EQUITY COMMISSION
MEETING AGENDA

Online via Zoom and In Person at
Tumwater City Hall, Council Chambers,
555 Israel Rd. SW, Tumwater, WA 98501

Monday, October 12, 2026
6:00 PM

1. Call to Order
2. Roll Call
3. Changes to Agenda
4. Approval of Minutes
   a. Equity Commission Meeting, September 17, 2026
5. Discussion Items
   a. City Council Request: Ordinance O2026-004 Residential Energy Performance Rating and Disclosure
   b. Comprehensive Plan Economic Development Element
   c. Stormwater Introduction and State Permit Requirements
4. Next Meeting Date - 11/10/2026
5. Adjourn

Meeting Information
The public are welcome to attend in person, by telephone or online via Zoom.

Watch Online
Go to http://www.zoom.us/join and enter the Webinar ID 859 4073 2830 and Passcode 147765.

Listen by Telephone
Call (253) 215-8782, listen for the prompts and enter the Webinar ID 859 4073 2830 and Passcode 147765.

Public Comment
Attend in person to give public comment or register by 4:00 p.m. the day of the meeting to provide public comment using the web-based meeting platform:
https://us02web.zoom.us/webinar/register/WN_yXSVqSzNQaiDLTgbgI7FaA

After registering, you will receive a confirmation email containing information about joining the webinar.

As an alternative, prior to the meeting, the public may submit comments by sending an email to kadams@ci.tumwater.wa.us, no later than 4:00 p.m. the day of the meeting. Comments are submitted directly to the Commission members and will not be read individually into the record of the meeting.

Post Meeting
Video of this meeting will be recorded and posted on our City Meeting page: https://tumwater-wa.municodemeetings.com.

Accommodations
The City of Tumwater takes pride in ensuring that people with disabilities are able to take part in, and benefit from, the range of public programs, services, and activities offered by the City. To request an accommodation or alternate format of communication, please contact the City's ADA Coordinator directly, call (360) 754-4129 or email ADACoordinator@ci.tumwater.wa.us. For vision or hearing impaired services, please contact the Washington State Relay Services at 7-1-1 or 1-(800)-833-6384.

MEETING MINUTES

TUMWATER EQUITY COMMISSION
September 17, 2026

CONVENE: 6:00 p.m.

PRESENT: Chair Michael Snow, Vice-Chair Ellen Matheny, Commissioners Vanessa Arita Reyes, Tina Crary, Sarah Ellison, Lisa Gorski, and Vonny Turner

Staff: Assistant City Administrator Kelly Adams and Administrative Assistant Jessica Lee

Other: Mayor Leatta Dahlhoff and City Administrator Paul Simmons

CHANGES TO THE AGENDA: No changes to the Agenda.

PUBLIC COMMENT: The Commission received public comment regarding the proposed Home Energy Score Ordinance. Comments included support for providing home energy performance information to buyers and concerns regarding assessment costs, impacts on lower-income homeowners, potential gentrification, public disclosure of scores, voluntary versus mandatory programs, and the effectiveness of incentives and energy-efficiency programs.

CITY COUNCIL REQUEST: HOME ENERGY SCORE ORDINANCE REVIEW: The Commission discussed the equity implications of the proposed Residential Energy Performance Rating and Disclosure Ordinance, including the cost and implementation of the Home Energy Score, protections for lower- and fixed-income households, potential impacts on home sales and housing affordability, and concerns regarding predatory or corporate purchasing of lower-scoring homes. Commissioners discussed the need for plain-language information and translations, mitigation measures, additional data and monitoring of outcomes, and ways to make implementation

equitable. Commissioners also discussed deferred payment options and the need for additional time to develop recommendations and safeguards for City Council consideration.

MOTION: **Commissioner Gorski moved to use the next meeting to develop recommendations for making the proposed Home Energy Score Ordinance more equitable. Commissioner Crary seconded the motion. A voice vote approved the motion unanimously.**

NEXT MEETING DATE: The next meeting is scheduled for Monday, October 12, 2026.

ADJOURNMENT: **With there being no further business, Chair Snow adjourned the meeting at 7:11 p.m.**

Prepared by Jessica Lee Administrative Assistant

TO: Equity Commission

FROM: Kelly Adams, Assistant City Administrator

DATE: October 12, 2026

SUBJECT: City Council Request: Ordinance O2026-004 Residential Energy Performance Rating and Disclosure

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1) Recommended Action:

Provide a recommendation to the City Council on the potential unintended consequences of draft Ordinance O2026-004 Residential Energy Performance Rating and Disclosure.

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2) Background:

At its July 21, 2026, meeting, the City Council asked the Equity Commission to review proposed Ordinance O2026-004 and provide feedback on its potential equity impacts, benefits, and concerns.

The proposed ordinance would create a Residential Energy Performance Rating and Disclosure Program. Sellers of residential properties would be required to obtain a Home Energy Score and share it with prospective buyers. The Home Energy Score, developed by the U.S. Department of Energy, provides a standardized rating of a home's energy efficiency and highlights opportunities for improvement. The ordinance would require information disclosure only; it would not mandate any energy-efficiency upgrades by homeowners or buyers.

Recognizing the Equity Commission's responsibility to assess the impacts of City policies on diverse community members, the City Council asked the Commission to review the proposed ordinance and provide recommendations within 60 days. The Council plans to consider this feedback as part of its broader evaluation of Ordinance O2026-004 and expects to receive the Commission's input within 90 days.

At the September 17, 2026, meeting of the Equity Commission, Commissioners agreed to finalize their recommendation to Council at the October 12 meeting.

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3) Alternatives:

- ❑ Do not provide a recommendation. Ask Council for more clarification.

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4) Attachments:

A. Staff Report: Recommendations Summary and Synthesis

STAFF REPORT

Date: October 12, 2026
To: Equity Commission
From: Kelly Adams, Assistant City Administrator

Commissioner Recommendations for Draft Ordinance O2026-004

Background and Purpose

On September 17, 2026, the Equity Commission moved to develop recommendations for making the proposed Home Energy Score Ordinance more equitable. The Commission agreed to send staff individual recommendations for synthesis into a report for inclusion in the meeting packet for October 12, 2026. This report contains a summary and synthesis of the five submissions.

For complete background on the Home Energy Score proposal, please see the staff report and supporting materials from the Equity Commission meeting on September 17, 2026.

Requested Equity Commission Action

- Review the recommendations submitted by peer Commissioners.
- Discuss a unified recommendation for submission to the City Council as agreed at the September 17, 2026, meeting.

Recommendation Themes

Every responsive Commissioner asked for relief from the cost of the mandatory assessment, and most asked the City to watch for investor purchases of low-scoring homes. Six common themes emerged from the recommendations submitted:

1. Make the assessment affordable
2. Guard against investor purchases and loss of home equity
3. Connect scores to improvement assistance
4. Monitor equity outcomes and adjust the program
5. Language access and accessibility
6. Include renters

1. Make the mandatory assessment affordable

Commissioners proposed two complementary tools: subsidies for qualifying sellers and the option to pay at closing.

- **Subsidies or fee waivers** for low- and fixed-income sellers, with one proposal setting eligibility at or below 80% of Area Median Income (AMI) and including seniors aging in place, estate sales and emergency sales.
- **Deferring the fee to closing**, paid from sale proceeds. Proposals range from an option for cash-poor sellers to deferral for all sellers.
- **A backstop when subsidy funds run out**, so no qualifying seller is delayed in listing. Commissioners differ on whether this should be an automatic exemption or a hardship waiver used only as an exception.

2. Guard against investor purchases and loss of home equity

Commissioners are concerned that low scores on older, more affordable homes could be used to drive down sale prices or attract speculators.

- Track whether low-scoring homes are disproportionately bought by investors, corporate LLCs or developers, especially in neighborhoods with older housing, using County Assessor sales data.
- Consider safeguards against the loss of affordable housing or displacement.
- Attach a City "net cost" sheet to each score showing upgrade costs after available grants and rebates, so buyers cannot overstate repair costs to sellers.

3. Connect scores to improvement assistance

Commissioners want a low score to lead directly to help paying for improvements.

- List the assistance programs that may apply on each scorecard, with clear next steps to apply.
- Refer low-scoring homes to weatherization, utility, and state rebate programs, prioritizing households that could not otherwise afford improvements.
- Combine available funding into a single intake process for income-qualified households, with grants paid directly to contractors.
- Use aggregated score data with Energize Thurston to negotiate group pricing on common improvements.

4. Monitor equity outcomes and adjust the program

Commissioners ask for regular reporting with a defined way to change course.

- Report subsidy and waiver use by income level, exemption requests, assessment costs and wait times, complaints, scores by neighborhood and compliance penalties.
- Measure whether the program reduces energy burden, counting completed improvements and energy savings rather than the number of scores issued.

- Set "pause" or reconsideration triggers so the City can modify the program if data show disproportionate harm, a safeguard the City's presentation already identified.

5. Language access and accessibility

- Provide plain-language scorecards and materials in the languages most commonly spoken in Tumwater before the effective date, with accessibility accommodations.
- Offer subsidy and exemption applications on paper, by phone and in person for residents without reliable internet access.

6. Include renters

According to the September 17, 2026, Equity Commission Meeting staff report, 43% of Tumwater households rent. A renter-focused companion strategy would share energy-cost information with renters while protecting them from improvement costs passed through as higher rent.

Areas of Agreement and Points for Discussion

The recommendations generally agree that:

- No seller should be unable to comply, or have a sale delayed, because they cannot pay for the assessment upfront.
- The City should watch for investor or speculator purchases of low-scoring homes.
- The program should report equity data on a regular schedule and be adjusted if harm appears.

For staff to draft specific Ordinance language edits for Council review, the Commission must resolve:

1. **Who receives cost relief.** Proposals range from deferral for all sellers, to relief targeted at cash-poor or low- and fixed-income sellers, to specific groups such as estate and emergency sales.
2. **Eligibility standard.** Submissions describe eligibility as "low- and fixed-income," "80% AMI" and "AMI tiers." One standard would make the recommendation clearer.
3. **When subsidy funds run out.** One approach is an automatic exemption; another keeps exemptions as the exception rather than a substitute for the assessment. Deferral to closing may address both concerns.
4. **Reporting schedule and audience.** Proposals include a quarterly investor-purchase review, an annual report to the Commission, and regular reviews with pause triggers. The Commission may wish to name one schedule, who receives the report, and what would trigger a pause.
5. **Ordinance versus implementation.** Some proposals name specific programs, software features, partners or payment methods. The Commission may wish to state the outcome it wants and leave the mechanism to the City's implementation plan.

6. **Renters.** Decide whether a renter strategy is part of this recommendation or a separate request to Council.
7. **Consolidation.** Overlapping monitoring proposals could be combined into one reporting recommendation.

Draft Joint Recommendation to City Council

The following draft is a starting point for the Commission to amend and adopt. It combines all five submissions into six recommendations, resolves discussion points above, and separates what belongs in the ordinance from what belongs in an implementation plan that would be developed after Ordinance adoption.

The Tumwater Equity Commission recommends that Ordinance O2026-004 include the following equity safeguards:

A. Ordinance amendments (for immediate recommendation to Council)

1. **Mitigate negative impacts of assessment cost on vulnerable sellers.**
    - Sellers at or below 80% of Area Median Income (AMI), including those selling an estate or under hardship, receive a fully subsidized assessment.
    - If subsidy funds run out, qualifying sellers may defer the fee, or receive a hardship waiver when no sale proceeds are available. Waivers remain the exception, not a substitute for the assessment.
2. **Publish an annual equity report.**

    The City reports annually to the Equity Commission and Council, beginning one year after the effective date. The report covers subsidy and waiver use by income level, wait times and costs, complaints, scores by neighborhood, and purchases of low-scoring homes by corporate or investor buyers using County Assessor data. Before the effective date, staff proposes the measures that would trigger Council review or a pause of the program.
3. **Improve accessibility of program materials before the effective date.** Ensure that program materials are written in plain language and translated into the languages most commonly spoken in Tumwater. Subsidy, deferral, and waiver applications are available online, on printed paper, by phone, and in person.

B. Implementation commitments (for future consideration, if Ordinance is adopted)

4. **Ensure that every score comes with a path to help.** Each scorecard lists the assistance programs that may apply, the steps to apply, and, where data allow, the estimated cost of improvements after available incentives. Homes scoring 1 through 4 are referred to Community Action Council weatherization, Puget Sound Energy programs, and the local HEAR rebate administrator. The City favors programs that pay contractors directly so low-income owners do not front costs.
5. **Measure success by improvements, not scores issued.** The annual report tracks improvements completed, assistance used, and where measurable,

changes in energy costs for income-qualified households, if the data is available. The City also explores using aggregated score data with Energize Thurston to negotiate group pricing on common improvements.

C. Further Council direction (for future programmatic consideration)

6. **Renters.** Direct staff to develop a separate renter strategy that shares energy-cost information with the 43% of households who rent, with protections against improvement costs being passed through as higher rent.

TO: Equity Commission

FROM: Kelly Adams, Assistant City Administrator

DATE: October 12, 2026

SUBJECT: Comprehensive Plan Economic Development Element

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1) Recommended Action:

Provide review and feedback of the draft Comprehensive Plan Economic Development Element.

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2) Background:

As required by the Growth Management Act, the City must review and update its Comprehensive Plan at least once every ten years. Tumwater completed its most recent periodic update in December 2025, except for the Economic Development Plan.

The Economic Development Plan was last updated in 2019. The updated Economic Development Plan reflects changes in Tumwater's economy and establishes policies and actions to support a more diverse and resilient local economy. The update recognizes the City's significant concentration of public-sector employment and the importance of diversifying employment opportunities, supporting business retention and growth, maintaining an adequate supply of commercial and industrial land, and coordinating economic development with housing, transportation, infrastructure, and workforce needs.

The updated Plan also refines and prioritizes economic development policies and implementation actions to provide clearer direction for the City's economic development efforts over the next planning period. A Planning Commission work session on the proposed amendments is scheduled for October 27, 2026, and a public hearing on the ordinance is scheduled for November 10, 2026.

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3) Alternatives:

- ❑ Do not provide feedback.

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4) Attachments:

A. Draft Comprehensive Plan Economic Development Element (Part 1)
B. Draft Comprehensive Plan Economic Development Element (Part 2)

Exhibit A



Economic Development Element

Part 1 – Goals, Policies, and Implementation Actions

City of Tumwater 2025 Comprehensive Plan

Balancing Nature and Community: Tumwater's Path to Sustainable Growth

Draft Version October 6, 2026
Amended December 2026
Ordinance No. 02026-XXX

CITY OF TUMWATER



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Abbreviations Used in Document

CDD	Community Development Department
EXD	Executive Department
PRD	Parks, Recreation, and Facilities Department
RCW	Revised Code of Washington
TED	Transportation & Engineering Department
WRS	Water Resources & Sustainability Department

Introduction

Background

This **Economic Development Element** is part of Tumwater's Comprehensive Plan and was created to meet the state Growth Management Act (Chapter 36.70A RCW) requirement to "*establish local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life*" in Tumwater. The Vision, Mission, and Beliefs that provide overarching direction for the future of Tumwater are found in the Comprehensive Plan Introduction. The Economic Development Element aligns with and is consistent with the other elements of the Comprehensive Plan, which address the range of issues communities must plan for, including housing, climate, land use, transportation, and more. This Element contains two parts.

Part 1 – Goals, Policies, and Implementation Actions establishes Tumwater's goals and policies to set forth a direction for economic development in the city. The goals of this element are guided by the state Growth Management Act and the Thurston County County-Wide Planning Policies, as well as the vision of a Tumwater that will be:

people-oriented and highly livable, with a strong economy, dynamic places, vibrant neighborhoods, a healthy natural environment, diverse and engaged residents, and a living connection to its history.

The Element's goals and policies are coordinated with the other Elements in the Comprehensive Plan and regional plans. This Element's goals and policies provide the policy basis for draft implementation actions and future actions that will be developed over the next 20 years, which will be the foundation for Tumwater's annual work programs to address economic development for the community.

Part 2 – Technical Information provides the technical analysis of economic conditions in Tumwater. This section includes analysis of demographics, housing, income, consumer demand, workforce, industries, land needs, strengths, weaknesses, opportunities, and threats.



Economic Development is a critical component for the sustainability of Tumwater's civic operations. Without consistent revenue growth, Tumwater would not be able to fund the public services residents require. Beyond revenue generation for the City, a well-functioning economic development policy enables residents an opportunity to pursue living-wage opportunities to provide for themselves and their families, and the opportunity to explore a wide variety of professional interests without relocating from their established community.

How to Read this Element

Chapters 2 and 3 11

In **Part 1**, **Chapters 2 and 3** discuss the Economic Development Element's connection to the goals of the state Growth Management Act and the Thurston County County-Wide Planning Policies.

Chapter 4 14

Chapter 4 presents each goal with an explanation of how to read the tables and then presents each of Tumwater's economic development goals in detail with an explanation of the importance of each goal.

Appendix A

Appendix A contains the draft implementation actions, which are intended to be a source of annual work program items that serve to implement the goals and policies of the Economic Development Element. The annual work programs will further refine implementation actions before they are put into practice. Implementation actions will be further amended, added, or subtracted as needed over the course of the 20-year Comprehensive Plan as new opportunities arise to meet the intent of the Economic Development Element's goals and policies.

Tumwater's Economy Today

Tumwater is a city with considerable strengths, including rapid population and job growth, high household purchasing power, and a well-educated workforce. However, these benefits are unevenly distributed and bring their own set of risks. This analysis identifies three main themes:

- the need to balance the stability offered by a strong public sector employment base with the risk of overdependence;
- the importance of connecting housing growth, household spending, and business district vitality;
- and the challenge of shifting workforce dynamics, with most future job openings resulting from workforce replacement rather than new job creation.

Economic diversification depends on a workforce that can afford to live in Tumwater, while revitalizing business districts relies on both housing growth and improving key sites. Additionally, workforce development is linked to the success of diversification efforts. Addressing these challenges will require a coordinated strategy that integrates economic diversification, housing development, and workforce planning, rather than treating them as isolated initiatives.

From Part 2, SWOT Analysis: Conclusion.

26,956
residents, 2020–24 estimate

25,653
jobs located in Tumwater, 2026Q1

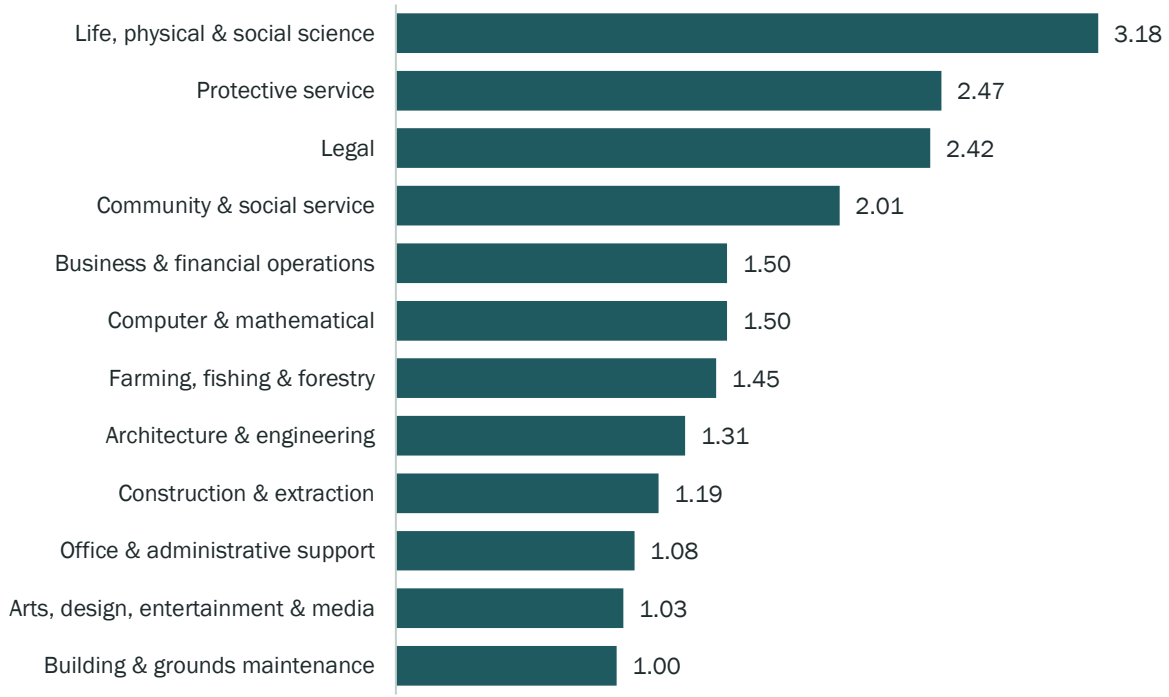
$77,127
average annual wage, 2026Q1

3.8%
average annual job growth, 2021Q1–2026Q1

32.5%
of jobs in Public Administration

45.5%
of residents 25 to 64 hold a bachelor's degree or higher

Occupation Groups at or Above the National Concentration in Tumwater, 2026Q1 (location quotient)



Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026. A location quotient of 1.00 equals the national concentration. Detail in Part 2, Figure ED-14.



Growth Management Act – Element Goals

Chapter 36.70A RCW requires that Tumwater show how the Economic Development Element meets the relevant planning goals contained within the Act. The fifteen goals guide the development and adoption of Tumwater's Comprehensive Plan and development regulations.

The following is a summary of how the Economic Development Element addresses the relevant goal:

5. Economic development.

"Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities."

Source: RCW 36.70A.020(5)

The Economic Development Element addresses this goal by establishing goals, policies, and implementation actions that support the retention and expansion of Tumwater's existing businesses, the recruitment of new businesses that fill supply-chain and service gaps, and the diversification of an employment base anchored by state government. The element promotes economic opportunities for all residents through policies that expand access to housing, childcare, education, training, and living-wage employment. It directs economic growth to locations where land, infrastructure, and public services can support it, consistent with the capacities of Tumwater's natural resources, public services, and public facilities.

County-Wide Planning Policies

The Growth Management Act requires that Tumwater's Comprehensive Plan be consistent with the Thurston County County-Wide Planning Policies, which were last amended in 2025. The following is a list of the County-Wide Planning Policy areas that apply to the Economic Development Element, and a brief description of how the element is consistent with these policies. All County-Wide Planning Policies are adopted as part of the Comprehensive Plan and are found in Appendix A of the plan introduction.

General Policies

The Economic Development Element contains goals, policies, and implementation actions that address the wide range of issues covered by County-Wide Planning Policies 1.1, 1.5, 1.8, 1.9, 1.13-1.15, and 1.17.

These policies establish the region's shared framework for growth. The Element supports that framework by directing employment growth to locations that can be served with urban infrastructure, coordinating economic development with Thurston County, neighboring jurisdictions, and regional partners, and advancing housing, equity, and environmental objectives alongside economic ones.

Promotion of Contiguous and Orderly Development, Provision of Urban Services, and Protection of Rural Areas

The Economic Development Element contains goals, policies, and implementation actions that promote maximizing the use of existing infrastructure and assets as covered by County-Wide Planning Policy 3.2.a.

The Element implements this policy by prioritizing redevelopment and intensification of sites already served by urban infrastructure, including the former Brewery Complex and Tumwater's established planning subareas, and by coordinating economic development with the City's capital facilities, transportation, and utility planning.

Economic Development and Employment

The Economic Development Element contains goals, policies, and implementation actions that address the wide range of issues covered by County-Wide Planning Policies 7.1-7.5.

The Element carries them out through goals and policies for business retention and expansion, targeted recruitment, workforce development aligned with employer needs, and diversification of the local economy with a focus on export-based industries and opportunities in health care. These efforts are conducted broadly in partnership with organizations and jurisdictions like the Port of Olympia, Thurston County, the Tumwater Area Chamber of Commerce, the Thurston Economic Development Council, and the Thurston County Chamber of Commerce. The Element includes the land analysis conducted by The Thurston Regional Planning Council in 2021, including updates in 2025.

Element Goals & Policies

Economic Development Goals

ED-1	Establish a predictable, responsive, and investment-ready development climate that stimulates economic activity and private investment.
ED-2	Support the retention and growth of Tumwater's existing businesses and entrepreneurs.
ED-3	Grow and diversify Tumwater's exports, with a focus on manufacturing.
ED-4	Target recruitment efforts to support existing businesses and supply-chain gaps.
ED-5	Redevelop the former Brewery sites to their highest available use.
ED-6	Partner with the Port of Olympia to advance economic development opportunities.
ED-7	Conduct business outreach to better connect local economic participants and the City.
ED-8	Strengthen Tumwater's community and district vibrancy to advance the community as a regional destination through placemaking.
ED-9	Develop an affordability strategy that secures equitable access to Tumwater's future growth for all people by expanding the supply of housing, childcare, education, and energy options.


BREW HOUSE

How to Read These Tables

The Economic Development Element's goals and policies are not in priority order. Appendix A provides a list of the draft implementation actions by goal and policy that will be considered when developing annual work programs for implementing the Economic Development Element's goals and policies.

Period

Each of the Economic Development Element's policies are associated with estimated start dates, length of time to complete, and target completion dates, if appropriate, based on adequate funding for staff and resources. Most policies are ongoing with no set target completion date.

Department Leads

Implementation of the Economic Development Element's policies are associated with several different Tumwater departments:

CDD	Community Development
EXD	Executive Department
PRD	Parks, Recreation, and Facilities
TED	Transportation & Engineering
WRS	Water Resources & Sustainability

Goal ED-1

Establish a predictable, responsive, and investment-ready development climate that stimulates economic activity and private investment.

