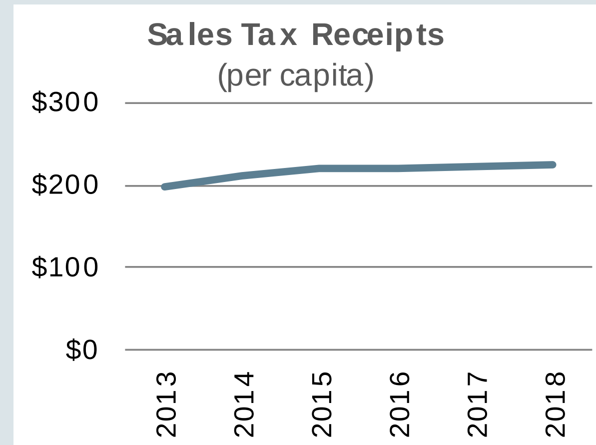


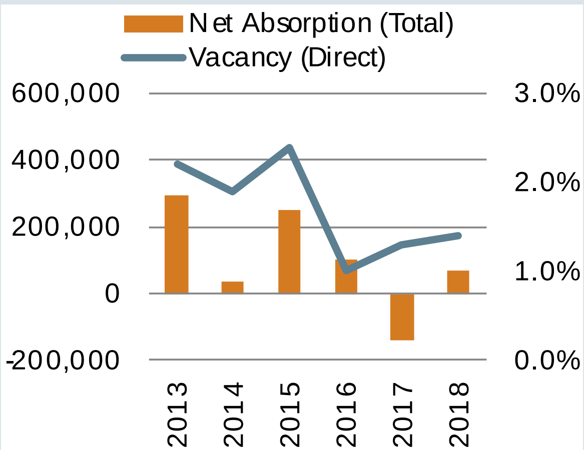
Source: City of Auburn

- 2018 property tax base grew by 12% from prior year
  - Commercial values rose by 46% (vs -26% decline 2016-2017), but remain a smaller share of the total compared to 2013.
  - Residential property value declined by -4%, following dramatic increase (38%) between 2016-2017.
- Retail sales increased by 4% (same as 2016-2017 period)

PERFORMANCE: MARKET DATA

Industrial Market

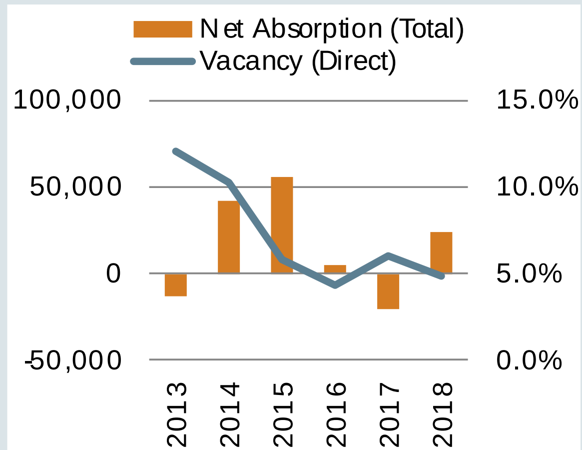
The vacancy rate rose slightly with recent (2017) negative net absorption.



Source: CoStar (via Heartland)

Office Market

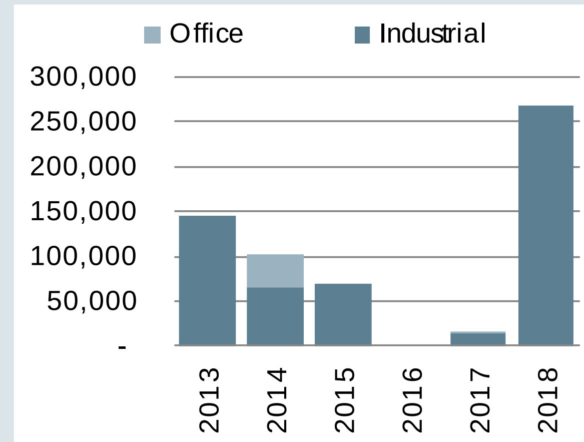
Vacancy rates have hovered near 5% in recent years.