Goal ED-1 is intended to make Tumwater a place where businesses, developers, and property owners can invest with confidence.

Why is this goal important?

Private investment follows predictability. When development review timelines, regulations, and Tumwater's priorities are clear and established, businesses can make location and expansion decisions with confidence, and the cost and risk of investing in Tumwater go down. When priorities are unclear or change unexpectedly, capital will often go to places that have a reputation for being more stable.

Tumwater competes for private investment within a regional market that includes local markets such as Lacey, Olympia, Yelm, and unincorporated Thurston County but also markets in neighboring counties. Many of the factors that drive location decisions, such as market size and labor costs, are beyond the city's control. However, the quality and reputation of the development climate is a competitive factor that Tumwater controls directly.



Goal ED-1 Policies

Policies	Lead	Period
ED-1.1 Maintain regular two-way communication with businesses, residents, development applicants, and economic development partners to align City priorities, regulations, and service delivery with community and market needs.	EXD, CDD	Term of the Plan
ED-1.2 Make development review predictable, timely, and easy to understand for businesses, developers, and property owners while maintaining adopted community standards.	CDD, EXD	Term of the Plan
ED-1.3 Promote Tumwater as a competitive location for private investment by clearly communicating its market position, development opportunities, and priority investment areas.	EXD	Term of the Plan

What the data shows

Tumwater is growing faster than the region.

3.8%

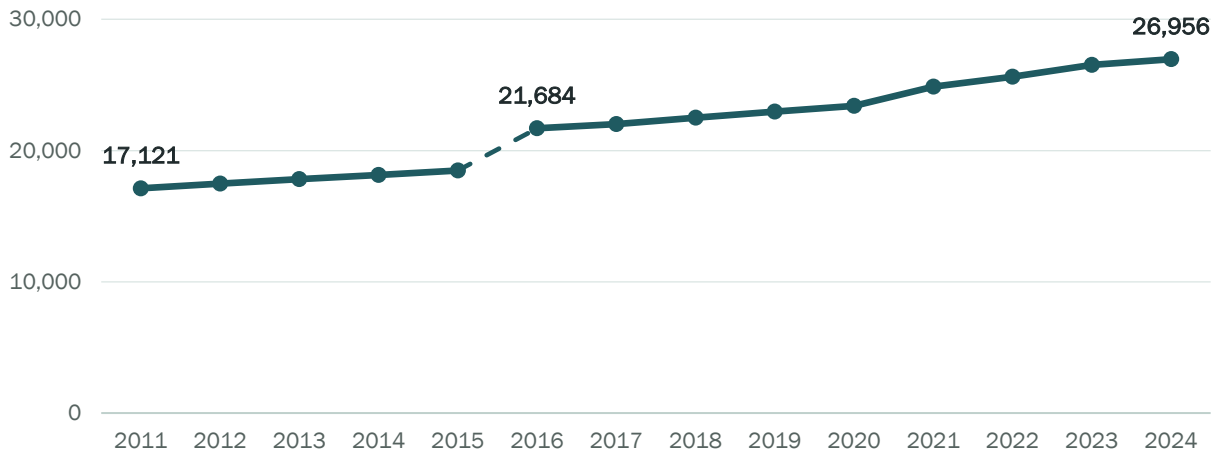
average annual employment growth in Tumwater, 2021Q1–2026Q1, compared with 3.0 percent in Thurston County and 2.3 percent statewide.

Tumwater has grown faster than regional and statewide averages on both the resident and employment sides. The population rose from 17,121 in the 2007–2011 American Community Survey period to 26,956 in the 2020–2024 period, an increase of 57.4 percent. Part of that increase reflects annexation, but with boundaries essentially stable since 2016, population has still grown an average of 2.8 percent per year.

Growth of this kind expands both the labor pool available to employers and the customer base available to local businesses and generates the level of consumer demand that makes district redevelopment feasible.

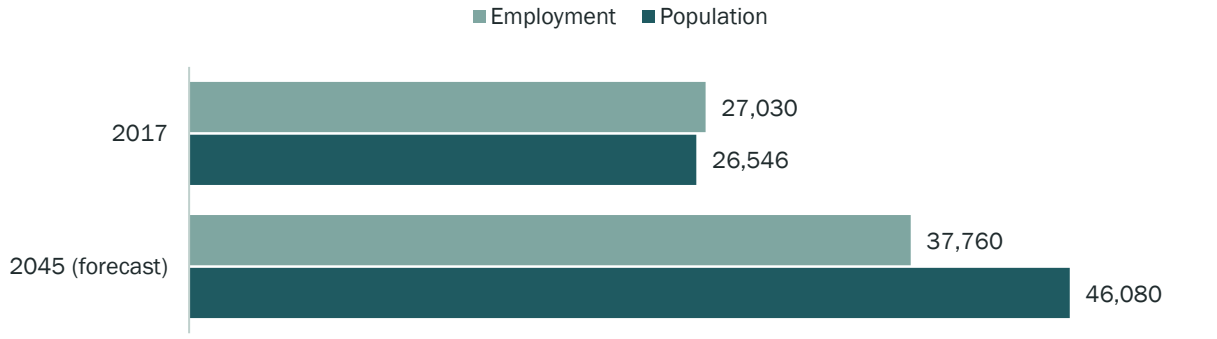
From Part 2, SWOT Analysis: Sustained Population and Employment Growth. Employment: JobsEQ® Industry Snapshot, 2026Q1. Population: American Community Survey 5-Year Estimates via JobsEQ®.

Tumwater Population, 2011-24



Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026. The dashed segment marks the 2016 annexation. Detail in Part 2, Figure ED-1.

Population & Employment in Tumwater and Its Urban Growth Area, 2017 and 2045



Sources: Thurston Regional Planning Council, Employment Estimates and Forecast by Jurisdiction and Sector, Table 7, December 19, 2019; and Population Estimates and Forecast by Jurisdiction, Table 3, forecast adopted 2018. By 2045 the area is forecast to have 8,320 more residents than jobs. Detail in Part 2, Figure ED-2.

Goal ED-2

Support the retention and growth of Tumwater's existing businesses and entrepreneurs.

Goal ED-2 is intended to help existing businesses and entrepreneurs be healthy and grow in Tumwater.

Why is this goal important?

Most job growth in a community comes from businesses that are already there, not from those recruited from somewhere else. Retention and expansion are the most reliable and cost-effective form of economic development and losing an established employer can be far more damaging to a local economy than missing a recruitment prospect.

The technical analysis in Part 2 shows that Tumwater's private economy is built on established strengths in the sectors of *Wholesale Trade* and *Professional and Technical Services* alongside a large base of small businesses and self-employed residents. Helping these businesses stay healthy and grow protects the City's employment and tax base and builds the supplier relationships and workforce depth that attract complementary businesses.



Goal ED-2 Policies

Policies	Lead	Period
ED-2.1 Maintain a proactive business retention and expansion program focused on existing employers through partner organizations.	EXD	Term of the Plan
ED-2.2 Strengthen key industry clusters by supporting existing businesses and attracting complementary businesses.	EXD	Term of the Plan
ED-2.3 Support small businesses and entrepreneurs through accessible City processes, partnerships, and targeted programs.	EXD, CDD	Term of the Plan
ED-2.4 Align workforce and education partnerships with the needs of Tumwater businesses.	EXD	Term of the Plan

What the data shows

Most future job openings will replace workers rather than add new ones.

94.8%

of projected labor demand across Tumwater industries over the next five years is replacement of workers who leave the labor force or change occupations.

Tumwater's workforce challenge over the planning period is therefore less about job growth and more about pipeline development, retention, and succession planning.

Future job openings will continue to result from replacing retiring or departing workers, instead of new job growth. At the same time, the groups entering the workforce are getting smaller, while those leaving are increasing. This trend creates greater challenges for employers, especially those with owner-operated businesses, to find successors and maintain operations.

The most effective strategies are those that keep workers in existing occupations, move them along career pathways, and connect young residents to their first employment opportunities.

From Part 2, Industry chapter (Forecast & Demand Structure) and SWOT Analysis. JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1.

Five-Year Projected Job Openings by Source in Tumwater, 2026 Q1



Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026. Of 14,647 projected openings, 768 (5.2 percent) represent net employment growth. Components may not sum to the total due to rounding.

An Established Goods-Movement Economy

Jobs	Avg. ann. wage	Location quotient	5-yr ann. %	Forecast ann. %
1,290	$106,354	1.37	6.4%	0.7%

The *Wholesale Trade* sector added 344 jobs over the past five years, while employment statewide remained essentially flat. Tumwater's location along Interstate 5 between the Seattle and Portland markets supports its role in wholesale trade and goods movement.

Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Goal ED-3

Grow and diversify Tumwater's exports, with a focus on manufacturing.

Goal ED-3 is intended to increase local prosperity through exports by helping to expand the share of Tumwater's economy that sells goods and services to customers outside the region.

Why is this goal important?

Businesses that sell goods and services to customers outside the region bring new dollars into Tumwater's economy while local-serving businesses largely re-circulate dollars that are already here. Growing this part of the economy is how a community increases the size of its economy and generates wealth in its community.

Tumwater's employment base is anchored by local and state government. Public administration accounts for 1 in 3 jobs in the City with a concentration nearly seven times the national average[1]. That anchor provides stability, but it also concentrates risk in public sector budget cycles. Export-based industry diversification is therefore an important risk mitigation for the City.

Export industries like industrial and light manufacturing businesses offer living wages across a range of skill levels while importing wealth into the community.[2]

[1] See Part 2 Chapter 6C Public Administration Anchor and Table ED-16
[2] Average Manufacturing sector wage in Tumwater is $74,294. See Part 2 Table ED-16

Goal ED-3 Policies

Policies	Lead	Period
ED-3.1 Protect and strategically utilize light industrial zoned lands to support sustainable long-term economic growth.	CDD, EXD	Term of the Plan
ED-3.2 Identify and support priority sectors that align with Tumwater's assets, workforce, land base, and diversification goals.	EXD	Term of the Plan
ED-3.3 Position Tumwater to participate in and benefit from clean energy, green business, and sustainable industry growth.	EXD, WRS	Term of the Plan
ED-3.4 Support and connect workforce development and education partners to promote the needs of Tumwater's target industries and employers.	EXD	Term of the Plan
ED-3.5 Leverage Tumwater's government employment base to grow complementary private sector industries and reduce long-term dependence on public sector employment.	EXD	Term of the Plan

What the data shows

More than half of Tumwater's recent job growth came from a single sector.

56%

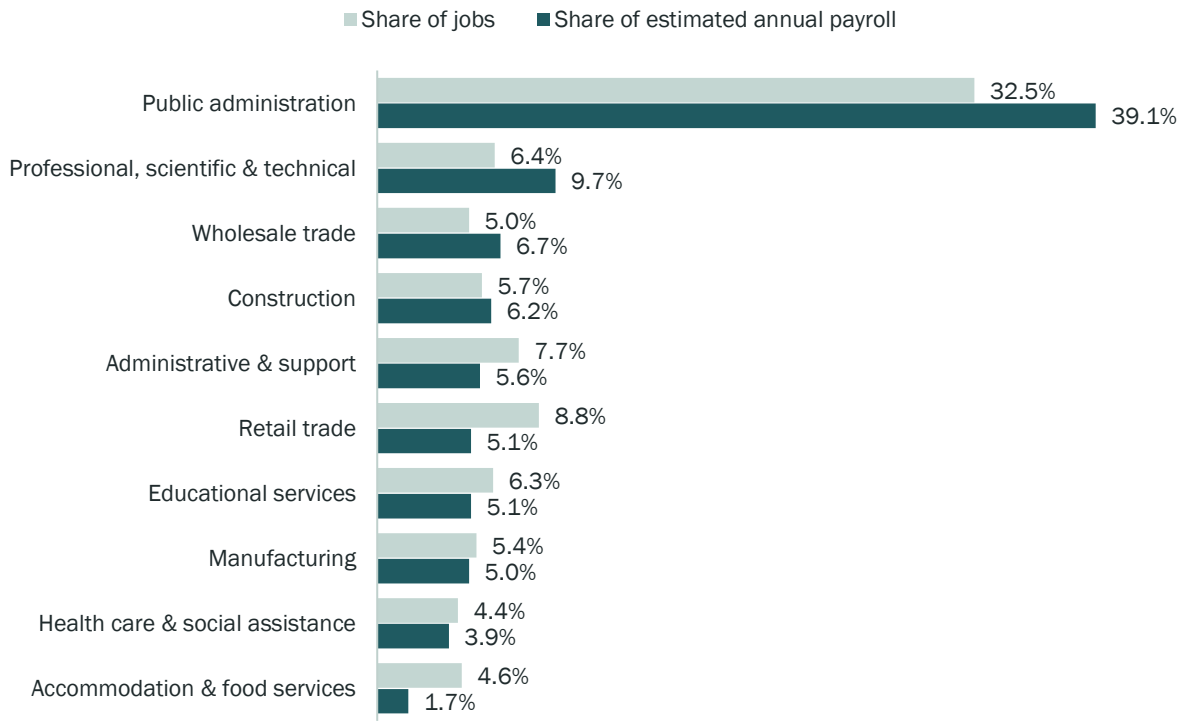
of the 4,332 net jobs Tumwater added from 2021 to 2026 were in Public Administration, a sector forecast to grow about 0.5 percent per year.

Public Administration accounts for 8,334 jobs or 32.5 percent of all employment in Tumwater, roughly seven times the national concentration. Of the sector's 4,005 projected openings over the next five years, only 192 represent new net positions.

A local economy in which roughly one third of total jobs depend on the budget decisions, leasing practices, and staffing policies of a single institutional employer has limited capacity to absorb a contraction within that employer. This is the central structural argument for economic diversification.

From Part 2, Industry chapter (Public Administration Anchor) and SWOT Analysis. JobsEQ® Industry Snapshot, Tumwater city, WA, 2026 Q1.

Share of Jobs and Share of Estimated Annual Payroll by Industry Sector in Tumwater, 2026 Q1



Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026 Q1; exported July 28, 2026. Estimated annual payroll is employment multiplied by average annual wage. Ten largest sectors by payroll shown. Detail in Part 2, Figure ED-11.

Manufacturing

Jobs	Average annual wage	Location quotient	5-yr ann. %	Forecast ann. %
1,379	$74,294	0.70	0.9%	0.5%

Manufacturing makes up a smaller share of Tumwater's economy compared to the national average, and there are no signs that this is likely to increase. The manufacturing strategy in this element rests on available land, district identity, completion of the Habitat Conservation Plan, and the City Council's aspiration for Tumwater to be known as a community where businesses can make things.

Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Goal ED-4

Target recruitment efforts to support existing businesses and supply-chain gaps.

Goal ED-4 is intended to focus Tumwater's limited recruitment resources on the businesses that provide the highest return on the usage of scarce resources.

Why is this goal important?

Because Tumwater has limited resources for business recruitment, it is important to focus those efforts on businesses well suited to the community. Recruitment is most successful when it targets companies that are a good fit for Tumwater's available sites, infrastructure, workforce skills, and economic strengths.

The most effective recruitment targets for Tumwater are businesses that address existing supply-chain or service gaps for local employers. Attracting companies that fill these gaps strengthens current businesses, increases the chances of success for new businesses, and ensures that Tumwater's limited land is used for industries that provide living-wage jobs and broaden the local employment base.



Goal ED-4 Policies

Policies	Lead	Period
ED-4.1 Define and maintain clear recruitment criteria based on Tumwater's existing businesses, target sectors, available sites, workforce, infrastructure, and community objectives.	EXD	Term of the Plan
ED-4.2 Prioritize recruitment of businesses that fill supply-chain, contractor, vendor, and service gaps for existing Tumwater employers.	EXD	Term of the Plan
ED-4.3 Focus recruitment on businesses that offer living-wage jobs, increase exports, and diversify Tumwater's employment base.	EXD	Term of the Plan
ED-4.4 Market specific Tumwater sites and districts to qualified recruitment opportunities.	EXD	Term of the Plan
ED-4.5 Align recruitment with workforce development, infrastructure planning, permitting readiness, and business retention efforts.	EXD, CDD, TED	Term of the Plan
ED-4.6 Track recruitment activity, outcomes, and lessons learned to refine the City's target-business strategy over time.	EXD	Term of the Plan

What the data shows

Tumwater's high-wage occupations are growing faster than the region's.

9.1%

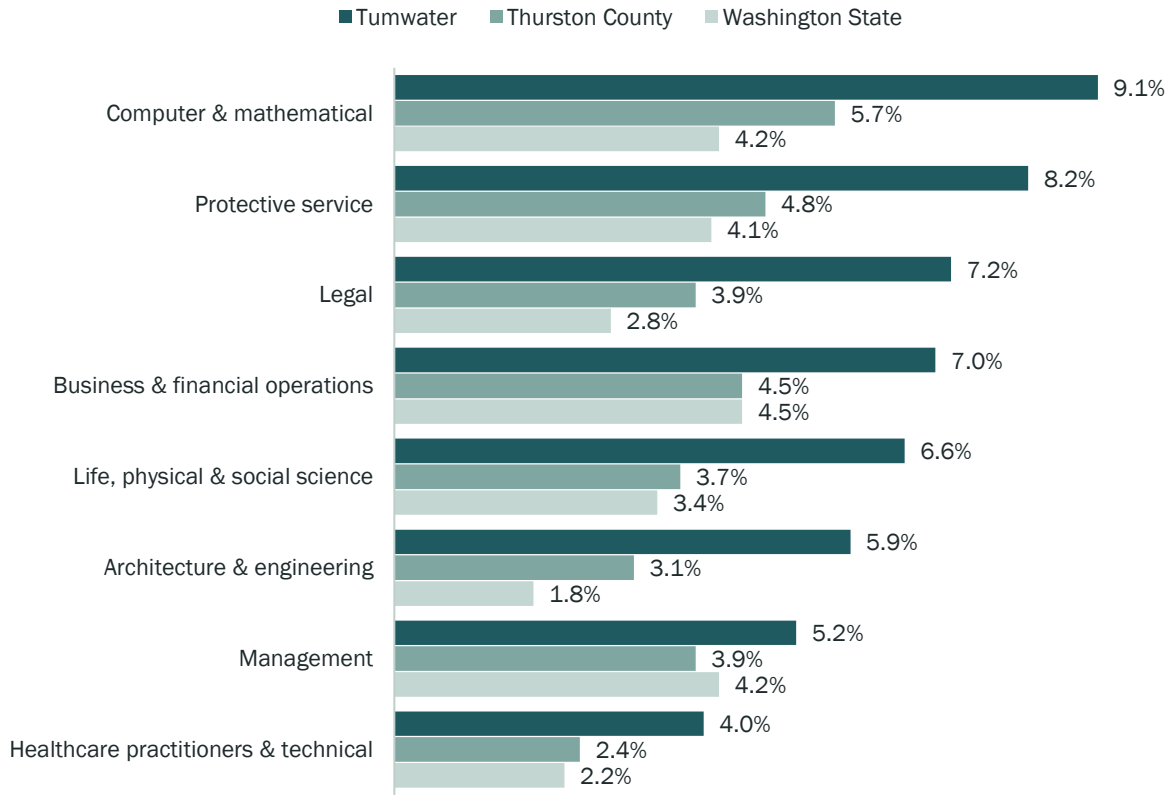
average annual growth in computer and mathematical occupations in Tumwater, 2021 Q1–2026 Q1, compared with 5.7 percent countywide and 4.2 percent statewide.

Tumwater hosts an unusually deep supply of professional and technical labor that businesses serving government and regulated industries require. The industry that would ordinarily employ such workers privately remains underbuilt (Professional, Scientific, and Technical Services stands at a location quotient of 0.89), but it is growing faster than elsewhere in the region, at 11.2 percent annually.

That pairing (abundant talent, an under-concentrated but rapidly growing private sector) signals a strong recruitment opportunity. Candidate activities include environmental and regulatory consulting, government-operations and regulatory technology, legal support services, audit and program administration, and engineering services.

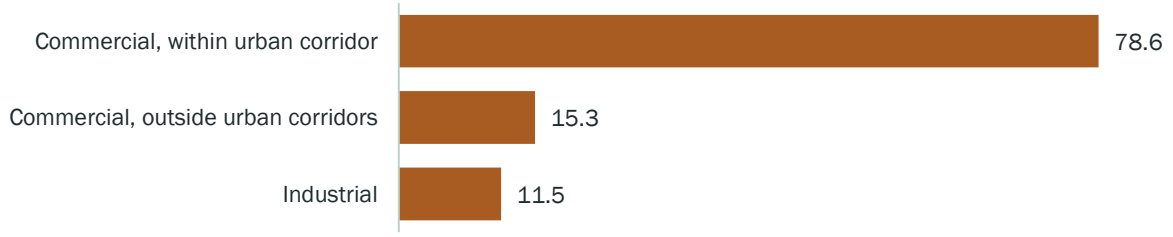
From Part 2, Workforce chapter (Wages & Growth) and SWOT Analysis: Build Private Industry Adjacent to Government. JobsEQ® Occupation and Industry Snapshots, 2026Q1.

Average Annual Employment Growth by High-Wage Occupation Group in Tumwater, Thurston County and Washington State, 2021 Q1-26 Q1



Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026 Q1; exported July 28, 2026. Includes the eight occupation groups with a median annual wage at least 25 percent above the citywide median of $63,400. Detail in Part 2, Table ED-15.

Employees per Developed Acre in Existing Commercial and Industrial Buildings in Tumwater



Source: Thurston Regional Planning Council, 2021 Buildable Lands Report for Thurston County, Table 4-2, p. 50. The same employment growth consumes several times more land in low-intensity formats than in corridor-style development.

Goal ED-5

Redevelop the former Brewery sites to their highest available use.

Goal ED-5 is intended to support returning the former Brewery Complex to productive economic use to create jobs for the community.

Why is this goal important?

The former Brewery sites are Tumwater's most visible redevelopment opportunity. The property carries the City's identity, occupies a prominent position in the Brewery District, and represents a significant concentration of underused land in the heart of the community along Interstate 5.

The barriers to redevelopment, including perceived environmental contamination, aging historic structures, infrastructure needs, and market uncertainty, are larger than any single property owner or market actor can resolve alone. Sustained City coordination on projects like the Planned Action Environmental Impact Statement and the City's brownfield redevelopment program are what make private investment in the former Brewery Complex feasible.

The adjacent Warehouse property is also one of Tumwater's last available industrial lands with rail access, making it a particularly valuable property should the above issues be solved.

Goal ED-5 Policies

Policies	Lead	Period
ED-5.1 Establish a highest available use strategy for the former Brewery sites that balances redevelopment feasibility, historic and community value, environmental constraints, employment potential, and market demand.	EXD, CDD	Term of the Plan
ED-5.2 Use the Planned Action Environmental Impact Statement (EIS) to reduce redevelopment uncertainty and create a more predictable path for investment in the Brewery District.	EXD, CDD	Term of the Plan
ED-5.3 Continue to use the City's brownfield program, including existing Environmental Protection Agency and Washington State Department of Ecology grant resources, to assess, plan for, and help address contamination barriers within the Brewery District.	EXD, CDD	Term of the Plan
ED-5.4 Recognize and promote the unique industrial rail use opportunity at the former Brewery Warehouse site.	EXD, CDD	Term of the Plan
ED-5.5 Use public investment, infrastructure planning, incentives, partnerships, and regulatory tools to improve site readiness and catalyze private investment in the former Brewery sites.	EXD, TED, WRS, CDD	Term of the Plan
ED-5.6 Create a coordinated implementation and communications strategy for the former Brewery sites that supports property-owner coordination, developer outreach, grant management, and community understanding.	EXD	Term of the Plan

What the data shows

The condition of anchor sites constrains district redevelopment.

$283 million

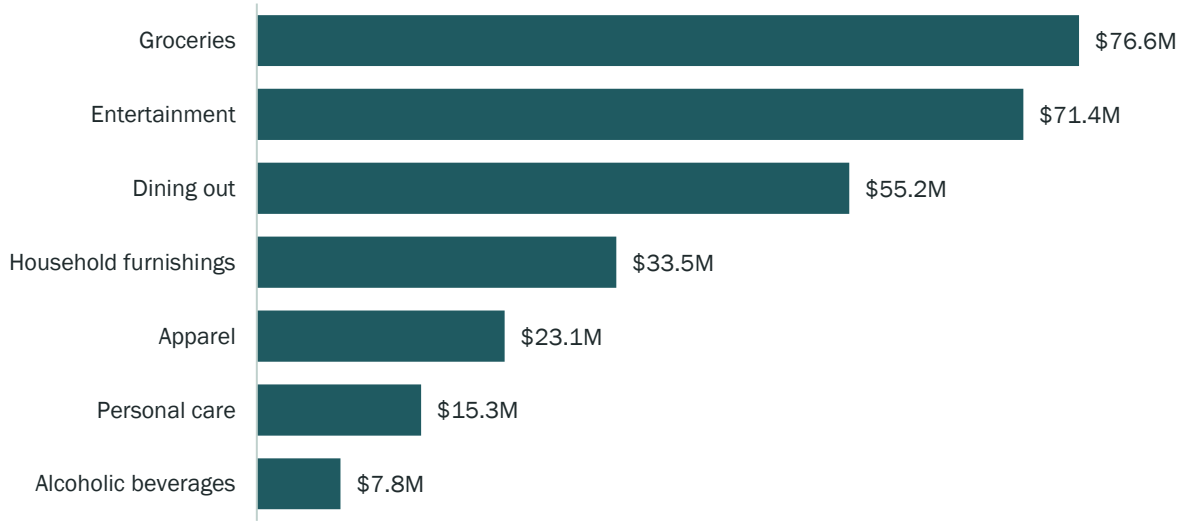
in annual Tumwater household spending falls in categories a local business district can compete for.

Large, historically significant, and underutilized properties occupy anchor positions in Tumwater's priority redevelopment districts, most prominently the former brewery properties in the Brewery District. Where such sites occupy anchor positions in a district, their condition constrains the district as a whole and not merely the individual parcel.

The health of these districts is vital to capturing Tumwater's increasing consumer demand. If Tumwater's significant brownfield challenges can be resolved, redevelopment of the Capitol Corridor and the Brewery District could likely follow.

From Part 2, Household Income and Consumer Demand chapter and SWOT Analysis. Zoom Prospector consumer expenditure estimates, 2025.

Capturable Annual Household Spending by Category in Tumwater, 2025 ($ millions)



Source: Zoom Prospector consumer expenditure estimates, 2025, accessed via the Washington State Department of Commerce Choose Washington site selector, July 28, 2026. Values are nominal 2025 estimates. Detail in Part 2, Table ED-12.

> *"Most new consumer spending will come from new households. It is therefore important to the redevelopment of commercial activity in the Capitol Boulevard Corridor and Brewery District to concentrate new housing in or near these districts when feasible."*
>
> Part 2, Household Income and Consumer Demand

Goal ED-6

Partner with the Port of Olympia to advance economic development opportunities.

Goal ED-6 is intended to support the Port of Olympia in making assets such as the Olympia Regional Airport and the New Market Industrial Campus strong engines for jobs and investment in Tumwater and the region.

Why is this goal important?

Olympia Regional Airport, New Market Industrial Campus, and the surrounding industrial lands in Tumwater fall under the jurisdiction of the Port of Olympia and represent some of the largest areas of developable, job generating land remaining in the region. A partnership between the Port of Olympia and the City is essential to pursue opportunities related to the these areas.

Together, the City and the Port can focus on aviation, aerospace, logistics, and advanced manufacturing opportunities that pay living wages and connect Tumwater to Washington's broader aerospace economy. By developing an industry sector of similar and connected businesses Tumwater can benefit from the concentration of workers, suppliers and innovations that feed into Washington's aerospace economy.

Goal ED-6 Policies

Policies	Lead	Period
ED-6.1 Strengthen partnership with the Port of Olympia to align infrastructure, land use, business recruitment, and airport-area planning with Tumwater's economic development priorities.	EXD, CDD, TED	Term of the Plan
ED-6.2 Support development of airport-compatible employment and public infrastructure that enable aviation, aerospace, logistics, advanced manufacturing, and related business investment.	EXD, CDD, TED	Term of the Plan
ED-6.3 Grow a local aerospace and advanced aviation industry sector connected to Olympia Regional Airport, the New Market Industrial Campus, regional workforce assets, and Washington's broader aerospace economy.	EXD	Term of the Plan
ED-6.4 Use Olympia Regional Airport for economic development in ways compatible with airport safety, environmental, transportation, and community priorities.	EXD, TED, CDD	Term of the Plan

What the data shows

Tumwater is one of the region's principal locations for industrial job growth.

37.4%

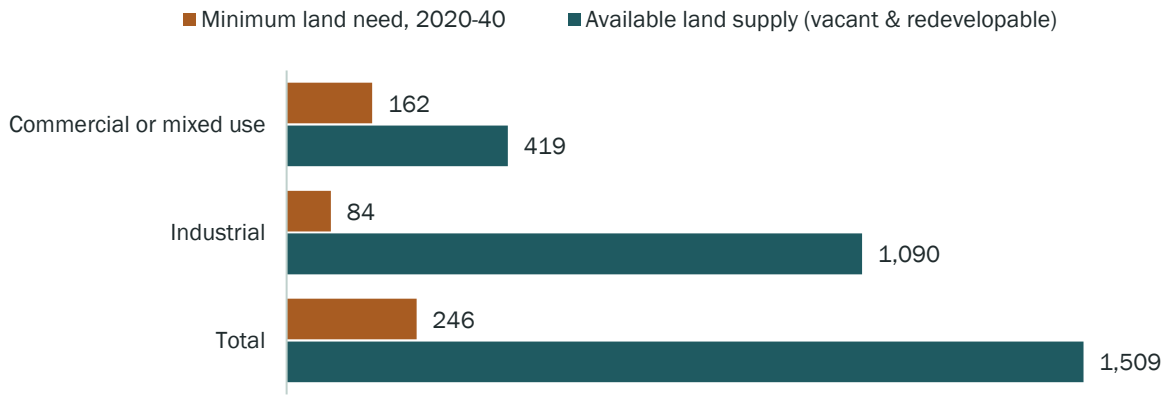
of the industrial-zone job growth forecast for Thurston County's urban areas, 2020–40, is expected in Tumwater and its urban growth area.

The Olympia Regional Airport and the Port of Olympia's New Market Industrial Campus sit within Tumwater and combined with Interstate 5 access and Tumwater's position between the Portland and Seattle markets, form the physical basis of the distribution, logistics, and wholesale strategy supported elsewhere in this analysis.

Access to airport infrastructure also creates opportunities for high-wage employment in aerospace and advanced avionics including training facilities, maintenance and repair and supply chain manufacturing for the aerospace and avionics industries.

From Part 2, Employment Land Needs chapter and SWOT Analysis. Thurston Regional Planning Council, 2021 Buildable Lands Report for Thurston County, Table 4-1.

Commercial and Industrial Land Supply Compared to Minimum Land Need in Tumwater, 2020-40 (acres)



Sources: Thurston Regional Planning Council, 2021 Buildable Lands Report for Thurston County, Tables 4-3 & 4-4, pp. 52-53. Detail in Part 2, Figure ED-12.

> *"The acreage totals therefore describe zoned capacity, not sites ready for immediate occupancy. In both cases, unlocking Tumwater's land capacity depends on significant public investment."*
>
> Part 2, Employment Land Needs: Supply Constraints

Goal ED-7

Conduct business outreach to better connect local economic participants and the City.

Goal ED-7 aims to keep an open, working line of communication between Tumwater's businesses and the city and to better ensure everyone is actively involved in city decisions.

Why is this goal important?

When the City understands business needs, it can respond more helpfully. Regular outreach helps identify expansion plans, retention risks, and regulatory barriers early, empowering time for action. This engagement also provides staff, the City Council, and partners with a clear understanding of local economic conditions.

Outreach also makes City priorities, processes, and economic data easier for businesses to find and understand, which lowers the cost of doing business in Tumwater and increases the City's reputation with employers. The relationships built through outreach support all of the major goals throughout this element.



Goal ED-7 Policies

Policies	Lead	Period
ED-7.1 Maintain a coordinated business outreach program that connects local businesses, property owners, developers, employers, entrepreneurs, economic development partners, chambers, and City staff.	EXD	Term of the Plan
ED-7.2 Use business outreach to inform staff, City Council, and partners about local economic conditions, business needs, investment barriers, and emerging opportunities.	EXD, CDD	Term of the Plan
ED-7.3 Develop and maintain economic development communication materials, data dashboards, and business resources that make local economic conditions and City processes easier to understand.	EXD	Term of the Plan
ED-7.4 Strengthen two-way communication between the City and the business community so local economic participants are more visible in City decision-making and better informed about Tumwater's priorities.	EXD	Term of the Plan
ED-7.5 Define partner roles and accountability measures for business outreach and economic development communication.	EXD	Term of the Plan

What the data shows

Outreach should meet people where they are rather than assuming a single point of contact.

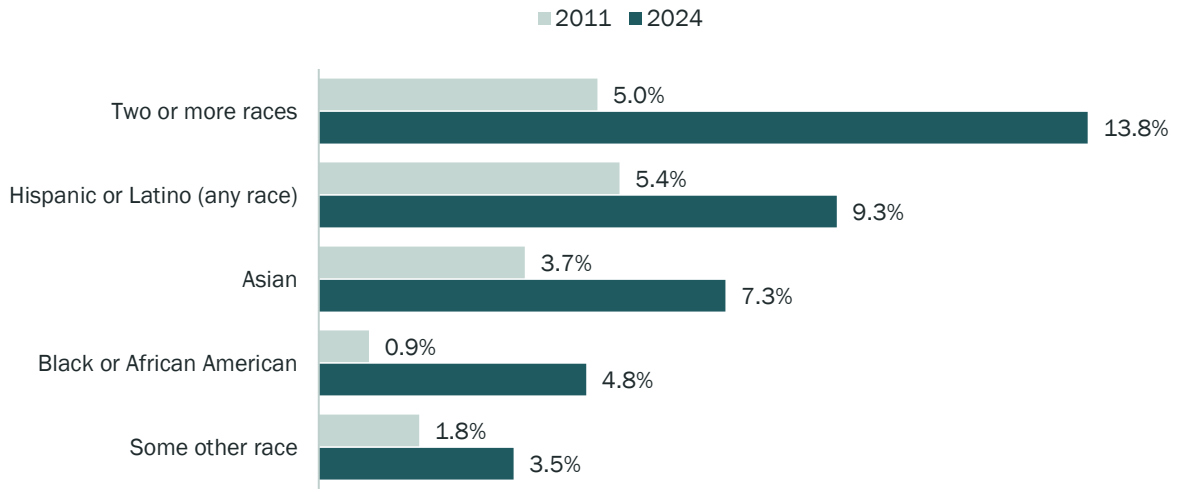
13.8%

of the population now identifies as two or more races rising from 5.0 percent and the population of Hispanic or Latino residents has increased from 5.4 to 9.3 percent.

Culturally responsive business assistance, multilingual permitting guidance, procurement support, and targeted entrepreneurial outreach can expand the pool of new businesses. The evidence also indicates that translation alone is unlikely to be sufficient. Rather, Tumwater should focus on building trust with diverse communities.

From Part 2, Workforce chapter (Who Employs Tumwater's Workforce) and SWOT Analysis: Support Inclusive Entrepreneurship.

Share of Population by Race and Ethnicity in Tumwater, 2011 and 2024



Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026. Groups whose share grew between 2011 and 2024 shown; White (alone) fell from 86.2 to 69.3 percent. Detail in Part 2, Table ED-3.

Goal ED-8

Strengthen Tumwater's community and district vibrancy to advance the community as a regional destination through placemaking.

Goal ED-8 is intended to make Tumwater's planning districts distinct, active places that draw people, businesses, and investment.

Why is this goal important?

The quality of a place is an economic asset. Workers increasingly choose where to live before they choose where to work, and businesses follow talent. Distinct, active districts also give existing businesses more customers, longer visits, and a stronger setting for investment.

As shown in Part 2 Section 4-D, Tumwater has the strongest per-capita consumer demand when compared to neighboring jurisdictions. As more people move to the area and demand increases, there is greater interest in shopping experiences that are unique, attractive, and have a strong local identity. To capture this increase in consumer demand and prevent individuals from shopping in other areas, Tumwater must create vibrant local shopping hubs that fill these needs.

Due to Tumwater's unique heritage, history and natural assets like the Deschutes River, Pioneer Park and adjacency to the State Capitol, Tumwater is positioned to take advantage of tourism opportunities as it develops districts with identities and aesthetics that can attract tourism into experiences within the city.

Goal ED-8 Policies

Policies	Lead	Period
ED-8.1 Build a clear placemaking identity for Tumwater that connects the City's districts, natural assets, heritage, sports, culture, and quality of life.	EXD, PRD	Term of the Plan
ED-8.2 Strengthen Tumwater's business districts as active and identifiable places that support local business growth and community life.	EXD, CDD	Term of the Plan
ED-8.3 Use placemaking, aesthetic improvements, and active public spaces to improve livability and strengthen private investment potential.	EXD, PRD, TED, CDD	Term of the Plan
ED-8.4 Advance Tumwater's visitor appeal by improving wayfinding, aesthetics, tourism assets, event activity, and connections among key destinations.	EXD, PRD, CDD	Term of the Plan
ED-8.5 Coordinate actions with the Land Use and Housing Elements to encourage housing, mixed-use activity, and multimodal connections that support vibrant districts and allow more people to live near jobs, services, and amenities.	CDD, EXD, TED	Term of the Plan

What the data shows

Tumwater households outspend their neighbors, but the market is smaller.

8.9%

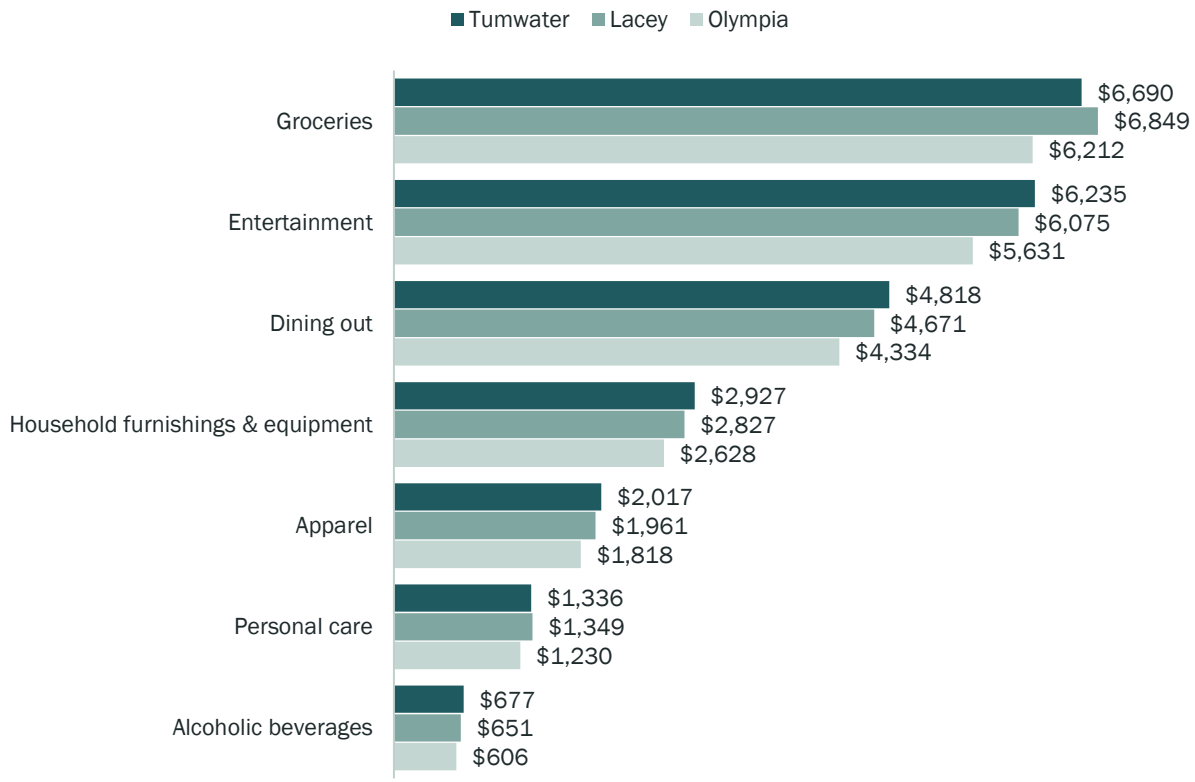
average annual employment growth in Arts, Entertainment & Recreation, 2021Q1–2026Q1, a sector concentrated at 1.47 times the national average.

Combined with Tumwater's brewing heritage, the Deschutes River corridor, historic sites, and parks, this sector provides the foundation for a destination and identity strategy that could draw spending from beyond the resident base and help offset Tumwater's smaller regional consumer demand totals.

More than a quarter of employed Tumwater residents now work from home, up from about 4 percent in 2011. Investing in attractive business districts, placemaking efforts, welcoming gathering places and neighborhood-scale commercial development are strategies that Tumwater can leverage to keep local business districts vibrant.

From Part 2, SWOT Analysis: Establish a Tourism and Place-Branding Strategy; Convert Remote Work into Local Economic Activity. JobsEQ® Industry Snapshot, 2026Q1; American Community Survey via JobsEQ®.

Discretionary Expenditures per Household in Tumwater, Lacey and Olympia, 2025



Source: Zoom Prospector consumer expenditure estimates, 2025, accessed via the Washington State Department of Commerce Choose Washington site selector, July 28, 2026. Values are nominal 2025 estimates. Detail in Part 2, Figure ED-7.

Total Annual Household Spending in Tumwater, Lacey & Olympia, 2025 ($ billions)



Source: Zoom Prospector consumer expenditure estimates, 2025, accessed via the Washington State Department of Commerce Choose Washington site selector, July 28, 2026. Tumwater offers retailers relatively high per-household spending, but a smaller customer base.

Goal ED-9

Develop an affordability strategy that secures equitable access to Tumwater's future growth for all people by expanding the supply of housing, childcare, education, and energy options.

Goal ED-9 is intended to keep Tumwater affordable enough that the people who work in the community can continue to live and thrive within it.

Why is this goal important?

The cost of housing, childcare, education, and energy determines who can participate in Tumwater's economy. If workers cannot afford to live near their jobs, employers will struggle to hire and retain staff, worker commutes lengthen, and economic mobility decreases for individuals at the beginning of their careers.

The technical analysis in Part 2 shows that housing costs have risen steeply and that housing that is affordable to working households is limited. This shortage has led to the pricing out of lower income populations as is suggested by the technical analysis section on income distribution.

This goal treats affordability as economic infrastructure by expanding the supply of the essentials working households need.

Goal ED-9 Policies

Policies	Lead	Period
ED-9.1 In coordination with the Housing Element goals, increase the supply and variety of housing options available to workers, families, seniors, young adults, and cost-burdened households.	CDD, EXD	Term of the Plan
ED-9.2 Increase access to education, training, and career pathways that expand residents' ability to obtain living-wage employment.	EXD	Term of the Plan
ED-9.3 Reduce long-term household and small-business energy cost burdens by expanding access to energy efficiency and clean energy programs, electrification, and resilient infrastructure.	WRS, EXD	Term of the Plan

What the data shows

Housing is an economic development instrument, not an adjacent policy area.

47.7%

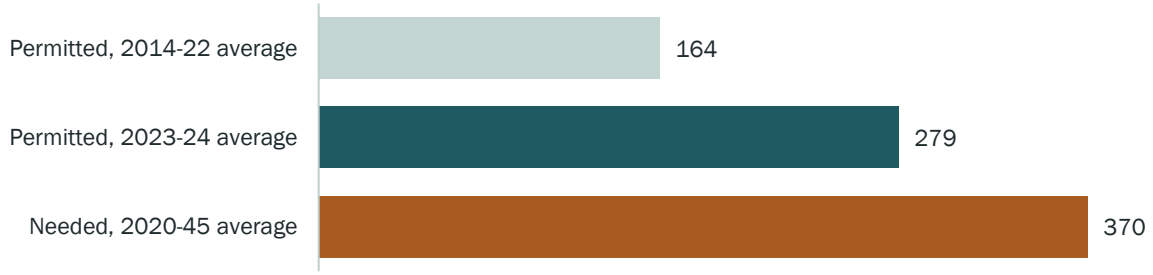
of Tumwater renter households were cost-burdened in 2023, spending more than 30 percent of income on housing.

The ownership market offers workers at median income few points of entry, and the rental market that absorbs them consumes an outsized share of their income. Every dollar a cost-burdened household spends on housing is a dollar unavailable to the local consumer economy to support small businesses.

Meeting the adopted allocation, roughly 370 units per year with more than three-fifths affordable at or below 80 percent of area median income, will help support the workforce and consumer base on which many of this Element's strategies depend.

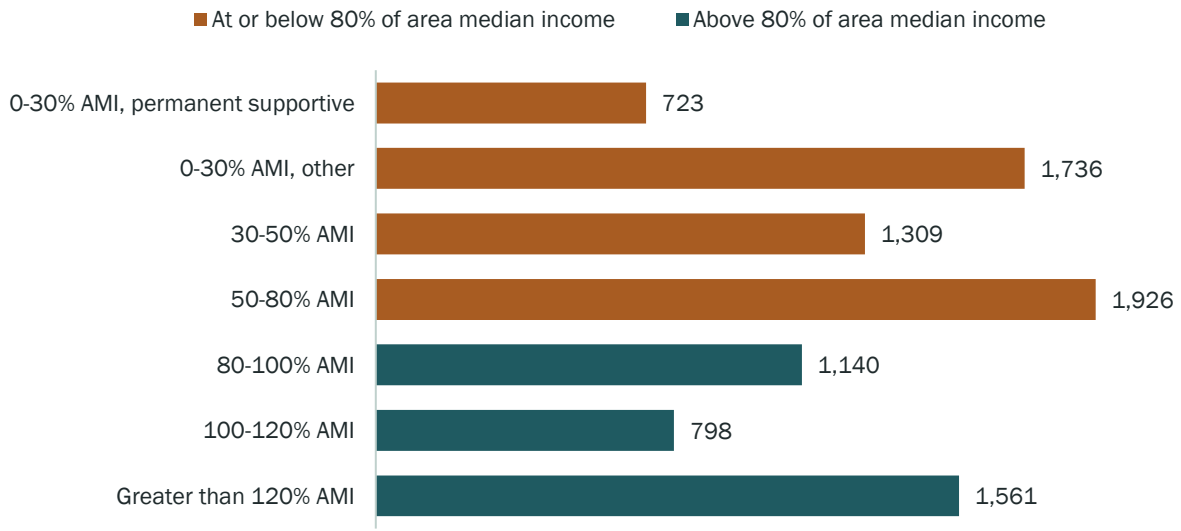
From Part 2, Housing chapter and SWOT Analysis. Cost burden: 2023 U.S. Census American Community Survey 5-Year Estimates, Table DP04, as presented in the Tumwater Housing Element, Part 2, Table H-9.

Average Annual Housing Units Permitted in Tumwater Compared with Average Annual Need



Sources: County and Place Building Permit Data Report, second quarter 2025 edition, place annual data for Tumwater, 2014-24; Thurston Regional Planning Council, Planning for and Accommodating Housing Needs in Thurston County, 2025. Need is 9,192 units over 2020-45, about 370 per year.

Housing Need Allocation for Tumwater & Its Urban Growth Area by Income Level, 2020-45 (units)



Source: Thurston Regional Planning Council, Planning for and Accommodating Housing Needs in Thurston County, 2025, as presented in the Tumwater Housing Element, Part 2, Table H-18. Of 9,192 units, 5,694 (about 62 percent) are needed at or below 80 percent of area median income.

Appendix A

Draft Implementation Actions

To achieve the goals and policies in Chapter 4 of the Economic Development Element, Tumwater will need to take specific actions over the next 20 years. The draft implementation actions listed below were created with input from regional partners, the community, and Tumwater staff. These draft actions will help form the annual work programs that carry out the Economic Development Element's goals and policies.

The draft implementation actions will be refined further before they are included in Tumwater's annual work programs. As the Comprehensive Plan is implemented over the next 20 years, these actions may be updated, replaced, or expanded as new opportunities arise.

How to Read These Tables

The Economic Development's Element's goals, policies, and draft implementation actions are not in priority order.

Period

Each of the Economic Development Element's policies and draft implementation actions are associated with estimated start dates, length of time to complete, and target completion dates, if appropriate, based on adequate funding for staff and resources. Most policies are ongoing with no set target completion date.

Department Leads

Implementation of the Economic Development Element's policies and implementation actions are associated with several different Tumwater departments:

CDD	Community Development Department
EXD	Executive Department
PRD	Parks, Recreation, and Facilities Department
RCW	Revised Code of Washington
TED	Transportation & Engineering Department
WRS	Water Resources & Sustainability Department

Economic Development Goals

Goal ED-1

Establish a predictable, responsive, and investment-ready development climate that stimulates economic activity and private investment.

Policies and Implementation Actions	Lead	Period
ED-1.1 Maintain regular two-way communication with businesses, residents, development applicants, and economic development partners to align City priorities, regulations, and service delivery with community and market needs.	**EXD, CDD**	Term of the Plan
ED-1.1.1 Implement a coordinated economic development outreach program with City partners, including periodic partner check-ins, regular outreach to major employers, opportunities for business-owner feedback, and exit interviews with businesses that leave Tumwater when feasible.	**EXD, CDD**	Term of the Plan
ED-1.1.2 Use City communication channels to explain economic development priorities, major private-sector activity, regulatory changes, and opportunities for public input in plain language.	**EXD, CDD**	Term of the Plan
ED-1.1.3 Maintain a clear staff point of contact for economic development partners and development-related business assistance and participate regularly in partner meetings.	**EXD**	Term of the Plan
ED-1.2 Make development review predictable, timely, and easy to understand for businesses, developers, and property owners while maintaining adopted community standards.	**CDD, EXD**	Term of the Plan
ED-1.2.1 Maintain a development-applicant feedback loop and use the results to improve permitting guidance, submittals, timelines, and customer service.	**CDD, EXD**	Term of the Plan
ED-1.2.2 Provide consistent, accurate, and plain-language development information through the City website, handouts, pre-application materials, and documented staff guidance.	**CDD, EXD**	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-1.2.3 Evaluate whether targeted process improvements, expedited review options, updated permitting tools, or dedicated funding mechanisms would improve development review performance.	CDD, EXD	Term of the Plan
ED-1.3 Promote Tumwater as a competitive location for private investment by clearly communicating its market position, development opportunities, and priority investment areas.	EXD	Term of the Plan
ED-1.3.1 Maintain a concise set of economic development messages for use on the City website, in partner marketing, in printed or digital materials, and in business recruitment or development discussions.	EXD	Term of the Plan
ED-1.3.2 Maintain easy-to-find economic development web content that includes market data, development process guidance, priority opportunity areas, and contact information.	EXD	Term of the Plan
ED-1.3.3 Create and periodically update investment materials that summarize Tumwater demographics, market conditions, available sites, priority geographies, and suitable uses such as office, light industrial, manufacturing, retail, and mixed-use development.	EXD	Term of the Plan

Goal ED-2

Support the retention and growth of Tumwater's existing businesses and entrepreneurs.