Source: CoStar (via Heartland)

New Space Delivery

2018 saw a dramatic addition of new industrial space.



Source: CoStar (via Heartland)

- Vacancy rates for office and industrial remain low.
- Absorption rates have fluctuated during the period.
- Following several years of little to no change, more than ¼ million square feet of industrial space was delivered in 2018.

PERFORMANCE: ECONOMIC OPPORTUNITY

Employment

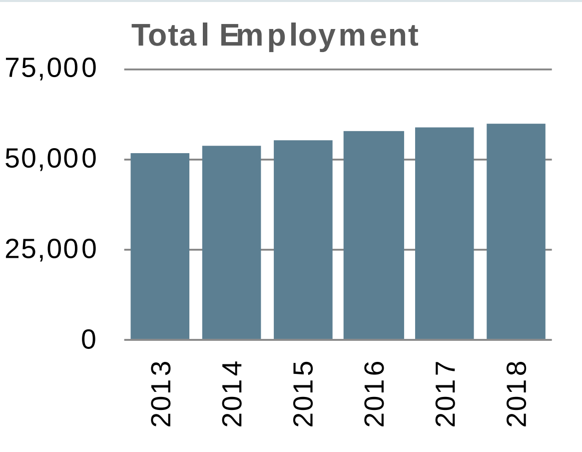
The number of jobs in the City has continued to grow.

Unemployment

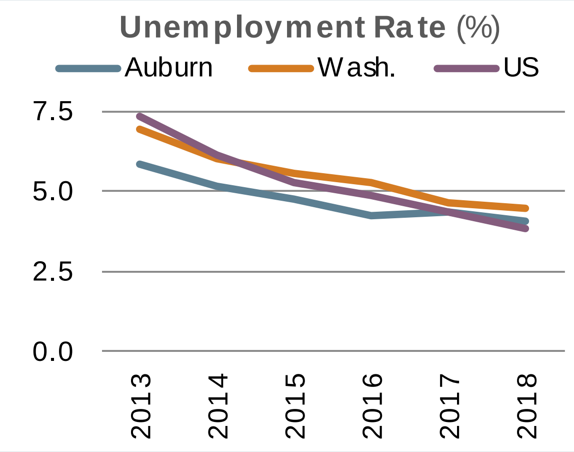
The region's unemployment rate remains much lower than in 2013.

Earnings

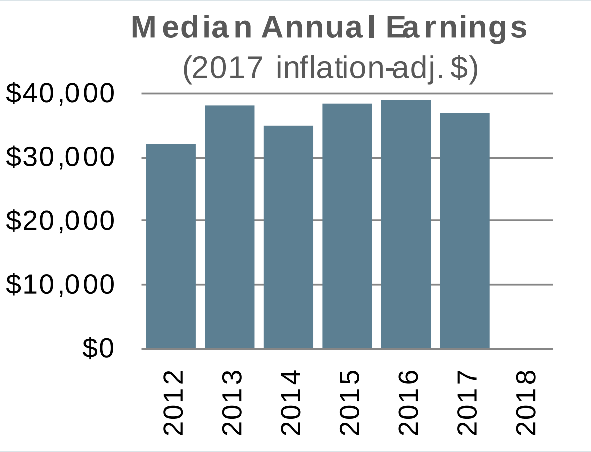
Inflation-adj. earnings have changed little in recent years.



Source: EMSI



Source: Bureau of Labor Statistics



Source: American Community Survey

- Job growth has been steady, rising at an annual rate of 3.0% since 2013, double the US rate (1.5%) over the same period.
- Average unemployment rates in 2018 remained near 4%; comparable to the US and lower than state average.
- Annual earnings (when adjusted for inflation) declined slightly in 2017

QUESTIONS

THANK YOU

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