Policies and Implementation Actions	Lead	Period
ED-2.1 Maintain a proactive business retention and expansion program focused on existing employers through partner organizations.	EXD	Term of the Plan
ED-2.1.1 Implement a structured business outreach program, including regular contact with key employers, growing businesses, and businesses facing expansion or retention challenges.	EXD	Term of the Plan
ED-2.1.2 Provide coordinated site-location, permitting, and problem-solving assistance for existing businesses seeking to expand or remain in Tumwater.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-2.1.3 Track business needs, expansion opportunities, infrastructure constraints, and retention risks identified through outreach and use the information to inform City work programs.	EXD	Term of the Plan
ED-2.2 Strengthen key industry clusters by supporting existing businesses and attracting complementary businesses.	EXD	Term of the Plan
ED-2.2.1 Identify priority clusters and complementary business opportunities based on local industry strengths, employer outreach, market data, and regional partner intelligence.	EXD	Term of the Plan
ED-2.2.2 Coordinate with regional partners to support co-location, supplier relationships, and recruitment of businesses that complement Tumwater's existing employers.	EXD	Term of the Plan
ED-2.3 Support small businesses and entrepreneurs through accessible City processes, partnerships, and targeted programs.	EXD, CDD	Term of the Plan
ED-2.3.1 Review development regulations and City processes for small-business impacts and address recurring barriers identified through outreach.	CDD, EXD	Term of the Plan
ED-2.3.2 Work with partners to connect small businesses and entrepreneurs with training, mentoring, technical assistance, financing resources, and other business support services.	EXD, CDD	Term of the Plan
ED-2.3.3 Consider targeted small-business tools such as shop-local campaigns, facade or placemaking assistance, and small grants or loans when funding and partner capacity are available.	EXD, CDD	Term of the Plan
ED-2.3.4 Create outcomes, metrics, goals, and reporting standards for economic development partners to track and communicate business successes.	EXD, CDD	Term of the Plan
ED-2.4 Align workforce and education partnerships with the needs of Tumwater businesses.	EXD	Term of the Plan
ED-2.4.1 Partner with the Tumwater School District, New Market Skills Center, South Puget Sound Community College, workforce organizations, and employers to strengthen talent pipelines for local industries.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-2.4.2 Use business outreach findings to help education and workforce partners understand hiring needs, skill gaps, and opportunities for career-connected learning.	EXD	Term of the Plan

Goal ED-3

Grow and diversify Tumwater's exports, with a focus on manufacturing.

Policies and Implementation Actions	Lead	Period
ED-3.1 Protect and strategically utilize light industrial zoned lands to support sustainable long-term economic growth.	CDD, EXD	Term of the Plan
ED-3.1.1 Conduct regular outreach to industrial and manufacturing businesses to identify retention needs, expansion opportunities, infrastructure barriers, and redevelopment constraints.	EXD	Term of the Plan
ED-3.1.2 Evaluate industrial zoning, development standards, and site readiness to ensure that industrial and manufacturing uses remain feasible in appropriate locations.	CDD, EXD	Term of the Plan
ED-3.2 Identify and support priority sectors that align with Tumwater's assets, workforce, land base, and diversification goals.	EXD	Term of the Plan
ED-3.2.1 Define priority sectors using economic data, local assets, regional competitiveness, available sites, and alignment with Tumwater's goals.	EXD	Term of the Plan
ED-3.2.2 Align business outreach, recruitment, marketing, workforce partnerships, and infrastructure planning with Tumwater's priority sectors.	EXD	Term of the Plan
ED-3.3 Position Tumwater to participate in and benefit from clean energy, green business, and sustainable industry growth.	EXD, WRS	Term of the Plan
ED-3.3.1 Support existing clean energy and green businesses and work with partners to recruit, retain, and grow similar businesses.	EXD, WRS	Term of the Plan
ED-3.4 Support and connect workforce development and education partners to promote the needs of Tumwater's target industries and employers.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-3.4.1 Partner with schools, colleges, workforce organizations, and employers to support training pathways connected to priority sectors and local hiring needs.	EXD	Term of the Plan
ED-3.4.2 Facilitate employer connections with education and workforce partners to improve talent pipelines, career awareness, and job access for residents.	EXD	Term of the Plan
ED-3.5 Leverage Tumwater's government employment base to grow complementary private sector industries and reduce long-term dependence on public sector employment.	EXD	Term of the Plan
ED-3.5.1 Support the growth and recruitment of professional services, technology, contractors, and other businesses that serve or complement government, education, and civic institutions.	EXD	Term of the Plan
ED-3.5.2 Work with education and workforce partners to strengthen skill pipelines for government-adjacent sectors, including professional services, technology, administration, and contracting.	EXD	Term of the Plan
ED-3.5.3 Evaluate regulatory, permitting, taxation, and space needs that affect small-scale professional service, technology, and contractor businesses.	EXD	Term of the Plan

Goal ED-4

Target recruitment efforts to support existing businesses and supply-chain gaps.

Policies and Implementation Actions	Lead	Period
ED-4.1 Define and maintain clear recruitment criteria based on Tumwater's existing businesses, target sectors, available sites, workforce, infrastructure, and community objectives.	EXD	Term of the Plan
ED-4.1.1 Maintain a target-business profile identifying preferred industry characteristics, wage levels, space needs, workforce needs, infrastructure needs, and compatibility with Tumwater's land use pattern.	EXD, CDD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-4.1.2 Use business outreach, industry data, site inventories, and partner input to identify gaps in local supply chains and business services.	EXD	Term of the Plan
ED-4.1.3 Review and update recruitment criteria on a regular basis to reflect economic conditions, employer feedback, and available development opportunities.	EXD	Term of the Plan
ED-4.1.4 Target recruitment by economizing scarce ecological inputs like land, water, and carbon emissions to their highest use to maximize returns in terms of jobs, wages, and revenue generated.	EXD, WRS	Term of the Plan
ED-4.2 Prioritize recruitment of businesses that fill supply-chain, contractor, vendor, and service gaps for existing Tumwater employers.	EXD	Term of the Plan
ED-4.2.1 Interview major employers and targeted small businesses to identify frequently used suppliers, contractors, professional services, logistics providers, and production inputs that are not readily available locally.	EXD	Term of the Plan
ED-4.2.2 Work with regional economic development partners to identify businesses that already serve Tumwater employers or comparable employers elsewhere and may be candidates for local expansion or relocation.	EXD	Term of the Plan
ED-4.2.3 Encourage co-location or nearby location of complementary businesses where it would reduce costs, improve business retention, or create opportunities for shared workforce and infrastructure investments.	EXD	Term of the Plan
ED-4.3 Focus recruitment on businesses that offer living-wage jobs, increase exports, and diversify Tumwater's employment base.	EXD	Term of the Plan
ED-4.3.1 Prioritize industrial, manufacturing, clean energy, technology, logistics, business-to-business service, and other traded-sector employers when they are compatible with available land and infrastructure.	EXD	Term of the Plan
ED-4.3.2 Evaluate recruitment prospects based on wage quality, career pathways, local hiring potential, tax base contribution, supply-chain value, and compatibility with adopted plans and regulations.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-4.3.3 Avoid devoting significant recruitment resources to prospects that would consume scarce employment land without producing meaningful employment, wage, supply-chain, or diversification benefits.	EXD	Term of the Plan
ED-4.4 Market specific Tumwater sites and districts to qualified recruitment opportunities.	EXD	Term of the Plan
ED-4.4.1 Maintain a current inventory of priority commercial, industrial, redevelopment, and infill sites suitable for target employers.	EXD	Term of the Plan
ED-4.4.2 Prepare recruitment materials that connect each opportunity area to allowed uses, infrastructure, transportation access, workforce assets, permitting considerations, and nearby complementary businesses.	EXD	Term of the Plan
ED-4.4.3 Coordinate with property owners, brokers, the Port, the Thurston Economic Development Council, and regional partners to respond quickly to qualified business leads.	EXD	Term of the Plan
ED-4.5 Align recruitment with workforce development, infrastructure planning, permitting readiness, and business retention efforts.	EXD, CDD, TED	Term of the Plan
ED-4.5.1 Connect recruitment prospects with workforce and education partners when talent availability is a key location factor.	EXD	Term of the Plan
ED-4.5.2 Use business recruitment and expansion leads to inform capital planning, utility planning, transportation priorities, and site-readiness efforts.	EXD, CDD, TED	Term of the Plan
ED-4.5.3 Provide a coordinated staff point of contact for qualified recruitment prospects to help identify sites, clarify permitting requirements, and resolve process questions early.	EXD, CDD, TED	Term of the Plan
ED-4.6 Track recruitment activity, outcomes, and lessons learned to refine the City's target-business strategy over time.	EXD	Term of the Plan
ED-4.6.1 Track qualified leads, target-sector inquiries, employer supply-chain needs, site matches, expansions, relocations, jobs, wages, capital investment, and reasons prospects choose or reject Tumwater.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-4.6.2 Provide periodic updates to decision-makers on recruitment activity, strategic gaps, and barriers that require policy, infrastructure, or partnership responses.	EXD	Term of the Plan
ED-4.6.3 Use recruitment outcomes and employer feedback to refine target sectors, site-readiness priorities, and partner work plans.	EXD	Term of the Plan

Goal ED-5

Redevelop the former Brewery sites to their highest available use.

Policies and Implementation Actions	Lead	Period
ED-5.1 Establish a highest available use strategy for the former Brewery sites that balances redevelopment feasibility, historic and community value, environmental constraints, employment potential, and market demand.	EXD, CDD	Term of the Plan
ED-5.1.1 Identify preferred redevelopment outcomes for the former Brewery Sites, including appropriate employment, industrial, commercial, mixed-use, historic, civic, open space, and public-access components.	EXD, CDD	Term of the Plan
ED-5.1.2 Evaluate redevelopment scenarios based on market feasibility, infrastructure needs, environmental conditions, historic preservation considerations, public benefit, fiscal impact, and consistency with adopted plans.	EXD, CDD	Term of the Plan
ED-5.1.3 Coordinate with property owners, public agencies, community stakeholders, and private developers to align redevelopment concepts with realistic site conditions and investment requirements.	EXD	Term of the Plan
ED-5.2 Use the Planned Action Environmental Impact Statement (EIS) to reduce redevelopment uncertainty and create a more predictable path for investment in the Brewery District.	EXD, CDD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-5.2.1 Complete and implement the Planned Action EIS to evaluate redevelopment impacts, identify mitigation measures, and establish a predictable review framework for qualifying future projects.	EXD, CDD	Term of the Plan
ED-5.2.2 Use the Planned Action EIS to clarify infrastructure, transportation, shoreline, floodplain, environmental, and historic requirements that affect redevelopment feasibility.	EXD, CDD	Term of the Plan
ED-5.2.3 Translate Planned Action EIS findings into plain-language developer materials that explain likely requirements, mitigation triggers, sequencing issues, and available public tools.	EXD, CDD	Term of the Plan
ED-5.3 Continue to use the City's brownfield program, including existing Environmental Protection Agency and Washington State Department of Ecology grant resources, to assess, plan for, and help address contamination barriers within the Brewery District.	EXD, CDD	Term of the Plan
ED-5.3.1 Leverage Environmental Protection Agency and Washington State Department of Ecology grant resources to support eligible assessment, planning, cleanup planning, and community outreach.	EXD, CDD	Term of the Plan
ED-5.3.2 Coordinate environmental assessment and cleanup planning with redevelopment scenarios so that technical work answers the questions most relevant to future investment.	EXD, CDD	Term of the Plan
ED-5.3.3 Communicate brownfield findings and cleanup pathways through the development of a cleanup roadmap.	EXD, CDD	Term of the Plan
ED-5.4 Recognize and promote the unique industrial rail use opportunity at the former Brewery Warehouse site.	EXD, CDD	Term of the Plan
ED-5.4.1 Prioritize reuse concepts for the Warehouse property that preserve or enhance rail-served industrial, clean technology, or other employment-generating uses where feasible.	EXD, CDD	Term of the Plan
ED-5.4.2 Evaluate proposed non-industrial reuse of the Warehouse property against the long-term loss of rail-served employment land and the availability of alternative sites for the proposed use.	EXD, CDD	Term of the Plan
ED-5.4.3 Coordinate with rail, property, Port of Olympia, utility, and economic development partners to understand infrastructure needs and market opportunities for rail-compatible users.	EXD, CDD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-5.5 Use public investment, infrastructure planning, incentives, partnerships, and regulatory tools to improve site readiness and catalyze private investment in the former Brewery sites.	EXD, TED, WRS, CDD	Term of the Plan
ED-5.5.1 Identify priority public investments needed to unlock redevelopment, including utilities, transportation access, multimodal connections, public spaces, environmental work, and district-serving infrastructure.	EXD, TED, WRS	Term of the Plan
ED-5.5.2 Evaluate targeted incentives, fee timing strategies, grants, tax tools, or public-private partnerships where they would materially improve redevelopment feasibility and produce public benefit.	EXD, CDD	Term of the Plan
ED-5.6 Create a coordinated implementation and communications strategy for the former Brewery sites that supports property-owner coordination, developer outreach, grant management, and community understanding.	EXD	Term of the Plan
ED-5.6.1 Maintain a current redevelopment action plan identifying lead responsibilities, partner roles, funding opportunities, near-term decisions, and key milestones.	EXD	Term of the Plan
ED-5.6.2 Prepare developer-facing materials that summarize the site opportunity, known constraints, Planned Action EIS status, brownfield program resources, infrastructure needs, and desired redevelopment outcomes.	EXD	Term of the Plan
ED-5.6.3 Provide periodic updates to decision-makers and the community on redevelopment progress, grant-supported brownfield work, Planned Action EIS milestones, barriers, and next steps.	EXD	Term of the Plan

Goal ED-6

Partner with the Port of Olympia to advance economic development opportunities.

Policies and Implementation Actions	Lead	Period
ED-6.1 Strengthen partnership with the Port of Olympia to align infrastructure, land use, business recruitment, and airport-area planning with Tumwater's economic development priorities.	EXD, CDD, TED	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-6.1.1 Establish regular coordination with the Port of Olympia on airport-area economic development, including land readiness, infrastructure needs, transportation access, utilities, permitting issues, and business recruitment opportunities.	EXD, CDD, TED	Term of the Plan
ED-6.1.2 Coordinate City economic development priorities with Port airport-area planning, real estate planning, airport master planning, transportation planning, and capital facility planning.	EXD, CDD, TED	Term of the Plan
ED-6.2 Support development of airport-compatible employment and public infrastructure that enable aviation, aerospace, logistics, advanced manufacturing, and related business investment.	EXD, CDD, TED	Term of the Plan
ED-6.2.1 Work with the Port and regional partners to identify and prioritize public infrastructure investments needed to unlock airport-adjacent employment lands, including streets, utilities, power capacity, broadband, stormwater, multimodal access, and connections to airport-supportive facilities.	EXD, CDD, TED	Term of the Plan
ED-6.2.2 Coordinate with the Port, utilities, energy providers, emergency service providers, and regulatory agencies to evaluate infrastructure needs for electric aircraft, advanced air mobility, eVTOL-related operations, charging systems, and other emerging airport technologies.	EXD, CDD, TED	Term of the Plan
ED-6.3 Grow a local aerospace and advanced aviation industry cluster connected to Olympia Regional Airport, the New Market Industrial Campus, regional workforce assets, and Washington's broader aerospace economy.	EXD	Term of the Plan
ED-6.3.1 Recruit and support aviation- and aerospace-related businesses, including aircraft maintenance, avionics, component manufacturing, unmanned systems, composites, robotics, aircraft electrification, eVTOL-related suppliers, and specialized service businesses.	EXD	Term of the Plan
ED-6.3.2 Partner with the Port, education providers, workforce organizations, and industry partners to develop aerospace, aviation maintenance, avionics, robotics, composites, electric aircraft, and advanced manufacturing training pathways.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-6.3.3 Promote Tumwater's position within the Washington aerospace economy while focusing recruitment on businesses that fit the scale, land capacity, infrastructure, and workforce realities of the Olympia Airport area.	EXD	Term of the Plan
ED-6.4 Use Olympia Regional Airport for economic development in ways compatible with airport safety, environmental, transportation, and community priorities.	EXD, TED, CDD	Term of the Plan
ED-6.4.1 Evaluate realistic airport-related business access and logistics opportunities, including general aviation, charter activity, small cargo, emergency services, training, aircraft maintenance, and passenger travel.	EXD	Term of the Plan
ED-6.4.2 Ensure airport-area economic development is coordinated with safety, airspace, noise, environmental, emergency response, transportation, and community compatibility considerations.	EXD, CDD	Term of the Plan
ED-6.4.3 Develop airport-area marketing and recruitment materials that describe target industries, available employment lands, infrastructure needs, public infrastructure priorities, and the City's desired role in supporting development.	EXD, TED, WRS	Term of the Plan

Goal ED-7

Conduct business outreach to better connect local economic participants and the City.

Policies and Implementation Actions	Lead	Period
ED-7.1 Maintain a coordinated business outreach program that connects local businesses, property owners, developers, employers, entrepreneurs, economic development partners, chambers, and City staff.	EXD	Term of the Plan
ED-7.1.1 Prepare and maintain an annual business outreach work plan that identifies priority audiences, outreach methods, partner roles, and follow-up responsibilities.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-7.1.2 Conduct business outreach through a mix of business visits, district walks, listening sessions, surveys, sector-specific convenings, partner referrals, and direct communication with businesses seeking City assistance.	EXD	Term of the Plan
ED-7.1.3 Coordinate outreach with economic development partners, chambers, business associations, the Port of Olympia, workforce partners, education providers, and other organizations that regularly interact with local employers.	EXD	Term of the Plan
ED-7.1.4 Maintain a clear City point of contact and referral process for businesses seeking help with permitting, site selection, expansion, relocation risk, workforce connections, public infrastructure issues, or other business needs.	EXD	Term of the Plan
ED-7.2 Use business outreach to inform staff, City Council, and partners about local economic conditions, business needs, investment barriers, and emerging opportunities.	EXD, CDD	Term of the Plan
ED-7.2.1 Track themes from business outreach, including workforce needs, permitting issues, infrastructure constraints, real estate and site needs, safety concerns, code enforcement concerns, financing gaps, expansion opportunities, relocation risks, and regulatory barriers.	EXD, CDD, TED, WRS	Term of the Plan
ED-7.2.2 Develop a process to identify businesses at risk of leaving and businesses ready to expand, and connect them with appropriate City, partner, workforce, permitting, or infrastructure assistance.	EXD, CDD, TED	Term of the Plan
ED-7.2.3 Provide periodic economic conditions briefings to City Council and staff using outreach findings, local data, development activity, and partner input.	EXD	Term of the Plan
ED-7.2.4 Use outreach findings to inform code updates, permitting improvements, infrastructure priorities, capital planning, business retention work, and economic development communications.	EXD, CDD, TED	Term of the Plan
ED-7.3 Develop and maintain economic development communication materials, data dashboards, and business resources that make local economic conditions and City processes easier to understand.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-7.3.1 Maintain an economic development dashboard or periodic data brief with key indicators such as employment, wages, industry mix, business activity, development activity, permit activity, major projects, consumer demand, and site opportunities.	EXD	Term of the Plan
ED-7.3.2 Maintain plain-language business resource materials that explain City contacts, development processes, permitting steps, available assistance, partner resources, incentives, district opportunities, and common business questions.	EXD, CDD	Term of the Plan
ED-7.3.3 Prepare district, corridor, and site-specific materials that summarize available property, allowable uses, infrastructure conditions, market context, and Tumwater priorities.	EXD, CDD	Term of the Plan
ED-7.3.4 Keep economic development information current on Tumwater's website and distribute updates through City channels, partners, chambers, business associations, and other trusted networks.	EXD	Term of the Plan
ED-7.4 Strengthen two-way communication between the City and the business community so local economic participants are more visible in City decision-making and better informed about Tumwater's priorities.	EXD	Term of the Plan
ED-7.4.1 Develop a business communication strategy with tailored messages and channels for small businesses, major employers, property owners, developers, entrepreneurs, industrial users, office employers, and district-based businesses.	EXD	Term of the Plan
ED-7.4.2 Create regular channels for business-facing updates, such as an economic development newsletter, partner-distributed updates, or targeted alerts.	EXD	Term of the Plan
ED-7.4.3 Invite local business perspectives into City Hall through Council briefings, staff learning sessions, business introductions, site visits, and targeted input when policies or projects affect local economic conditions.	EXD	Term of the Plan
ED-7.4.4 Use outreach to include underrepresented, home-based, emerging, non-English-speaking, and small-scale businesses that may not be connected to formal business organizations.	EXD	Term of the Plan
ED-7.5 Define partner roles and accountability measures for business outreach and economic development communication.	EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-7.5.1 Use contracts, scopes of work, memoranda of understanding, or annual partner work plans to define outreach roles, referral protocols, reporting expectations, and coordination practices.	EXD	Term of the Plan
ED-7.5.2 Evaluate the outreach program annually using measures such as businesses contacted, jobs created, labor income created, tax revenue generated and sector representation.	EXD	Term of the Plan

Goal ED-8

Strengthen Tumwater's community and district vibrancy to advance the community as a regional destination through placemaking.

Policies and Implementation Actions	Lead	Period
ED-8.1 Build a clear placemaking identity for Tumwater that connects the City's districts, natural assets, heritage, sports, culture, and quality of life.	EXD, PRD	Term of the Plan
ED-8.1.1 Develop a placemaking and destination identity framework that identifies Tumwater's core place assets, including healthy business districts, sports facilities and events, the Deschutes River and natural setting, historic resources, arts and culture, schools and neighborhoods, and other visitor or community anchors.	EXD, PRD	Term of the Plan
ED-8.1.2 Use consistent placemaking messages in City communications, economic development materials, tourism partnerships, wayfinding, district promotion, and business outreach.	EXD, PRD	Term of the Plan
ED-8.1.3 Support festivals, events, cultural activities, and district activation efforts that reinforce Tumwater's identity and bring residents, workers, and visitors into local business districts.	EXD, CDD	Term of the Plan
ED-8.2 Strengthen Tumwater's business districts as active and identifiable places that support local business growth and community life.	EXD, CDD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-8.2.1 Name, map, and promote Tumwater's business districts and community-serving centers using clear district profiles, opportunity summaries, and consistent public-facing materials.	EXD, CDD	Term of the Plan
ED-8.2.2 Support community-oriented development models, including neighborhood serving retail, grocery anchored centers, small-scale mixed-use areas, and local-serving commercial nodes.	EXD, CDD	Term of the Plan
ED-8.2.3 Provide facilitation, technical assistance, or partner referrals for business owners and property owners interested in district management, design assistance, coordinated marketing such as Business Improvement Areas, Creative Districts, or similar tools.	EXD, CDD	Term of the Plan
ED-8.2.4 In coordination with the Land Use Element, evaluate development standards, parking, access, streetscape, and design requirements in priority districts to ensure they support walkable, attractive, and economically viable community-serving development.	CDD, TED, EXD	Term of the Plan
ED-8.3 Use placemaking, aesthetic improvements, and active public spaces to improve livability and strengthen private investment potential.	EXD, PRD, TED, CDD	Term of the Plan
ED-8.3.1 Prioritize aesthetic improvements that improve the comfort, safety, visibility, and economic function of priority districts, including sidewalks, crossings, lighting, trees, landscaping, signage, gateways, seating, and small-scale public spaces.	EXD, PRD, TED, CDD	Term of the Plan
ED-8.3.2 Use public art, cultural markers, interpretive signage, historic references, and high-quality design elements to strengthen district identity and create memorable public spaces.	EXD, PRD, TED, CDD	Term of the Plan
ED-8.3.3 Improve pedestrian, bicycle, transit, and trail connections between districts, parks, civic anchors, the former Brewery Complex and Craft District, the Deschutes River, and other visitor-serving destinations through the Transportation Plan.	EXD, PRD, TED, CDD	Term of the Plan
ED-8.3.4 Coordinate placemaking investments with the City's capital facilities, transportation, parks, utilities, and grant-seeking processes, so public improvements are consistent considerations.	EXD, PRD, TED	Term of the Plan
ED-8.4 Advance Tumwater's visitor appeal by improving wayfinding, aesthetics, tourism assets, event activity, and connections among key destinations.	EXD, PRD, CDD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-8.4.1 Continue phased implementation of Tumwater's wayfinding system and update signage priorities as districts, trails, cultural assets, and redevelopment areas evolve.	EXD, PRD, CDD, TED	Term of the Plan
ED-8.4.2 Collaborate with regional tourism partners to promote Tumwater's sports, recreation, nature, heritage, arts, food and beverage, and district-based visitor opportunities.	EXD, PRD, CDD	Term of the Plan
ED-8.4.3 Support visitor-serving businesses and attractions, including restaurants, cultural and entertainment uses, recreation-related businesses, lodging connections, and event-supportive services in appropriate districts.	EXD, PRD, CDD	Term of the Plan
ED-8.4.4 Use Old Brewhouse, former brewery sites, Craft District, Deschutes River Valley, sports facilities, City golf course, and other signature assets as anchors for regional destination-building.	EXD, PRD, CDD	Term of the Plan
ED-8.5 Coordinate actions with the Land Use and Housing Elements to encourage housing, mixed-use activity, and multimodal connections that support vibrant districts and allow more people to live near jobs, services, and amenities.	CDD, EXD, TED	Term of the Plan
ED-8.5.1 Encourage mixed-use, multifamily, and neighborhood-compatible housing near priority districts, job centers, transit corridors, and community amenities where consistent with the Land Use and Housing Elements.	CDD, EXD, TED	Term of the Plan
ED-8.5.2 Support affordable and workforce housing opportunities that allow people who work in Tumwater to live near employment, services, and amenities.	CDD, EXD	Term of the Plan
ED-8.5.3 Promote multimodal access between housing, employment areas, schools, parks, business districts, and visitor destinations to support daily livability and reduce dependence on single-purpose auto trips in coordination with the Transportation Plan.	CDD, EXD, TED	Term of the Plan

Goal ED-9

Develop an affordability strategy that secures equitable access to Tumwater's future growth for all people by expanding the supply of housing, childcare, education, and energy options.

Policies and Implementation Actions	Lead	Period
ED-9.1 In coordination with the Housing Element goals, increase the supply and variety of housing options available to workers, families, seniors, young adults, and cost-burdened households.	CDD, EXD	Term of the Plan
ED-9.1.1 Evaluate tools such as multifamily tax exemptions, fee deferrals or reductions, surplus/public land partnerships, public-private partnerships, grant funding, and affordable housing funding mechanisms where appropriate and legally available.	CDD, EXD	Term of the Plan
ED-9.2 Increase access to education, training, and career pathways that expand residents' ability to obtain living-wage employment.	EXD	Term of the Plan
ED-9.2.1 Coordinate with the Tumwater School District, New Market Skills Center, South Puget Sound Community College, workforce development organizations, employers, and community partners to expand training capacity tied to living-wage jobs and target industries.	EXD	Term of the Plan
ED-9.2.2 Support the siting, expansion, or co-location of education, training, apprenticeship, and workforce service facilities in locations accessible to residents and employers.	EXD	Term of the Plan
ED-9.2.3 Use City-supported projects, redevelopment initiatives, and partner agreements to explore local hiring, apprenticeship, internship, and career-exposure opportunities where legally feasible and appropriate.	EXD	Term of the Plan
ED-9.3 Reduce long-term household and small-business energy cost burdens by expanding access to energy efficiency and clean energy programs, electrification, and resilient infrastructure.	WRS, EXD	Term of the Plan
ED-9.3.1 Coordinate with utilities and state, regional, nonprofit, and private partners to expand participation in energy efficiency, weatherization, electrification, utility-cost reduction, and resilience programs for households, affordable housing providers, and small businesses.	WRS, EXD	Term of the Plan

Policies and Implementation Actions	Lead	Period
ED-9.3.2 Plan for clean energy, charging, grid-readiness, district-scale energy, and resilience infrastructure where it can lower costs, support redevelopment, and improve access for residents and businesses.	WRS, EXD	Term of the Plan


CITY OF
TUMWATER

Exhibit B

Economic Development Element

Part 2 – Technical Information

City of Tumwater 2025 Comprehensive Plan

Balancing Nature and Community: Tumwater's Path to Sustainable Growth

DRAFT VERSION OCTOBER 6, 2026

October 2026

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CITY OF TUMWATER

Economic Development Element

Part 2 – Technical Information

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Introduction

Background

The Economic Development Element is part of Tumwater's Comprehensive Plan and was prepared in accordance with the Growth Management Act (Chapter 36.70A RCW). Economic development is one of the Act's planning goals, which directs communities to encourage economic development that is consistent with adopted comprehensive plans and to promote economic opportunity for all residents, especially unemployed and disadvantaged people (RCW 36.70A.020(5)). The Act also authorizes an optional economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life (RCW 36.70A.070(7)).

The Element also responds to the 2025 Thurston County County-Wide Planning Policies, which address economic development and employment growth on a regional basis. It draws on the City's 2019 Updated Economic Development Plan, adopted in January 2020, and updates that plan's analysis with current data.

The Economic Development Element is organized in two parts. **Part 1** contains the element's goals, policies, and implementation actions. **Part 2** contains the technical economic analysis of the region.

How to Read this Element

Part 2 presents the economic analysis on which the goals and policies of Part 1 rest. Each analysis chapter closes with a discussion of what its findings mean for economic development in Tumwater.

Chapters 2 through 5 describe the people side of Tumwater's economy including its population and households, its housing market, its household incomes and consumer spending, and its workforce.

Chapters 6 and 7 describe the business side, including the industries that operate in Tumwater and the land available to accommodate their growth.

Chapter 8 synthesizes the analysis into an assessment of strengths, weaknesses, opportunities, and threats.

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Connections with Other Elements

The Economic Development Element relies on and is consistent with the other Elements of the Comprehensive Plan. The Housing chapter draws directly on the adopted 2025 Housing Element, which contains the City's primary analysis of housing need, land capacity, and displacement risk. The Employment Land Needs chapter relies on the buildable lands analysis carried out in the Land Use Element. The district strategies discussed throughout this part implement the Capitol Boulevard Corridor Plan and the City's planning for the Brewery District. The transportation, utility, and capital facilities investments needed to support employment land are detailed through the Transportation Element, the Utilities Element, and the Capital Facilities Plan. Climate and resilience considerations are addressed in the Climate Element.

About the Data

Data for this analysis was provided, in part, by the Thurston Economic Development Council. The employment, wage, industry, and occupation figures in this part are drawn from JobsEQ®, a labor market data platform maintained by Chmura Economics & Analytics, using data for the first quarter of 2026 exported July 28, 2026. Demographic, income, and social indicator figures are U.S. Census Bureau American Community Survey five-year estimates, principally the 2020-2024 estimates, accessed through the same platform. Housing figures are drawn from the adopted 2025 Housing Element. Employment land figures are drawn from the Thurston Regional Planning Council's Buildable Lands Report (2021, version 5, August 2022) and the Land Use Element. Consumer expenditure figures are Zoom Prospector estimates accessed via the Washington State Department of Commerce Choose Washington site selector.

Current conditions in this Element are reported for Tumwater city limits, using American Community Survey and JobsEQ data. Projections are reported for Tumwater and its urban growth area, using Thurston Regional Planning Council forecasts. The two geographies are not interchangeable. Where a city-limits population series spans 2016, it reflects an annexation that moved residents from the urban growth area into Tumwater; the combined city and urban growth area total is unaffected.

American Community Survey values are five-year survey estimates and carry margins of error that can be meaningful for a city of Tumwater's size. Year-to-year movements in any single indicator should be read as direction rather than precision.

Dollar figures throughout this part are nominal and are not adjusted for inflation unless noted. Occupation figures, classified by the Standard Occupational Classification, describe what workers do; industry figures, classified by the North American Industry Classification System, describe what businesses produce. The two measures count the same jobs from

different directions and are not interchangeable; each chapter identifies which measure it uses.

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1. Demographics

A. Introduction

The Demographics chapter describes the population and household trends that shape Tumwater's workforce, consumer demand, and growth management obligations. It focuses on the people who live in Tumwater including how many individuals reside within the community, how fast their numbers are growing, and how the community's age structure, diversity, and educational attainment are evolving in Tumwater over time.

B. Population

The American Community Survey (ACS)[1] estimates Tumwater's population at 26,956 for the 2020-2024 period, up from 17,121 in the 2007-2011 period, an increase of 57.4 percent. The number of households grew from 7,230 to 10,929 over the same period. Figure ED-1 shows the population series, and Table ED-1 provides the population and household counts behind it.

Part of this increase reflects growth in Tumwater's boundaries rather than growth within a fixed space. Tumwater annexed its eastern and western urban growth areas during the period, most visibly in 2016, when the survey population jumped by more than 3,200 people in a single year. The 2019 Economic Development Plan estimated that annexation accounted for approximately 62 percent of the population Tumwater added between 2006 and 2016.[2] With consistent boundaries since the 2016 annexation, Tumwater's population has grown an average of 2.8 percent per year.

Looking forward, the Thurston Regional Planning Council projects Tumwater and its urban growth area to reach 46,080 residents by 2045[3].

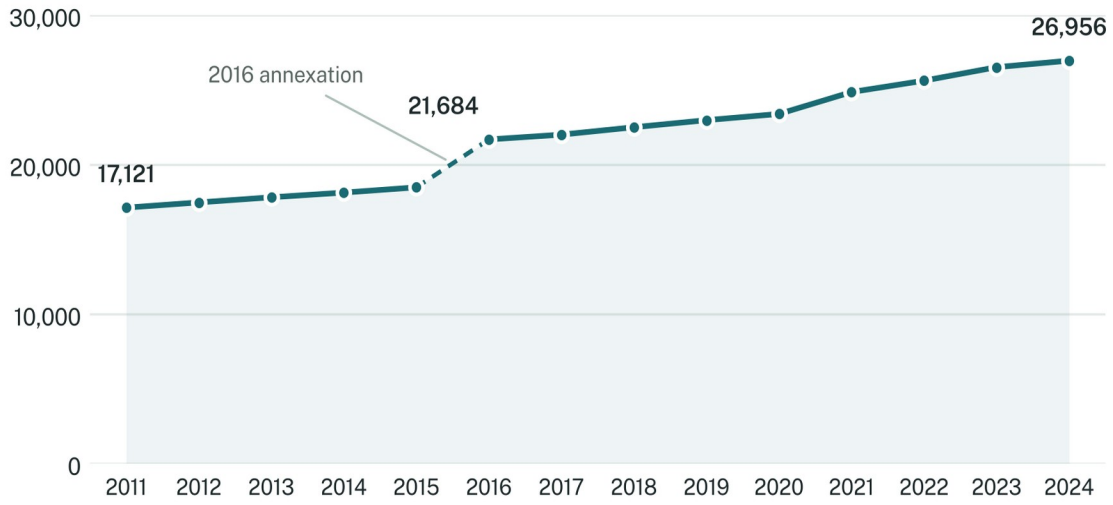
An area of specific interest is the ratio over time between residents and jobs. The Thurston Regional Planning Council forecasts both population and employment growth for Tumwater and its urban growth area. Employment is forecast to grow from 27,030 jobs in 2017 to 37,760 by 2045, about 1.2 percent per year,[4] while population is forecast to grow from

[1]U.S. Census Bureau, American Community Survey (ACS) 5-year estimates, accessed via JobsEQ®, exported July 28, 2026. Estimates are five-year rolling averages for the Tumwater city limits and are labeled by the ending year of the five-year period.
[2]Tumwater, 2019 Updated Economic Development Plan (adopted January 2020).
[3] Thurston Regional Planning Council, Population Estimates and Forecast by Jurisdiction (Table 3), forecast adopted 2018. Projections cover Tumwater and its urban growth area together. The adopted Tumwater Housing Element, Part 2 – Technical Information (2025) carries the 2045 projection as 46,070.
[4] Thurston Regional Planning Council, Employment Estimates and Forecast by Jurisdiction and Sector (Table 7), dated December 19, 2019. Employment is a first-quarter measure.

26,546 residents to 46,080, about 2.0 percent per year.[5] The two were close to parity in 2017, but by 2045 the area is forecast to have 8,320 more residents than jobs. Figure ED-2 compares the two forecasts. Over time, this gap could have implications for the character of Tumwater as a place where people live, but not necessarily where they work.

This dynamic could increase the importance of retaining residents' spending locally and increase the City's reliance on consumer demand for ongoing revenue generation.

Figure ED-1. Tumwater Population, 2011-24.



Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026.

Note: The dashed segment marks the 2016 annexation; the increase between 2015 and 2016 reflects a boundary change rather than growth within a constant area.

Table ED-1. Population & Households in Tumwater, 2011-24.

Year	Population	Total Households
2011	17,121	7,230
2012	17,469	7,503
2013	17,813	7,762
2014	18,128	7,773
2015	18,478	7,987
2016	21,684	9,342
2017	22,005	9,297

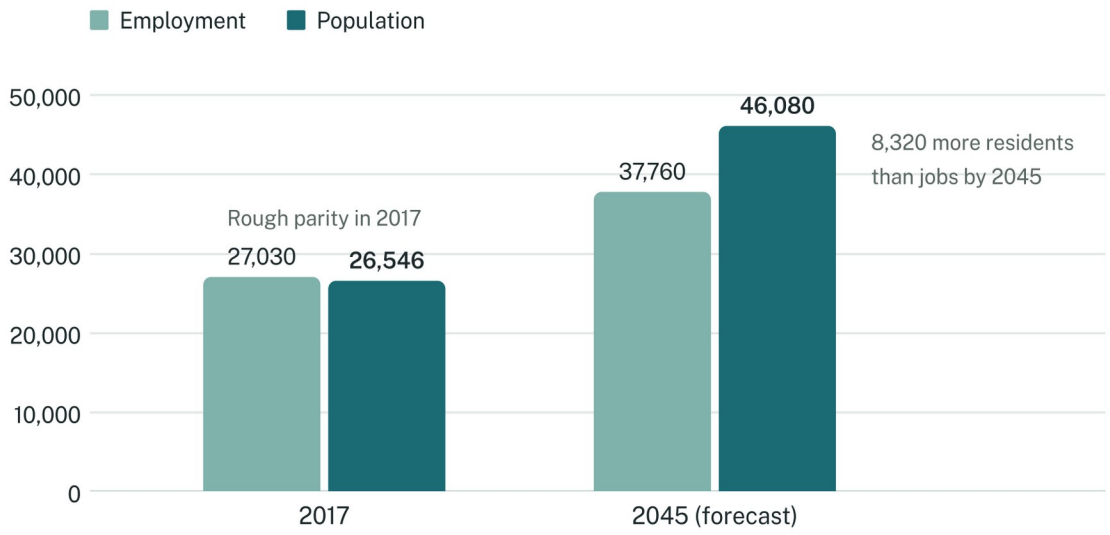
[5] Thurston Regional Planning Council, Population Estimates and Forecast by Jurisdiction (Table 3), forecast adopted 2018. The 2017 population is an April 1 estimate assembled from Tumwater and urban growth area components.

Year	Population	Total Households
2018	22,500	9,336
2019	22,974	9,568
2020	23,390	9,272
2021	24,855	9,730
2022	25,617	9,967
2023	26,519	10,863
2024	26,956	10,929

Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026.

Note: Values are American Community Survey 5-year estimates for the Tumwater city limits and reflect boundary changes, including the 2016 annexation. Household data may be different from sections of plan due to differences between vendor methodologies.

Figure ED-2. Population & Employment in Tumwater & Its Urban Growth Area, 2017 & 2045.



Sources: Thurston Regional Planning Council, Employment Estimates and Forecast by Jurisdiction and Sector, Table 7, December 19, 2019; and Population Estimates and Forecast by Jurisdiction, Table 3, forecast adopted 2018.

Note: Employment is a first-quarter 2017 estimate; population is an April 1 estimate. The 2017 population is assembled from Tumwater and urban growth area components.

C. Age

Tumwater's age structure is changing at both ends of the distribution. Its median age has increased from 35.5 in 2011 to 37.1 in 2024. The population under 25 is shrinking as a proportion of the whole, while the population 65 and older is growing. Table ED-2 summarizes the change.

Table ED-2. Age Distribution in Tumwater, 2011 & 2024.

Age Group	2011 Share	2024 Share	Change (pts)
Under 18	22.8%	20.8%	-2.0
18 to 24	9.2%	7.9%	-1.3
25 to 34	16.9%	16.9%	0.0
35 to 44	12.1%	14.6%	+2.5
45 to 54	13.1%	12.9%	-0.2
55 to 64	12.2%	11.4%	-0.8
65 & over	13.7%	15.6%	+1.9
Median age	35.5	37.1	+1.6

Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026.

As the data is evaluated, two significant points emerge:

1. Children and young adults make up a decreasing percentage of the total population in Tumwater, which will tighten workforce pathways.[6] Although this trend is not unique to the region, the proportion of residents aged 24 or younger has declined from 32.0 percent in 2011 to 28.7 percent in 2024. This shift may create more workforce challenges over the next 10 to 20 years as fewer young people enter the local workforce. It highlights the need for strong partnerships with the Tumwater School District, New Market Skills Center, South Puget Sound Community College, The Evergreen State College, and Saint Martin's University to support workforce development.

2. Senior populations represent a rising share of the population but have relatively few local options for health and support services**.** As with the dynamics among young people, the increase in senior populations is a demographic trend across most of the United States. The proportion of individuals 65 and over living in Tumwater is 15.6 percent, up from 13.7 percent in 2011, and the countywide senior share is projected to increase to 22.7 percent by 2045.[7] This demographic change is happening at the same time as a significant gap in health care services within Tumwater. As of the first quarter of 2026, Health Care and Social Assistance is one of the least concentrated industry sectors in Tumwater, at 28 percent of the national norm.[8] This imbalance decreases local access to critical services required by the senior population and

[6] See Table ED-2

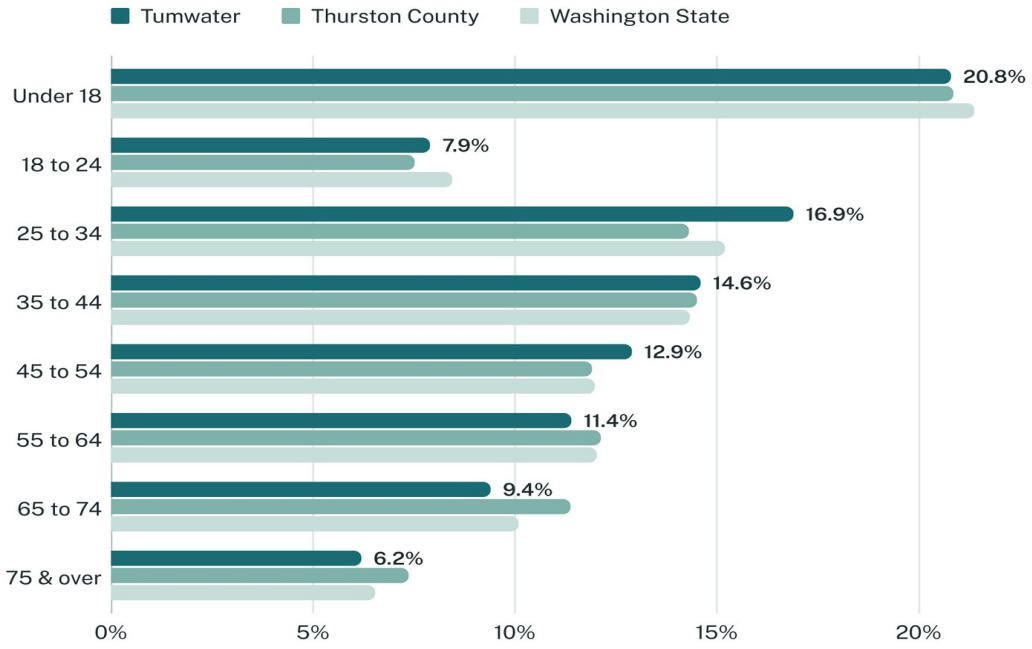
[7] Tumwater Housing Element, Part 2 – Technical Information (2025), Chapter 1.C, citing Thurston Regional Planning Council countywide projections.

[8] JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1, exported July 28, 2026. Health Care and Social Assistance employment of 1,129 with a location quotient of 0.28.

pushes that care, and the spending attached to it, into other jurisdictions, creating revenue loss for Tumwater.

Benchmarked against Thurston County and Washington State, Tumwater remains a comparatively young city. Its median age of 37.1 is below the County's 40.0 and the State's 38.3, and residents age 25 to 34 make up 16.9 percent of Tumwater's population against 14.3 percent countywide. The combined age 25 to 44 share has risen from 28.9 percent in 2011 to 31.5 percent in 2024. Tumwater is currently drawing early and mid-career households at a rate higher than County and State averages. In contrast, younger age groups are decreasing over time. Figure ED-3 compares the full age distribution.

Figure ED-3. Age Distribution in Tumwater, Thurston County & Washington State, 2024.



Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates, 2020-2024; exported July 28, 2026.

D. Race and Ethnicity

Tumwater has diversified over the survey series. Of the U.S. Census race and ethnicity categories, the *white* (alone) share of the population fell from 86.2 percent in 2011 to 69.3 percent in 2024, while residents identifying as *two or more races* rose from 5.0 percent to 13.8 percent. *Black or African American* residents increased from 0.9 percent to 4.8 percent, *Asian* residents from 3.7 percent to 7.3 percent, and *Hispanic or Latino* residents of any race from 5.4 percent to 9.3 percent. Table ED-3 presents the full comparison.

The foreign-born share of the population has drifted upward within a narrow range, reaching 7.5 percent in 2024 up from 6.1 percent, and 2.7 percent of residents age 5 and over speak English less than "very well."

Given Tumwater's increasingly diverse population (see Table ED-3), outreach processes should be mindful of how to reach diverse audiences where they reside, while recognizing that simply providing material in non-English languages might not be the primary barrier to reaching diverse populations.

Table ED-3. Race & Ethnicity in Tumwater, 2011 & 2024.

Race / Ethnicity	2011 Persons	2011 %	2024 Persons	2024 %
White	14,755	86.2%	18,692	69.3%
Black or African American	155	0.9%	1,300	4.8%
American Indian & Alaska Native	407	2.4%	195	0.7%
Asian	626	3.7%	1,965	7.3%
Native Hawaiian & Other Pacific Islander	1	0.0%	130	0.5%
Some Other Race	316	1.8%	945	3.5%
Two or More Races	861	5.0%	3,729	13.8%
Hispanic or Latino (of any race)	923	5.4%	2,503	9.3%

Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026.

Notes: Race categories are for persons identifying with one race alone except as labeled; Hispanic or Latino persons may be of any race, so categories do not sum to the total population. Changes to U.S. Census Bureau race and ethnicity questions beginning with the 2020 Census affect the comparability of race categories across the series.

E. Educational Attainment

Tumwater has a higher concentration of highly educated workers, compared to the County and State. This effect is driven primarily by the concentration of major State agencies located throughout Tumwater.

Among residents age 25 to 64, 45.5 percent hold a bachelor's degree or higher (29.5 percent bachelor's, 16.0 percent postgraduate), up from 39.4 percent in 2011[9]. Adding associate's

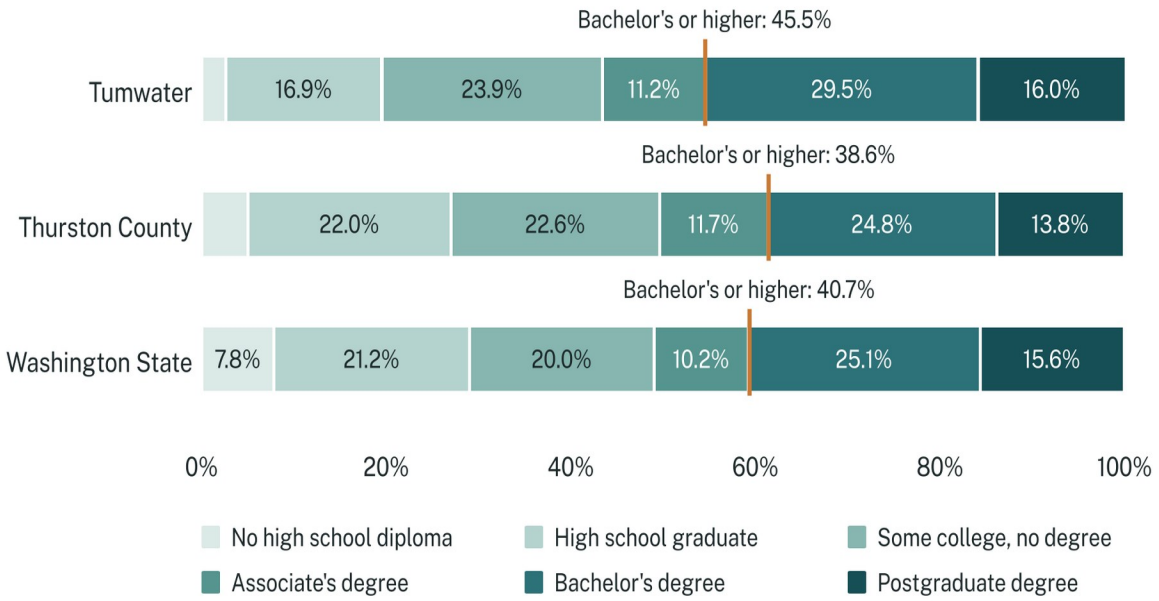
[9] The 2011 figure is the ACS 5-year estimate ending 2011, accessed via JobsEQ®, exported February 13, 2026; the current figure is the ACS 5-Year Estimates, 2020-2024, via JobsEQ®, exported July 28, 2026. Both are for the population age 25 to 64.

degrees (11.2 percent) brings the share with a postsecondary credential to 56.7 percent. The share without a high school diploma fell from 4.6 percent to 2.6 percent.

The City's 45.5 percent bachelor's-or-higher share compares with 38.6 percent countywide and 40.7 percent statewide, and its share of adults without a high school diploma is roughly one-third of the statewide figure. Figure ED-4 and Table ED-4 compare attainment across the three geographies.

This highly educated workforce represents a strategic advantage for Tumwater as it pursues a strategy of economic diversification, as access to a college-educated workforce is presently available for recruitment efforts.

Figure ED-4. Educational Attainment of the Population Age 25 to 64 in Tumwater, Thurston County & Washington State, 2024.



Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates, 2020-2024; exported July 28, 2026.

Note: Figures are for the population age 25 to 64. The rule on each bar marks the threshold above which residents hold a bachelor's degree or higher.

Table ED-4. Educational Attainment of the Population Age 25 to 64 in Tumwater, Thurston County & Washington State, 2024.

Educational Attainment	Tumwater Persons	Tumwater %	Thurston County %	Washington %
No high school diploma	387	2.6%	5.0%	7.8%
High school graduate	2,531	16.9%	22.0%	21.2%
Some college, no degree	3,593	23.9%	22.6%	20.0%

Economic Development Element

Part 2 – Technical Information

Educational Attainment	Tumwater Persons	Tumwater %	Thurston County %	Washington %
Associate's degree	1,675	11.2%	11.7%	10.2%
Bachelor's degree	4,423	29.5%	24.8%	25.1%
Postgraduate degree	2,404	16.0%	13.8%	15.6%

Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates, 2020-2024; exported July 28, 2026.

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2. Housing

A. Introduction

This chapter summarizes housing conditions and trends through an economic development lens: what the cost, availability, and production of housing mean for Tumwater's ability to attract and retain workers, staff its businesses, and sustain consumer demand. The adopted 2025 Housing Element[10] contains the City's primary analysis of housing need, land capacity, displacement risk, and unit targets. This chapter draws directly on that work, cites it throughout, and adds the workforce and market linkages specific to economic development.

Housing affordability directly affects Tumwater's economy and workforce. An affordable housing market is critical to maintaining a high quality of life for residents and helping Tumwater attract and retain the workforce needed to support local employers and economic growth.

B. Housing Costs & Affordability

Homeownership in Tumwater has moved beyond the reach of the median-income household. As of the fourth quarter of 2024, the median house price in Thurston County was $515,800. The Housing Element calculates that purchasing a home at this price with a 30-year mortgage at 6.65 percent and a 20 percent down payment of about $102,000 would require a monthly payment of roughly $3,117 plus utilities, affordable only at approximately 118 percent of area median income for a four-person household.[12] New homes typically sell for more, and Tumwater ranked less affordable than 40 percent of Washington cities.[13]

The Housing Element tracks the Housing Affordability Index maintained by the Washington Center for Real Estate Research at the University of Washington, where an index of 100 represents balance between a household's ability to pay and the cost of housing. The Element finds that affordability for both median-income and first-time home buyers has declined at approximately the same rate across Thurston County cities since 2010.[14] The economic development significance is direct. A household earning the area median income cannot afford to purchase the typical home in Tumwater. This narrows the pool of workers

[10]Tumwater Housing Element, Part 2 – Technical Information (2025).
[11]Tumwater Housing Element, Part 2 – Technical Information (2025), p. 23, citing Washington Housing Market Report, Fourth Quarter 2024, Washington Center for Real Estate Research.
[12]Tumwater Housing Element, Part 2 – Technical Information (2025), p. 24, citing Zillow, end of 2024.
[13]Tumwater Housing Element, Part 2 – Technical Information (2025), p. 24.
[14]Tumwater Housing Element, Part 2 – Technical Information (2025), pp. 24-25, Figures H-10 & H-11, citing Washington Center for Real Estate Research Housing Affordability Index data, 2024.

who can establish themselves in Tumwater, tightens the available labor pool for employers, and shifts home-ownership toward higher income households.

C. Rental Market & Cost Burden

Renting remains the more attainable pathway, but rental affordability is strained for a large share of households. The average rent in Tumwater was $1,747 in the third quarter of 2024, and the federal Fair Market Rent for a two-bedroom unit in the Olympia-Tumwater metropolitan area is $1,843 for Fiscal Year 2025.[15] The Washington Center for Real Estate Research renter affordability indices tracked in the Housing Element show renter affordability below its mid-2010s levels for Thurston County cities.[16]

The Housing Element reports that 47.7 percent of Tumwater renter households were cost-burdened, spending more than 30 percent of income on housing, compared with 17 percent of owner households. Across all Tumwater households, owners, and renters together, almost 15 percent were severely cost-burdened, spending more than half their income on housing.[17] Table ED-5 presents the distribution for renter households.

Table ED-5. Gross Rent as a Percentage of Household Income in Tumwater, 2023.

Occupied Units Paying Rent	Number of Units	Percentage
Less than 15.0 percent	417	10.0%
15.0 to 19.9 percent	732	17.5%
20.0 to 24.9 percent	406	9.7%
25.0 to 29.9 percent	630	15.1%
30.0 to 34.9 percent	455	10.9%
35.0 percent or more	1,538	36.8%

Source: 2023 U.S. Census American Community Survey 5-Year Estimates, Table DP04, as presented in the Tumwater Housing Element, Part 2, Table H-9.

High housing costs leave households with less money to spend at local businesses. This reduces local consumer spending and makes it harder for lower-wage workers in Tumwater's retail, food service, and care sectors to afford to live in the community.

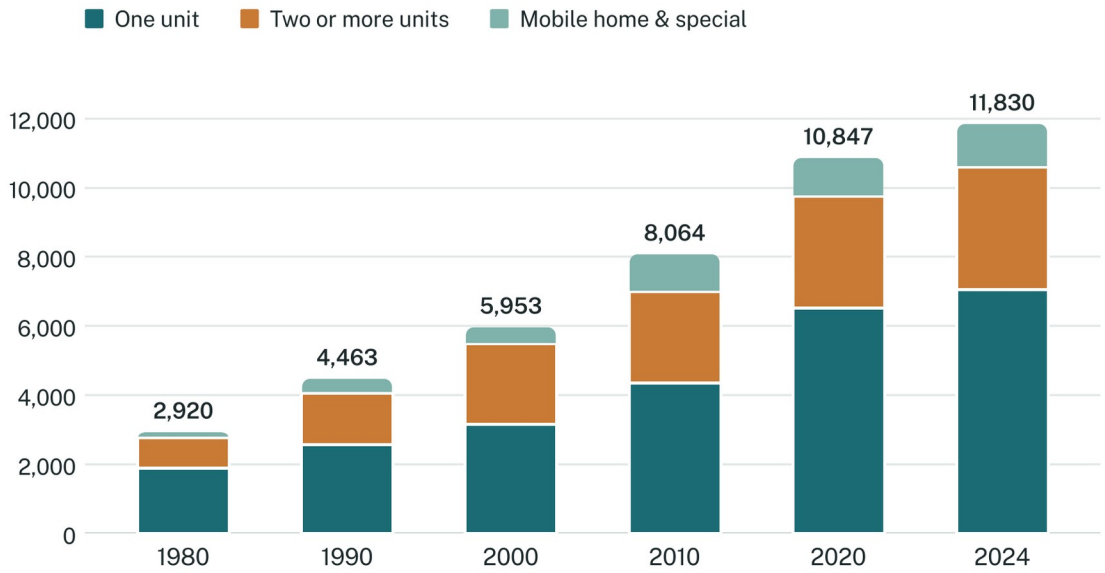
[15]Tumwater Housing Element, Part 2 – Technical Information (2025), pp. 26-27, Figure H-12, citing Washington Center for Real Estate Research rents data, third quarter 2024; and Table H-8, U.S. Department of Housing and Urban Development Fiscal Year 2025 Fair Market Rents.
[16]Tumwater Housing Element, Part 2 – Technical Information (2025), pp. 27-28, Figures H-13 & H-14, citing Washington Center for Real Estate Research renter affordability index data, 2024.
[17]Tumwater Housing Element, Part 2 – Technical Information (2025), p. 23, citing U.S. Department of Housing and Urban Development Affordability Strategy (CHAS), 2021.

D. Housing Inventory & Tenure

Tumwater had 11,830 housing units in 2024, a 47 percent increase from 2010. About 60 percent of homes are single-unit structures, up from 54 percent in 2010, and more than ten percent are mobile homes or special housing units, a stock the Housing Element identifies as vital to Tumwater's affordable housing supply.[18] Figure ED-5 and Table ED-6 break down the inventory by type since 1980.

As of 2023, 61.1 percent of Tumwater's 10,863 households owned their homes and 38.9 percent rented.[19] The Housing Element's estimate of housing supply by income places about half of the 2020 city and urban growth area stock at levels affordable to households earning 80 percent of area median income or less, while cautioning that costs have risen substantially since the underlying survey and the affordable share is likely now smaller.[20]

Figure ED-5. Housing Units in Tumwater by Type, 1980-2024.



Source: Washington State Office of Financial Management, Intercensal Estimates of April 1 Population and Housing, as presented in the Tumwater Housing Element, Part 2, Table H-10.

[18]Tumwater Housing Element, Part 2 – Technical Information (2025), pp. 29-30, Table H-10 and accompanying text, citing Washington State Office of Financial Management intercensal estimates.
[19]Tumwater Housing Element, Part 2 – Technical Information (2025), p. 17, Table H-3, citing 2023 U.S. Census American Community Survey 5-Year Estimates, Table B25009.
[20]Tumwater Housing Element, Part 2 – Technical Information (2025), p. 30, Table H-11 and accompanying text. The Housing Element cautions that the underlying survey data predate recent cost increases and likely overstate the current supply of homes affordable at lower incomes.

Table ED-6. Housing Units in Tumwater by Type, 1980-2024.

Year	Total Units	One Unit	Two or More Units	Mobile Home & Special
1980	2,920	1,901	876	143
1990	4,463	2,563	1,504	396
2000	5,953	3,155	2,328	470
2010	8,064	4,354	2,638	1,072
2020	10,847	6,527	3,223	1,097
2024	11,830	7,045	3,552	1,233

Source: Washington State Office of Financial Management, Intercensal Estimates of April 1 Population and Housing, as presented in the Tumwater Housing Element, Part 2, Table H-10.

E. Production Trends & Projected Need

Single-family houses were the most permitted housing type between 2014 and 2023[21]. Multifamily permitting totaled 748 units over the period, of which 25 were middle housing units in duplexes and triplexes, and 53 accessory dwelling units were permitted from 2014 through 2024.[22] Measured from the inventory series, Tumwater added about 270 housing units per year between 2010 and 2024, a figure that includes 211 units added through annexation rather than new construction.[23]

That pace falls short of what the adopted plan requires. The Growth Management Act directs Tumwater to "plan for and accommodate housing affordable to all economic segments of the population."[24] Through the process established by HB 1220 (Chapter 254, Laws of 2021), the Thurston Regional Planning Council forecasted that Tumwater and its urban growth area will need to add 9,192 net new housing units between 2020 and 2045, an average of roughly 370 units per year over the planning period, well above the recent rate of production.[25] Table ED-7 presents the allocation.

[21] Tumwater Housing Element, Part 2 – Technical Information (2025), p. 36, Figure H-18 and accompanying text, citing Washington Center for Real Estate Research, 2024, and Tumwater, 2024.
[22] Tumwater Housing Element, Part 2 – Technical Information (2025), p. 36, Figure H-18 and accompanying text, citing Washington Center for Real Estate Research, 2024, and Tumwater, 2024.
[23] Derived from the Tumwater Housing Element, Part 2 – Technical Information (2025), p. 29, Table H-10: 11,830 units in 2024 less 8,064 units in 2010, over 14 years. The Housing Element notes 211 of these units were added through annexation between 2020 and 2024 (p. 30).
[24] Growth Management Act, RCW 36.70A, as quoted in the Tumwater Housing Element, Part 2 – Technical Information (2025), p. 38.
[25] Tumwater Housing Element, Part 2 – Technical Information (2025), p. 41, Table H-17, citing Thurston Regional Planning Council, Planning for and Accommodating Housing Needs in Thurston County, 2025.

Table ED-7. Allocation of Projected Tumwater Housing Needs, 2020-45.

Geography	Housing Units Available in 2020	Projected Housing Units Needed in 2045	2020-45 Projected Housing Need
City	11,064	17,740	6,676
Urban Growth Area	1,210	3,726	2,516
Total	**12,274**	**21,466**	**9,192**

Source: Thurston Regional Planning Council, Planning for and Accommodating Housing Needs in Thurston County, 2025, as presented in the Tumwater Housing Element, Part 2, Table H-17.

The composition of that need is also significant. Of the 9,192 units allocated to Tumwater and its urban growth area, 5,694, about 62 percent, must be affordable to households earning 80 percent of area median income or below.[26] Table ED-8 shows the full income-level allocation.

The Housing Element's land capacity analysis found enough land capacity to meet Tumwater's overall housing needs, but very little additional capacity for lower-income housing. Capacity for housing that is affordable to households earning 80 percent or less of area median income exceeds the required need by only 35 units.[27]

Table ED-8. Housing Need Allocation for Tumwater & Its Urban Growth Area by Income Level, 2020-45.

Income Level	Housing Units
Emergency housing (beds)	184
0-30% AMI, permanent supportive housing	723
0-30% AMI, other	1,736
30-50% AMI	1,309
50-80% AMI	1,926
80-100% AMI	1,140
100-120% AMI	798
Greater than 120% AMI	1,561
Total housing units	**9,192**

Source: Thurston Regional Planning Council, Planning for and Accommodating Housing Needs in Thurston County, 2025, as presented in the Tumwater Housing Element, Part 2, Table H-18.

[26] Tumwater Housing Element, Part 2 – Technical Information (2025), p. 42, Table H-18, citing Thurston Regional Planning Council, Planning for and Accommodating Housing Needs in Thurston County, 2025.
[27] Tumwater Housing Element, Part 2 – Technical Information (2025), pp. 46-47, Table H-23 and accompanying text, citing Thurston Regional Planning Council, Planning for and Accommodating Housing Needs in Thurston County, 2025.

Notes: AMI is area median income. Emergency housing is allocated in beds rather than units and is excluded from the unit total. Numbers may not sum due to rounding.

F. Implications for Economic Development

For workforce attraction and retention, housing costs create challenges for both homeowners and renters. A home purchase requires roughly 118 percent of area median income, placing ownership out of reach for many workers in Tumwater's consumer-facing and goods movement sectors, while nearly half of renters are already cost-burdened. The Workforce chapter in this Element finds that labor is most available in occupations with wages least able to support local housing costs. This suggests that housing affordability, not labor supply, may be a significant constraint on Tumwater's ability to attract and retain its workforce.

For consumer demand, high housing costs also reduce local spending. Income spent on housing is unavailable for groceries, dining, and services that Tumwater's subarea district strategies aim to capture.

Housing production is therefore important to Tumwater's economic development . Meeting the adopted allocation, roughly 370 units per year with more than three-fifths affordable at or below 80 percent of area median income, will help support the workforce and consumer base on which many of this Element's strategies depend. Concentrating housing near the Capitol Boulevard Corridor and Brewery District can also bring new residents and spending into areas the City is working to revitalize.

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3. Household Income and Consumer Demand

A. Introduction

This chapter reviews household income levels and distribution, the economic well-being of Tumwater's households, and the consumer spending those incomes support. Income is central to two economic development concerns: equity (who shares in Tumwater's prosperity) and market feasibility (whether local household spending can support the retail, dining, and district revitalization strategies in Tumwater's planning process).[28] All dollar figures in this chapter are nominal.[29] Nominal values are those values not adjusted for inflation.

Tumwater households earn a median income of $95,212, and nearly half of all households now report incomes of $100,000 or more, up from 22.4 percent in 2011. In nominal terms, the shift is clear, with income distribution rising sharply.[30]). A substantial part of the rise in income reflects inflation moving households across fixed dollar brackets rather than gains in purchasing power.

B. Income & Distribution

Median household income reached $95,212 in the 2020-2024 estimate, up from $63,598 in the 2007-2011 period, a 49.7 percent nominal increase. Mean income rose faster still, from $72,043 to $114,446, an increase of 59 percent. Figure ED-6 traces the median income series.

Compared with the County and State, Tumwater sits essentially at County parity and modestly below the State. Tumwater's median income of $95,212 compares with $96,563 countywide and $98,141 statewide, and its income distribution closely tracks the County's across nearly every bracket. The State's higher median income is largely explained by its much larger share of households earning $200,000 or more, 18.5 percent statewide compared with 12.0 percent in Tumwater, a concentration driven by the central Puget Sound economy. Table ED-9 presents the full comparison.

Table ED-10 shows a significant upward shift in the nominal income distribution between 2011 and 2024. Households with incomes under $25,000 fell from 1,484 to 864 in absolute

[28] U.S. Census Bureau, American Community Survey (ACS) 5-year estimates, accessed via JobsEQ®, exported July 28, 2026. Estimates are for the Tumwater city limits and are labeled by the ending year of the five-year period.

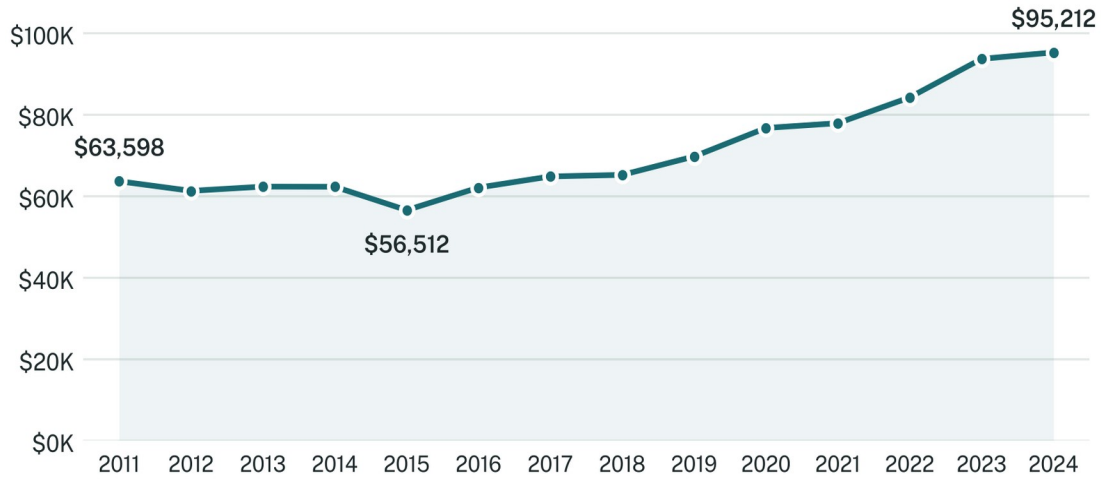
[29] All dollar figures in this chapter are nominal and are not adjusted for inflation.

[30] See Table ED-10

terms even as total households grew by more than half, and households earning $200,000 or more grew from 214 to 1,315.

Inflation, particularly since the COVID-19 pandemic, contributed to rising wages and moved households into higher fixed income brackets. Additionally, because housing costs rose steeply over the same period, the shift may also reflect changes in the households able to afford to live in Tumwater. Some lower-income households may have been displaced or unable to move into Tumwater, while higher-income households moved in. The available data do not allow these effects or other contributing factors to be separated.

Figure ED-6. Median Household Income in Tumwater, 2011-24.



Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026.

Note: Values are nominal and are not adjusted for inflation.

Table ED-9. Household Income Distribution in Tumwater, Thurston County & Washington State, 2024.

Income Bracket	Tumwater	Thurston County	Washington
Less than $10,000	2.8%	4.1%	3.9%
$10,000 to $14,999	1.4%	2.1%	2.5%
$15,000 to $24,999	3.8%	4.4%	4.6%
$25,000 to $34,999	6.1%	4.4%	5.0%
$35,000 to $49,999	9.1%	7.9%	8.2%
$50,000 to $74,999	17.3%	15.5%	14.1%
$75,000 to $99,999	12.2%	13.6%	12.4%
$100,000 to $149,999	23.1%	23.8%	19.2%

Income Bracket	Tumwater	Thurston County	Washington
$150,000 to $199,999	12.1%	12.1%	11.4%
$200,000 or more	12.0%	12.1%	18.5%
Median income (dollars)	**$95,212**	**$96,563**	**$98,141**
Mean income (dollars)	**$114,446**	**$114,140**	**$134,588**

Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates, 2020-2024; exported July 28, 2026.
Note: Values are nominal. Median and mean rows are dollars; all other rows are shares of households.

Table ED-10. Household Income Distribution in Tumwater, 2011 & 2024.

Income Bracket (nominal)	2011 Households	2011 Share	2024 Households	2024 Share
Under $25,000	1,484	20.5%	864	7.9%
$25,000 to $49,999	1,405	19.4%	1,666	15.2%
$50,000 to $99,999	2,721	37.6%	3,230	29.5%
$100,000 to $199,999	1,406	19.4%	3,854	35.3%
$200,000 or more	214	3.0%	1,315	12.0%
Total households	**7,230**	**100.0%**	**10,929**	**100.0%**

Source: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown; exported July 28, 2026.

C. Social & Economic Well-Being

Most measures of household economic well-being have improved substantially and now compare favorably with the County and State. The poverty rate fell from 14.1 percent of residents in 2011 to 7.0 percent in 2024, below the County's 9.5 percent and the State's 9.9 percent. The uninsured share fell from 11.6 percent to 3.5 percent, the share of households receiving food assistance declined from 11.2 percent to 7.9 percent , and the share of children living in single-parent families fell from 45.1 percent to 29.4 percent. One indicator moved in the opposite direction: the share of working age residents with a disability rose from 10.8 percent in 2012 to 13.3 percent in 2024. Table ED-11 presents the indicators together.

Similar to the improvements in income measures, these metrics partly reflect changes in who can afford to live in Tumwater. The displacement risk analysis in the adopted Housing Element provides important context for interpreting these trends.[31]

Even with these favorable averages, Tumwater's poverty and food assistance rates represent a meaningful population. Roughly one in fourteen residents live below the poverty line and about one in thirteen households receives food assistance. These households are important to consider in the retail and consumer spending analysis that follows.

Table ED-11. Social & Economic Well-Being Indicators in Tumwater, Thurston County & Washington State, 2011 & 2024.

Indicator	Tumwater 2011	Tumwater 2024	Thurston County 2024	Washington 2024
Poverty rate, all people	14.1%	7.0%	9.5%	9.9%
Households receiving food assistance	11.2%*	7.9%	11.2%	11.5%
Uninsured share of population	11.6%*	3.5%	5.0%	6.3%
Children living in single-parent families	45.1%	29.4%	30.0%	28.4%
Population age 18-64 with a disability	10.8%*	13.3%	14.4%	11.3%

Sources: JobsEQ®, U.S. Census American Community Survey 5-Year Estimates ending in the year shown (2011-24 series) and 2020-2024 estimates; exported July 28, 2026.

*Note: * 2012 value shown; a 2011 estimate is not available for this indicator.*

D. Consumer Demand

Tumwater's roughly 11,450 households generate an estimated $1.26 billion in annual spending across all categories.[32] After excluding shelter, taxes and retirement, transportation, utilities, and other expenses that generally cannot be captured by local businesses, approximately $283 million per year remains in categories where a local business can compete for household spending: groceries ($76.6 million), entertainment ($71.4 million), dining out ($55.2 million), household furnishings ($33.5 million), apparel ($23.1 million), personal care ($15.3 million), and alcoholic beverages ($7.8 million). Table ED-12 presents the categories with per-household comparisons.

[31] Tumwater Housing Element, Part 2 – Technical Information (2025), Chapter 4.F, Displacement Risk, p. 70.
[32] Zoom Prospector consumer expenditure estimates, 2025 estimates & 2030 projections, accessed via the Washington State Department of Commerce Choose Washington site selector, July 28, 2026.

Table ED-12. Annual Household Expenditures by Category in Tumwater, Lacey & Olympia, 2025.

Category	Tumwater Total ($M)	Per Household: Tumwater	Lacey	Olympia
Groceries	$76.6	$6,690	$6,849	$6,212
Entertainment	$71.4	$6,235	$6,075	$5,631
Dining out	$55.2	$4,818	$4,671	$4,334
Household furnishings & equipment	$33.5	$2,927	$2,827	$2,628
Apparel	$23.1	$2,017	$1,961	$1,818
Personal care	$15.3	$1,336	$1,349	$1,230
Alcoholic beverages	$7.8	$677	$651	$606
Health care	$74.1	$6,470	$6,498	$6,440
All categories, total	**$1,258.1**			

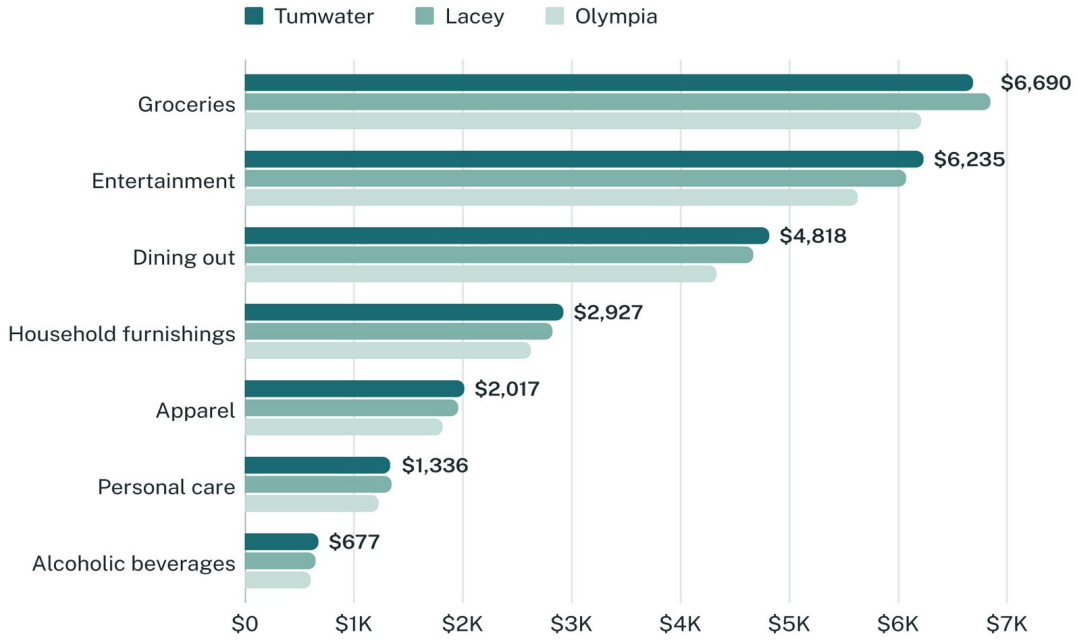
Source: Zoom Prospector consumer expenditure estimates, 2025 estimates & 2030 projections, accessed via the Washington State Department of Commerce Choose Washington site selector, July 28, 2026.

Notes: Values are nominal 2025 estimates. The vendor's household base for Tumwater (approximately 11,450) differs from the American Community Survey estimate of 10,929 households used elsewhere in this chapter; the two sources are not combined in any computation. Capturable subtotal reflects the seven categories listed above it.

Tumwater households spend more per household than Lacey and Olympia in most discretionary categories while trailing Lacey slightly in groceries and personal care. However, Tumwater's consumer market is the smallest of the three by a wide margin with roughly 11,450 households and $1.26 billion in total expenditures against Lacey's roughly 24,100 households and $2.5 billion and Olympia's 26,100 households and $2.6 billion. Tumwater offers retailers relatively high per-household spending, but a smaller customer base. Figure ED-7 compares the discretionary categories.

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Figure ED-7. Discretionary Expenditures Per Household in Tumwater, Lacey & Olympia, 2025.



Source: Zoom Prospector consumer expenditure estimates, 2025 estimates & 2030 projections, accessed via the Washington State Department of Commerce Choose Washington site selector, July 28, 2026.
Note: Values are nominal 2025 estimates.

The expenditure projections show Tumwater's consumer spending growing about 5.0 percent from 2025 to 2030, driven almost entirely by growth in the number of households; projected spending per household is flat to slightly declining in nominal terms. This means most new consumer spending will come from new households. It is therefore important to the redevelopment of commercial activity in the Capitol Boulevard Corridor and Brewery District to concentrate new housing in or near these districts when feasible, bringing new customers and spending directly into the areas the City is working to revitalize.

Health care is the fastest-growing major spending category in all three cities and is projected to grow 8.7 percent in Tumwater by 2030, faster than any other category. This growth is largely driven by an aging population, and particularly important for Tumwater because Health Care and Social Assistance is one of Tumwater's least concentrated industries with local employment only 28 percent of the national average.[33] Rapidly growing demand combined with a relatively small local health care sector points to a potential service gap for residents and means health care spending may continue to flow to providers outside Tumwater.

[33] JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1, exported July 28, 2026. Health Care and Social Assistance employment of 1,129 with a location quotient of 0.28

E. Implications for Economic Development

These figures suggest a clear strategy: increase the amount of money Tumwater residents spend locally by improving business conditions, preparing sites for development, and strengthening key commercial districts (especially in the areas where the $283 million in local consumer spending is focused). Tumwater's per-household spending advantage over Lacey and Olympia supports the potential for mid-market and some premium businesses, especially in food services, entertainment, and personal services where discretionary spending matters most. This strengthens the potential for commercial redevelopment in Tumwater's Capitol Corridor and the Brewery District.

At the same time, the well-being data identify a meaningful number of price-sensitive households, meaning one-size-fits-all retail strategy will not serve the entire local population. A mixed strategy that supports both value-oriented essentials and more premium discretionary services is the more resilient and equitable approach.

Finally, the demand forecast makes the housing linkage clearer. With per-household spending projected to remain flat, essentially all consumer demand growth through 2030 will come from new households. The housing production identified in the Housing chapter is therefore also an important part of Tumwater's consumer demand strategy.

4. Workforce

A. Introduction

This chapter analyzes employment patterns in Tumwater, including the types of jobs, wages, and projected employment growth, to inform business support and sector strategies.[34]

Tumwater's job base stood at 25,653 in the first quarter of 2026, having grown at an average of 3.8 percent per year over the past five years, faster than Thurston County's 3.0 percent and Washington State's 2.3 percent. The median occupational wage is $63,400, with jobs distributed broadly across wage levels: 27.8 percent are in occupations with median wages under $50,000, while a nearly identical 27.6 percent are in occupations at $90,000 or more. Resident unemployment, at 5.3 percent, is in line with the county's 5.2 percent and the state's 5.1 percent.[35] The primary challenge ahead is maintaining the workforce pathway. Of the roughly 14,200 job openings projected in Tumwater over the next five years, 94% will be

[34] JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1, exported July 28, 2026. Data are four-quarter moving averages. Occupation data are classified by Standard Occupational Classification (SOC) and describe jobs located in Tumwater; they are distinct from the industry (NAICS) measures used in the Industry profile.
[35] U.S. Census American Community Survey 5-Year Estimates, 2020-2024, via JobsEQ®, exported July 28, 2026; see the Demographics chapter for the full resident labor force discussion.

needed to replace workers who retire, leave the labor force, or change occupations, rather than to fill newly created jobs.[36]

Unless otherwise noted, historical figures in this chapter cover 2021Q1 through 2026Q1 and forecasts cover 2026Q1 through 2031Q1.

B. Who Employs Tumwater's Workforce

Government employs 39.3 percent of Tumwater's workforce (including 28.3 percent in state government alone, with local government adding 10.9 percent), while the private sector accounts for 56.4 percent and self-employment about 4 percent.[37] Table ED-13 presents the breakdown. The ownership data show whether individual occupations are concentrated in the public and private sector. This distinction is used later in this chapter to determine whether occupational concentrations are driven by state government or private sector demand.

Table ED-13. Employment by Ownership in Tumwater, 2026Q1.

Ownership	Jobs	Share
Private	14,462	56.4%
State Government	7,252	28.3%
Local Government	2,789	10.9%
Self-Employment	1,047	4.1%
Federal Government	37	0.1%
Total – all occupations	**25,653**	**100.0%**

Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Note: Ownership categories sum to 25,587; the remaining 66 jobs are unallocated across ownership in the source extracts.

C. What Tumwater's Workforce Does

Table ED-14 and Figure ED-8 present employment across the 22 major occupation groups. Office and administrative support is the largest occupation group at 3,050 jobs, followed by business and financial operations (2,525) and transportation and material moving (2,028). The location quotient (LQ) column measures how concentrated an occupation is in Tumwater compared with the nation. As of 2026, life, physical, and social science occupations were more than three times as concentrated as the national average; legal and protective service occupations were roughly two and a half times as concentrated; and community and social

[36]Derived from the JobsEQ® five-year forecast: exits (5,853) plus occupational transfers (7,596) as a share of total demand (14,242) equals 94.4 percent.

[37]JobsEQ® Occupation Snapshot ownership-level extracts (Federal Government, State Government, Local Government, Private, Self-Employment), Tumwater city, WA, 2026Q1, exported July 28, 2026.

service occupations were about twice as concentrated as the national average. These concentrations largely reflect Tumwater's state government employment base.

Table ED-14. Employment by Occupation Group in Tumwater, 2026Q1.

Occupation Group	Jobs	Share	Median Wage	LQ
Office & administrative support	3,050	11.9%	$55,300	1.08
Business & financial operations	2,525	9.8%	$87,300	1.50
Transportation & material moving	2,028	7.9%	$48,900	0.93
Sales & related	2,010	7.8%	$45,400	0.90
Management	1,470	5.7%	$135,500	0.73
Protective service	1,406	5.5%	$83,700	2.47
Food preparation & serving	1,390	5.4%	$41,000	0.66
Construction & extraction	1,378	5.4%	$74,400	1.19
Educational instruction & library	1,259	4.9%	$62,300	0.89
Computer & mathematical	1,229	4.8%	$113,900	1.50
Community & social service	992	3.9%	$74,500	2.01
Production	959	3.7%	$50,500	0.71
Installation, maintenance & repair	891	3.5%	$68,700	0.90
Building & grounds maintenance	842	3.3%	$45,700	1.00
Life, physical & social science	748	2.9%	$91,600	3.18
Healthcare practitioners & technical	650	2.5%	$113,100	0.42
Healthcare support	598	2.3%	$47,800	0.46
Architecture & engineering	537	2.1%	$103,200	1.31
Legal	526	2.1%	$119,200	2.42
Personal care & service	497	1.9%	$46,400	0.74
Arts, design, entertainment & media	455	1.8%	$66,700	1.03

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Economic Development Element

Part 2 – Technical Information

Occupation Group	Jobs	Share	Median Wage	LQ
Farming, fishing & forestry	212	0.8%	$42,600	1.45
Total – all occupations	**25,653**	**100.0%**	**$63,400**	**1.00**

Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Note: LQ is the location quotient, the ratio of the occupation group's local employment share to its national share; 1.00 equals the national concentration. 1.20 would be equivalent to 120% the average concentration. 0.80 would be equivalent to 80% average concentration. Median wages are occupation-group medians for covered employment.

Figure ED-8. Employment by Occupation Group in Tumwater, 2026Q1.



Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Beneath the group totals, the detailed occupations tell three stories:

1. The first is that Tumwater's most concentrated large occupations reflect the presence of state agencies. Environmental scientists and specialists (170 jobs at more than twelve times the national concentration), probation officers and correctional treatment specialists (161 jobs, nearly twelve times), and eligibility interviewers for

government programs (228 jobs, nearly ten times), are among the most concentrated, along with correctional officers, social workers, and civil engineers. These occupations have median wages ranging from roughly $69,000 to $112,000. These stable, benefited, middle-to-upper wage jobs support consumer spending on which Tumwater's local businesses depend.

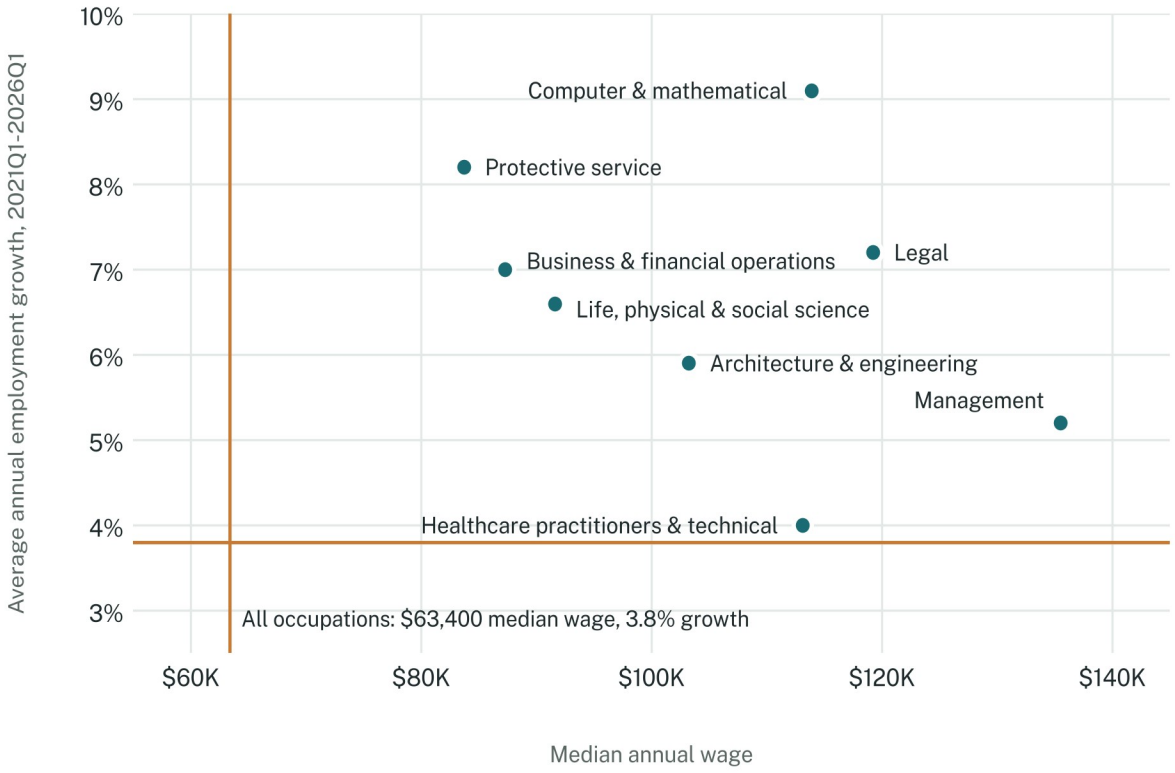
2. The second is about the movement of goods. Tumwater's position on Interstate 5 between the Seattle and Portland markets supports 392 heavy and tractor-trailer truck drivers at a median wage of $64,700, together with 386 freight and material movers and 421 stockers and order fillers.
3. The third is Tumwater's direct to consumer retail sectors. The city's single largest detailed occupation category is retail salespersons at 593 jobs, with fast food and counter workers (428) and cashiers (388) close behind, all at median wages near $38,000.

D. Wages & Growth

Tumwater's high-wage occupations are growing faster than other occupations and faster than regional and state averages. Among the eight occupation groups with median annual wages at least 25 percent above the citywide median of $63,400, computer and mathematical occupations grew fastest, averaging 9.1 percent annual growth, well above the county's 5.7 percent and the state's 4.2 percent. Protective service and business and financial operations followed. Figure ED-9 and Table ED-15 compare wages and growth across the three geographies. All eight high-wage groups grew faster than the citywide average of 3.8 percent and their counterparts in both the County and State.

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Figure ED-9. Median Wage & Average Annual Employment Growth by High-Wage Occupation Group in Tumwater, 2021Q1-2026Q1.



Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Note: The crosshair marks the citywide median wage and citywide average annual employment growth. Includes the eight occupation groups with a median annual wage at least 25 percent above the citywide median.

Table ED-15. Median Wage & Average Annual Employment Growth by High-Wage Occupation Group in Tumwater, Thurston County & Washington State, 2021Q1-2026Q1.

Occupation Group	Median Wage	Jobs	Tumwater	Thurston County	Washington
Management	$135,500	1,470	5.2%	3.9%	4.2%
Legal	$119,200	526	7.2%	3.9%	2.8%
Computer & mathematical	$113,900	1,229	9.1%	5.7%	4.2%
Healthcare practitioners & technical	$113,100	650	4.0%	2.4%	2.2%
Architecture & engineering	$103,200	537	5.9%	3.1%	1.8%
Life, physical & social science	$91,600	748	6.6%	3.7%	3.4%
Business & financial operations	$87,300	2,525	7.0%	4.5%	4.5%
Protective service	$83,700	1,406	8.2%	4.8%	4.1%
All occupations	**$63,400**	**25,653**	**3.8%**	**3.0%**	**2.3%**

Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Note: Includes the eight occupation groups with a median annual wage at least 25 percent above the citywide median of $63,400, sorted by median wage. Growth is average annual employment growth, 2021Q1-2026Q1.

Software developers provide one indication that Tumwater's ability to attract private-sector knowledge-based employment. The occupation supports 410 jobs at a median wage of $128,600 and has grown at an average of 11.1 percent per year over the past five years, above the county's 7.8 percent and the state's 5.3 percent. About four in five of those jobs are in the private sector, and even when measured on private employment alone, software development remains more concentrated in Tumwater than nationally.

Management analysts, lawyers, and accountants and auditors together account for roughly 940 jobs and are more concentrated in Tumwater than nationally, though a majority of the management analyst and lawyer positions are in state government. Their concentration reflects the presence of state agencies as well as private demand. Tumwater's professional workforce creates an opportunity to support additional private-sector employment in these occupations.

E. Labor Supply

Labor force participation is 66.9 percent overall and 83.1 percent among prime working age residents[38], with resident unemployment at 5.3 percent.[39] The City relies on workers who live outside Tumwater, hosting about 1.8 jobs for every resident labor force participant[40] and more than a quarter of employed residents work from home[41].

The defining labor challenge over the next five years will be replacing workers who leave or change occupations. Of the roughly 14,200 projected job openings, about 5,850 will result from workers leaving the workforce, including retirements, and about 7,600 from workers changing occupations, compared with only about 790 net new positions. In other words, replacement demand accounts for approximately 94 percent of projected job openings, while job growth accounts for only 6 percent.

Local unemployment is highest among several lower-wage occupations: cashiers at 10.1 percent, freight and material movers at 9.9 percent, stockers and landscaping workers at 9.2 percent, and fast food and counter workers at 8.5 percent, compared with 5.3 percent across all occupations citywide. These are modeled estimates that are more useful for identifying patterns than precise employment rates. However, the pattern consistently indicates that available labor is greatest in occupations with some of the lowest wages.

F. Implications for Economic Development

The workforce priority is building the workforce pathway, retaining young workers, and preparing for retirements and other worker transitions rather than staffing net job growth. The workforce challenge is succession planning. With growth accounting for less than six percent of projected openings, the practical challenge is replacing workers leaving Tumwater's stable public and private professional workforce. This increases the importance of education and training partnerships with the Tumwater School District, New Market Skills Center, South Puget Sound Community College, The Evergreen State College, and Saint Martin's University identified in the Demographics chapter.

Tumwater's fastest growth is in computer, business, and professional occupations that pay well above[42] the citywide median and are expanding faster locally than in the County or

[38] Prime working age refers to the civilian population age 25 to 54, the standard band used by the U.S. Bureau of Labor Statistics; the overall participation rate is measured on the civilian population age 16 and over. U.S. Census American Community Survey 5-Year Estimates, 2020-2024, via JobsEQ®, exported July 28, 2026.
[39] U.S. Census American Community Survey 5-Year Estimates, 2020-2024, via JobsEQ®, exported July 28, 2026.
[40] Derived: 25,653 jobs located in Tumwater (JobsEQ 2026Q1) against 14,391 resident labor force participants (ACS 2020-2024).
[41] U.S. Census American Community Survey 5-Year Estimates, 2020-2024, via JobsEQ®, exported July 28, 2026.
[42] *JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026. See Table ED-15.*

State. This growth is supported by a highly educated resident workforce: 45.5 percent of residents aged 25 to 64 hold a bachelor's degree or higher. Software developers (410 jobs growing at 11.1 percent per year) provide evidence that Tumwater can attract knowledge-based employment when the workforce is available, even without a large existing cluster of businesses.

Finally, 39.3 percent of Tumwater's jobs are in government. That employment base is both a strength (e.g., provides stable, benefited employment that supports local consumer spending) and a concentration risk. The occupation data also show opportunities for continued diversification in private professional services, goods movement, and, if the current service gap can be addressed, health care services.

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5. Industry

A. Introduction

This chapter examines the economy's supply side and the industries that operate within Tumwater, including their scale, wages, concentration relative to national norms, and growth trends. Where the Workforce chapter examines the type of work performed in Tumwater (occupations), this chapter examines the types of businesses that provide those jobs (industries).

Industry data in this chapter are drawn from the same 2026Q1 dataset used in the Workforce chapter, at the 2-digit sector level.[43] Tumwater supported 25,653 jobs as of the first quarter of 2026, with an average annual wage of $77,127. Employment grew at an average of 3.8 percent per year over the past five years, outpacing Thurston County's 3.0 percent, and Washington State's 2.3 percent. Tumwater's industry structure is distinguished by its high concentration of Public Administration employment. Table ED-16 presents the full sector detail, and Figure ED-10 compares each sector's five-year employment trends with projected growth over the next five years.

Unless otherwise noted, historical figures in this chapter cover 2021Q1 through 2026Q1 and forecasts cover 2026Q1 through 2031Q1.

Table ED-16. Employment, Wages, Concentration, Five-Year Growth & Forecast by Industry Sector in Tumwater, Thurston County & Washington State, 2026Q1.

Industry Sector	Jobs	Avg Ann Wage	LQ	5-Yr Ann %: Tumwater	Thurston Co.	Washington	Forecast Ann %	Est. Payroll ($M)
Public administration	8,334	$95,828	6.93	7.1%	3.8%	2.7%	0.5%	798.6
Retail trade	2,255	$46,610	0.92	0.5%	0.1%	-3.2%	0.4%	105.1
Administrative & support services	1,985	$57,391	1.29	6.5%	2.4%	1.9%	0.6%	113.9
Professional, scientific & technical	1,637	$120,866	0.89	11.2%	6.8%	3.4%	1.2%	197.9
Educational services	1,605	$65,095	0.77	3.0%	3.8%	2.6%	-0.2%	104.5
Construction	1,452	$86,906	0.94	-3.2%	0.4%	0.8%	0.8%	126.2

[43] JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1, exported July 28, 2026. Data are four-quarter moving averages of Quarterly Census of Employment and Wages data supplemented by modeled estimates. History and forecast figures cover five-year windows. Industry data are classified by NAICS at the 2-digit level, the finest level available for Tumwater, and are distinct from the occupation (SOC) measures in the Workforce chapter, which draw on the same 2026Q1 vintage.

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Industry Sector	Jobs	Avg Ann Wage	LQ	5-Yr Ann %: Tumwater	Thurston Co.	Washington	Forecast Ann %	Est. Payroll ($M)
Manufacturing	1,379	$74,294	0.70	0.9%	0.0%	0.5%	0.5%	102.5
Wholesale trade	1,290	$106,354	1.37	6.4%	5.4%	0.5%	0.7%	137.2
Accommodation & food services	1,170	$30,292	0.53	3.1%	6.2%	6.9%	0.7%	35.4
Health care & social assistance	1,129	$70,438	0.28	-2.4%	1.2%	2.5%	1.4%	79.5
Arts, entertainment & recreation	804	$44,479	1.47	8.9%	7.3%	10.6%	0.3%	35.8
Transportation & warehousing	788	$54,485	0.61	0.5%	7.8%	6.3%	0.8%	42.9
Other services	497	$61,533	0.46	-2.4%	2.9%	2.5%	0.8%	30.6
Information	438	$136,106	0.92	8.4%	3.3%	1.4%	1.4%	59.6
Finance & insurance	368	$108,880	0.37	0.0%	1.4%	-0.3%	0.7%	40.1
Agriculture, forestry & fishing	298	$53,805	0.97	-7.2%	-5.2%	-1.3%	0.3%	16.0
Real estate & rental	202	$62,985	0.45	1.0%	0.2%	1.8%	0.7%	12.7
Utilities	21	$155,980	0.15	6.2%	-0.1%	1.5%	0.5%	3.3
Total – all industries	**25,653**	**$77,127**	**1.00**	**3.8%**	**3.0%**	**2.3%**	**0.6%**	**2,041.8**

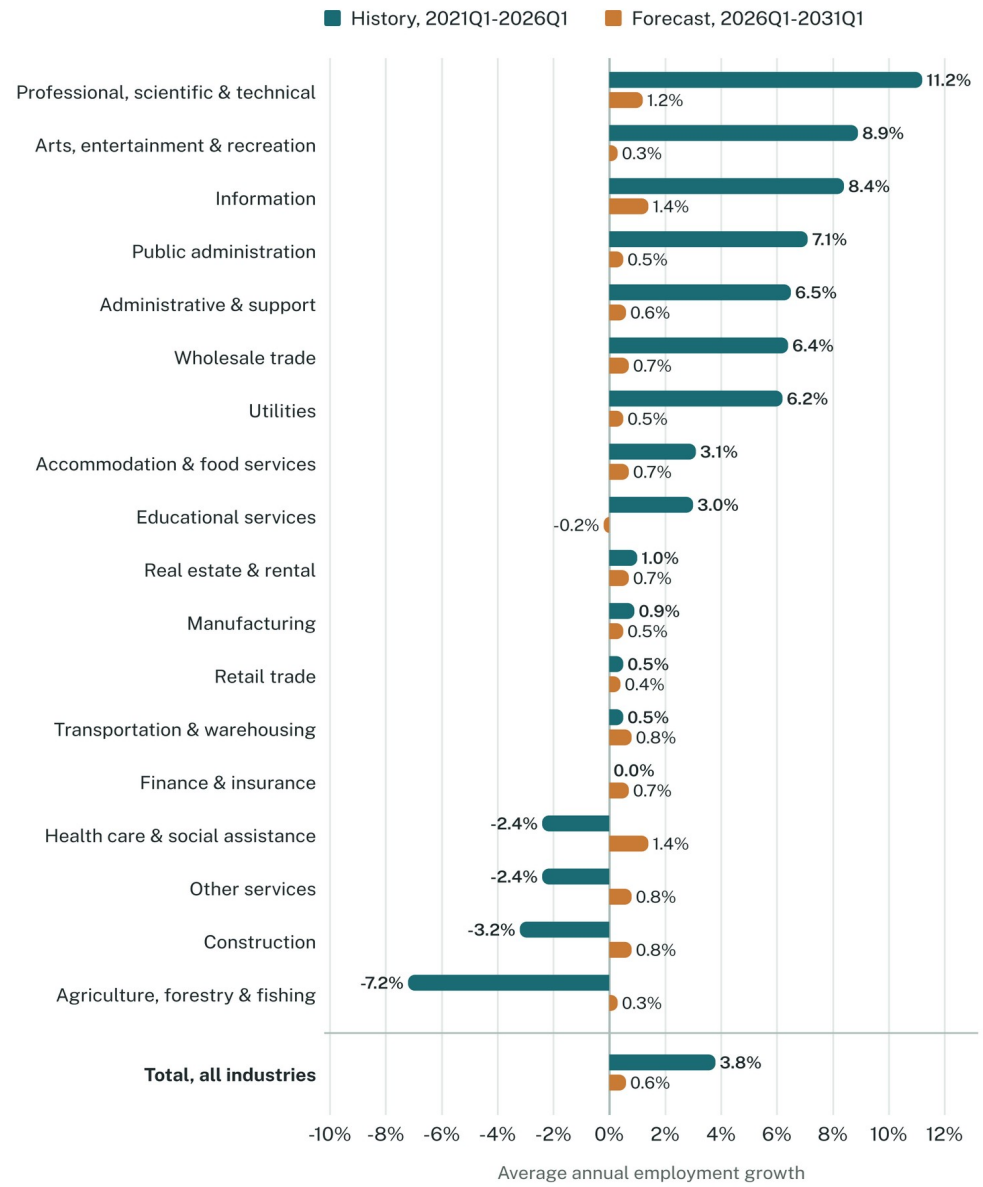
Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Notes: LQ is the location quotient relative to the nation; 1.00 equals the national concentration. NAICS sectors 31, 44, and 48 represent the combined sectors 31-33, 44-45, and 48-49. Mining (NAICS 21) and Management of Companies (NAICS 55) report no employment in Tumwater and are omitted.

Notes: Forecast Ann % is the five-year forecast of average annual employment growth, 2026Q1-2031Q1, modeled consistent with national industry projections. Estimated annual payroll is employment multiplied by average annual wage; it is computed from the two published columns, is not reported by JobsEQ®, excludes proprietor income, benefits beyond covered wages, and returns to capital, and is nominal.

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Figure ED-10. Average Annual Employment Growth by Industry Sector in Tumwater, History 2021Q1-2026Q1 & Forecast 2026Q1-2031Q1.



Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Note: Forecast growth rates reflect national industry projections applied to local industry composition and should be read as direction rather than precise magnitude.

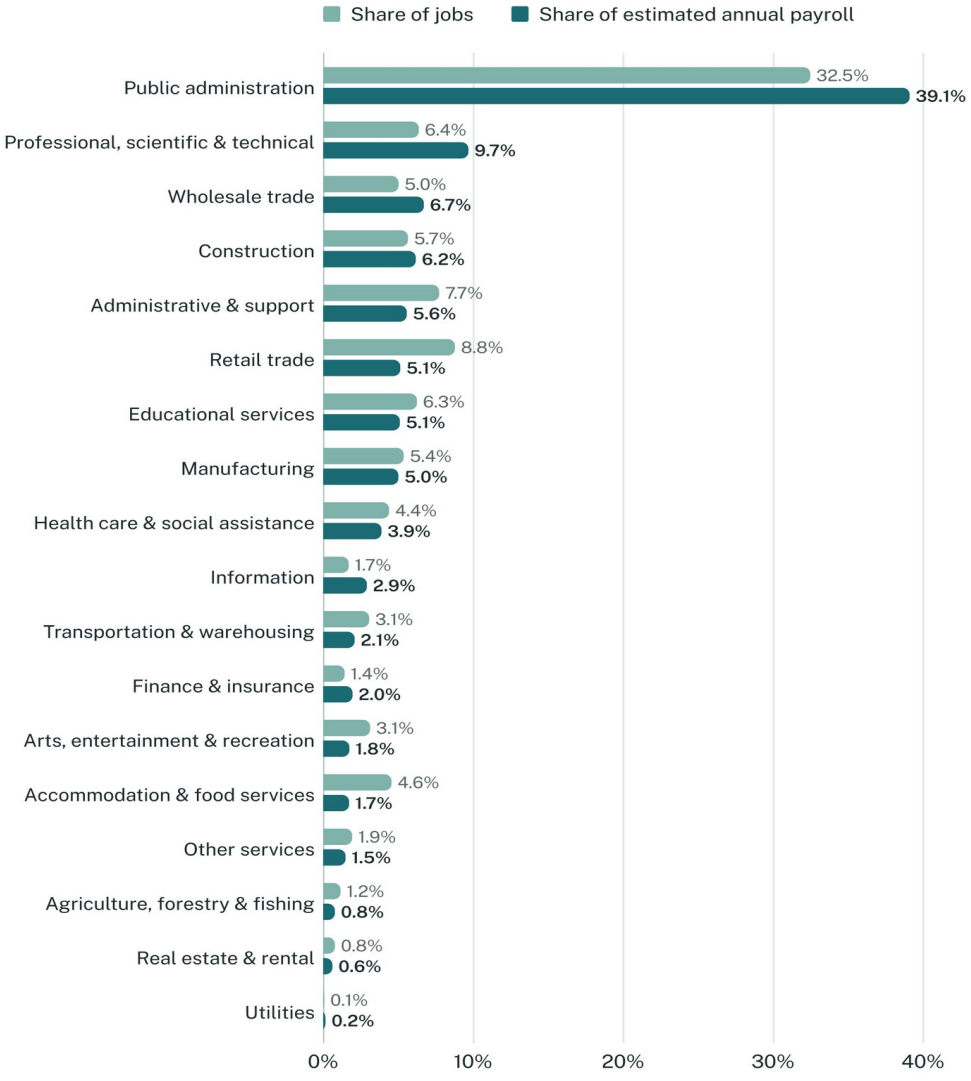
B. Estimated Annual Payroll

Gross domestic product, the standard measure of economic output, is not published at the city level. Estimated annual payroll, calculated by multiplying each sector's employment multiplied by its average annual wage, is used here as a proxy for the relative economic size

of each sector. It excludes proprietor income, employee benefits beyond covered wages, and returns on investment income, so it understated total economic activity.

Measured this way, Tumwater's sectors generate roughly $2.0 billion in estimated annual payroll while Public Administration accounts for 32.5 percent of Tumwater's jobs but 39.1 percent of its estimated payroll, and Professional, Scientific, and Technical Services accounts for 6.4 percent of jobs but only 9.7 percent of payroll. At the other end, Accommodation and Food Services accounts for 4.6 percent of jobs but 1.7 percent of payroll. Figure ED-11 compares each sector's share of jobs with its share of estimated payroll. All figures are nominal.

Figure ED-11. Share of Jobs & Share of Estimated Annual Payroll by Industry Sector in Tumwater, 2026Q1.



Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026. Estimated annual payroll computed as employment multiplied by average annual wage.

C. Public Administration Anchor

Public Administration accounts for 8,334 jobs or 32.5 percent of all employment in Tumwater. It has a location quotient of 6.93, meaning it is concentrated in Tumwater at roughly seven times the national average. Average annual wages in the sector are $95,828 and are above the citywide average. Individually, no other industry sector has even a third of Public Administration's employment, but the majority of Tumwater's jobs are still in the private sector. Tumwater has a large and highly concentrated public-sector employment base within an economy where most jobs remain private.

Public Administration's recent employment growth is not expected to continue at the same pace. Public Administration added 2,422 jobs over the past five years, growing at an average of 7.1 percent annually, but its five-year forecast is flat at about 0.5 percent per year. Of the sector's 4,005 projected openings over the next five years, only 192 represent net new positions. The remaining openings are projected to replace workers who leave the labor force or change occupations.[44] Public Administration is expected to remain a major employment based but contribute little job growth in the near term. Most new jobs will need to come from other sectors.

This concentration is examined in the Strengths, Weaknesses, Opportunities, and Threats (SWOC) analysis as both a strength (providing a stable, high-wage, relatively cycle-resistant employment base) and a risk (due to Tumwater's dependence on state government budget, employment, and facilities decisions).

D. Notable Private Sector Concentrations

Tumwater's private economy shows three notable industry concentrations at or above national norms.

Source for the data strips in this and the following two sections: JobsEQ®, Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

1) Wholesale Trade

JOBS	AVG ANN WAGE	LQ	5-YR ANN %	FORECAST ANN %
1,290	**$106,354**	**1.37**	**6.4%**	**0.7%**

Wholesale Trade added 344 jobs over the past five years, while employment statewide remained flat. Tumwater's location along Interstate 5 between the Seattle and Portland markets supports its role in wholesale trade and goods movement.

[44] JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1, exported July 28, 2026. Exits and transfers are approximate estimates based on occupation separation rates applied to industry staffing patterns, per the source.

2) Administrative and Support Services

JOBS	AVG ANN WAGE	LQ	5-YR ANN %	FORECAST ANN %
1,985	$57,391	1.29	6.5%	0.6%

Administrative and Support Services is growing faster than the sector in both County and State. Wages are moderate, but the sector provides significant entry-level employment opportunities.

3) Arts, Entertainment, and Recreation

JOBS	AVG ANN WAGE	LQ	5-YR ANN %	FORECAST ANN %
804	$44,479	1.47	8.9%	0.3%

Arts, Entertainment, and Recreation is growing faster than any private sector other than *Professional, Scientific, and Technical Services*. Continued growth in arts and culture can support Tumwater's placemaking district redevelopment strategies, including efforts to create more vibrant commercial districts and potentially establish a Washington State Creative District.

E. Professional, Scientific, and Technical Services

JOBS	AVG ANN WAGE	LQ	5-YR ANN %	FORECAST ANN %
1,637	$120,866	0.89	11.2%	1.2%

Professional, Scientific, and Technical Services is one of the most promising sectors in Tumwater. With average wages well above the citywide average and the fastest five-year growth among private sectors, it presents a strong opportunity for economic diversification particularly because it draws on many of the same professional skills found in state government employment. Its location quotient remains just below the national norm, suggesting room for future growth. The combination of rapid growth, high wages, and an existing skilled workforce supports a strategy that leverages workforce talent.

F. Notable Underrepresented Sectors

This section calls out four sectors of significance that sit below national norms.

1) Health Care and Social Assistance

JOBS	AVG ANN WAGE	LQ	5-YR ANN %	FORECAST ANN %
1,129	$70,438	0.28	-2.4%	1.4%

Health Care and Social Assistance is one of the City's primary service gaps. The sector lost 144 jobs over the past five years, declining 2.4 percent annually, even as it grew 1.2 percent annually in the County and 2.5 percent statewide. Combined with the Demographics chapter's finding that the countywide senior share will reach 22.7 percent by 2045, and the Household Income and Consumer Demand chapter's finding that health care is the fastest-

growing spending category in all three principal cities, the direction of the local health sector is an area of economic concern.

Healthcare support occupations, the aides and assistants an aging population needs most, are the only occupation group with more than 500 jobs besides construction and extraction that has shrunk over the past five years, contracting 1.9 percent per year compared to 2.7 percent growth in Thurston County and 2.9 percent growth statewide.

The aggregate gap partly reflects the regional concentration of major medical facilities in Olympia and may not be closable by recruitment alone. However, a strategy of neighborhood-based, small to medium–sized healthcare facilities are achievable within Tumwater and may become more viable as housing becomes more concentrated along the Capitol Corridor and in the Brewery District.

2) Manufacturing

JOBS	AVG ANN WAGE	LQ	5-YR ANN %	FORECAST ANN %
1,379	**$74,294**	**0.70**	**0.9%**	**0.5%**

Manufacturing is under-concentrated relative to national norms and shows no momentum for change. This finding creates direct tension with goal language carried forward from the 2019 plan. The manufacturing strategy in this Element rests on available land, district identity, completion of the Habitat Conservation Plan and the City Council's aspiration for Tumwater to be known as a community where businesses can make things.

3) Accommodation and Food Services and Retail Trade

Accommodation and Food Services (1,170 jobs, location quotient 0.53) and *Retail Trade* (2,255 jobs, 0.92) both sit below national norms as well. This is the industry-level expression of the consumer-spending revenue loss concern documented in the Household Income and Consumer Demand chapter. This is likely due to the relatively slow progress of district revitalization within the Capitol Corridor and Brewery Districts, which could help capture the millions in available consumer demand identified in the previous sections.

G. Forecast and Demand Structure

The five-year forecast for total employment is 0.6 percent annual growth.[45] The forecast reflects national industry projections applied to Tumwater's industry composition.

The demand structure repeats, on the industry side, the finding of the Workforce chapter. Of 14,647 projected openings across all industries over five years, 6,180 arise from labor force exits and 7,700 from occupational transfers. Only 768 openings, 5.2 percent, represent net employment growth: approximately 95 percent of projected industry labor demand is

[45] JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1, exported July 28, 2026. Forecast is modeled by Chmura consistent with BLS national 10-year projections.

replacement, consistent with the 94 percent found on the occupational side over the same five-year horizon. The two are computed using slightly different data methods and are cited separately, but both tell the same story: nearly 95% of job openings will come from retirements and transfers, as opposed to new net job creation. Table ED-17 summarizes the findings.

Table ED-17. Five-Year Labor Demand Structure in Tumwater, 2026Q1.

Measure	Value
Total projected openings	14,647
Openings from labor force exits	6,180
Openings from occupational transfers	7,700
Openings from net employment growth	768
Replacement share of total demand	94.8%

Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Note: Exits and transfers are approximate estimates based on occupation separation rates applied to industry staffing patterns. Components may not sum to the total due to rounding.

Health Care and Social Assistance (about 1.4 percent per year), Information (1.4 percent), and Professional, Scientific, and Technical Services (1.2 percent) are the sectors forecast to grow modestly faster than Tumwater as a whole. Tumwater's dominant sector of Public Administration is forecast to remain flat and Educational Services is the only sector forecast to contract. This supports the previous finding that diversification of Tumwater's employment base will be required for continued economic growth.

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6. Employment Land Needs

A. Introduction

The preceding chapters describe Tumwater's economy including its industries, residents, housing, incomes, and workforce. This chapter considers whether Tumwater has the land to accommodate future growth. The Growth Management Act requires comprehensive plans and development regulations to provide sufficient land capacity to accommodate each jurisdiction's allocated housing and employment growth (RCW 36.70A.115). The Washington State Department of Commerce implements this requirement through a land capacity analysis (WAC 365-196-325).

Thurston County is one of seven Washington counties subject to the Growth Management Act's review and evaluation program, commonly called the Buildable Lands Program (RCW 36.70A.215). Under that program, the Thurston Regional Planning Council periodically evaluates whether the county's urban areas contain sufficient land for 20 years of residential, commercial, and industrial growth, and has issued Buildable Lands Reports in 2002, 2007, 2014, and 2021.

This chapter relies on the 2021 Buildable Lands Report to answer the employment land question for Tumwater: "Does Tumwater and its urban growth area contain enough commercially and industrially zoned land to accommodate forecast job growth?"[46] The answer, explained below, is yes, though it is not clear whether that land can actually be developed and brought to market.

B. Forecast Employment Growth

The Thurston Regional Planning Council forecasts around 35,800 net new jobs in Thurston County between 2020 and 2040, with about 95 percent locating in the county's urban areas. Of the roughly 33,900 jobs forecast for the urban areas, Tumwater is expected to add 5,900, about 17 percent of the countywide urban total. Table ED-18 breaks that growth down by the type of zoning district where new jobs are expected to locate.

Most growth in Tumwater will occur in commercial and mixed-use zones, which contain retail, offices, services, and state and local government employment. Tumwater's forecast is distinctive: about 13 percent of its job growth is expected in industrial zones, roughly double the 6 percent industrial share for the county's urban areas as a whole, and more than a third

[46] Thurston Regional Planning Council, Buildable Lands Report, 2021, version 5, August 2022. Consistent with the report's treatment of urban areas, figures in this chapter combine Tumwater and its unincorporated urban growth area unless noted otherwise. The Council's forecast and inventory figures are not comparable to the JobsEQ employment series used in the Workforce and Industry chapters, which cover Tumwater alone under a different employment definition and vintage.

of all industrial job growth forecast for the County's urban areas is expected to occur in Tumwater. The forecast reinforces the role documented the Industry chapter: Tumwater is one of the region's principal locations for manufacturing, warehousing, and goods-movement employment.

Table ED-18. Forecast Employment Growth by Type of Zone in Tumwater & All Thurston County Urban Areas, 2020-40.

Urban Area	Commercial or Mixed Use	Industrial	Residential & Schools	Total
Tumwater	4,090	760	1,060	5,900
All Thurston County Urban Areas	27,350	2,030	4,520	33,900
Tumwater Share	15.0%	37.4%	23.5%	17.4%

Source: Thurston Regional Planning Council, 2021 Buildable Lands Report for Thurston County, Table 4-1 (TRPC Employment Forecast), p. 46.

Notes: Tumwater figures include Tumwater and its unincorporated urban growth area. Components may not sum to totals due to rounding. Share row computed from report figures.

C. How Employment Translates into Land Demand

The Buildable Lands Report estimates land need from two observed characteristics of the existing building stock: the floor-to-area ratio, which measures how intensively buildings and their required parking, stormwater facilities, and landscaping occupy a parcel, and building area per employee, which varies widely by industry. Together, these factors convert forecasted job numbers into acres of land. The resulting ratio indicates how many jobs can be accommodated per acre of developed land.

Table ED-19 shows these measures for existing commercial and industrial buildings in Tumwater. Commercial buildings within Tumwater's designated urban corridor develop far more intensively than those outside it with 21,400 square feet of building per developed acre and nearly 79 jobs per acre, compared with 8,400 square feet and about 15 jobs per acre outside the urban corridor. Industrial buildings require the most space per worker, at roughly 1,170 square feet per employee, and support about 11.5 jobs per developed acre. A key finding is that the same employment growth consumes several times more land in low-intensity formats than in corridor-style development.

Table ED-19. Building & Employment Density in Existing Commercial & Industrial Buildings in Tumwater.

Building Type & Location	Floor Area per Developed Acre (sq. ft.)	Floor Area per Employee (sq. ft.)	Employees per Developed Acre
Commercial, within urban corridor	21,400	270	78.6

Building Type & Location	Floor Area per Developed Acre (sq. ft.)	Floor Area per Employee (sq. ft.)	Employees per Developed Acre
Commercial, outside urban corridors	8,400	550	15.3
Industrial	13,400	1,170	11.5

Source: Thurston Regional Planning Council, 2021 Buildable Lands Report for Thurston County, Table 4-2, p. 50.

Note: The inventory includes buildings permitted through the end of 2019 and excludes schools, churches, colleges, hospitals, the airport, Port of Olympia property, and certain other public and institutional facilities.

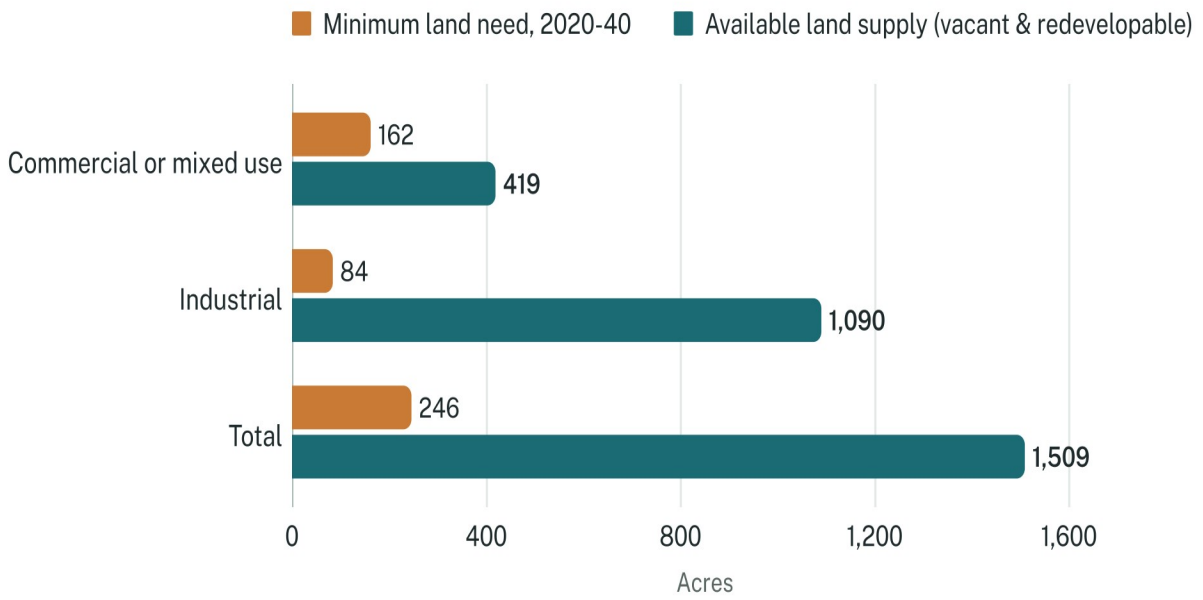
D. Land Demand and Supply

Applying average employment densities to the forecast, the report estimates that Tumwater needs a minimum of nearly 246 acres to accommodate employment growth in commercial, mixed-use, and industrial zones between 2020 and 2040 with 162 acres for commercial and mixed-use growth and 84 acres for industrial growth. Figure ED-12 and Table ED-20 compare that minimum need with the land available.

Tumwater contains about 419 acres of vacant and redevelopable land in commercial and mixed-use zones, roughly two and a half times the minimum need, and about 1,090 acres in industrial zones, roughly 13 times the minimum need. The report separately identifies capacity for approximately one million square feet of additional building space on Port of Olympia property in Tumwater, beyond the acreage shown in the table.

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Figure ED-12. Commercial & Industrial Land Supply Compared to Minimum Land Need in Tumwater, 2020-40.



Sources: Thurston Regional Planning Council, 2021 Buildable Lands Report for Thurston County, Tables 4-3 & 4-4, pp. 52-53.

Table ED-20. Minimum Employment Land Need & Available Land Supply in Tumwater, 2020-40.

Zone Category	Minimum Land Need (acres)	Vacant (acres)	Redevelopable (acres)	Total Supply (acres)
Commercial or Mixed Use	162	297	122	419
Industrial	84	887	203	1,090
Total	**246**	**1,184**	**325**	**1,509**

Sources: Thurston Regional Planning Council, 2021 Buildable Lands Report for Thurston County, Tables 4-3 & 4-4, pp. 52-53.

Tumwater's roughly 887 acres of vacant industrial land is the largest industrial land supply of any jurisdiction in Thurston County and represents more than half of the countywide urban total. Industrial recruitment for the metropolitan area therefore depends substantially on land in Tumwater, and the manufacturing goals identified elsewhere in this analysis depend on this land supply.

For the county's urban areas, the report finds "enough vacant, partially developed, and redevelopable land" to support employment growth forecast to 2040.[47] For Tumwater specifically, supply exceeds minimum need in both categories by a wide margin.

[47] 2021 Buildable Lands Report for Thurston County, p. 51.

E. Supply Constraints

The sufficiency finding carries two qualifications:

1. The report cautions that questions remain about how much of the commercial and industrial land supply will actually be available for development because of federal Endangered Species Act listings, and it identifies Port of Olympia property in Tumwater as an area of particular uncertainty.[48] Four federally listed species have habitat that overlaps substantially with developable land in Thurston County, including the Mazama pocket gopher, which has the most extensive range of the four listed species. Tumwater, in partnership with the Port of Olympia, has been developing a Habitat Conservation Plan to give affected property owners defined options for mitigating the impacts of future development.
2. The analysis assumes that roads, utilities, and other infrastructure will be built or extended as land develops. Much of the industrial supply is unimproved, and the report notes that a robust land supply requires a full range of options for potential businesses, from raw land to served sites to existing vacant buildings. The acreage totals therefore describe zoned capacity, not sites ready for immediate occupancy.

In both cases, unlocking Tumwater's land capacity depends on significant public investment.

F. 2025 Buildable Lands Update

The Land Use Element reports a more recent and more conservative estimate of buildable commercial and industrial land of 729.6 acres in Tumwater and its urban growth area combined[49]. That estimate comes from the Thurston Regional Planning Council's 2025 Tumwater Land Use Alternatives Analysis, which used the same land capacity model as the Buildable Lands Report but updated the land base to account for development completed or approved through February 2025, applied current zoning, and removed lands anticipated to be preserved as mitigation under a habitat conservation plan.

The 2021 Buildable Lands Report answers the countywide statutory question using a common method across jurisdictions, while the 2025 analysis reflects Tumwater's current land base and policy choices. Under either estimate the conclusion is the same and even the more conservative 729.6-acre figure is roughly three times the 246-acre minimum need identified for 2020 through 2040 though still contingent on addressing both the endangered species and infrastructure concerns above.

[48] 2021 Buildable Lands Report for Thurston County, pp. 43 & 51.
[49] Tumwater Land Use Element, Part 2 – Technical Information (2025), Table LU-9.

G. Implications for Economic Development

Tumwater and its urban growth area contain sufficient commercial, mixed-use, and industrial land to accommodate forecast employment growth through the planning period, satisfying the land capacity requirement of RCW 36.70A.115. The conclusion holds under both the 2021 Buildable Lands Report and the more conservative 2025 analysis prepared for the Land Use Element.

Tumwater holds a larger supply of industrial land than any other jurisdiction in the County, and the sufficiency of that supply is not in question. What remains uncertain is how much of it can be brought to market, and how quickly. Resolution of Endangered Species Act mitigation requirements and the extension of infrastructure to unimproved sites will determine whether the industrial land base functions as an economic asset or remains available only on paper.

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7. Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

A. Introduction

This chapter synthesizes the above findings into a single strategic assessment using the SWOC framework of strengths, weaknesses, opportunities, and threats. Findings in this chapter are drawn from the preceding analysis chapters.

B. Strengths

1) Sustained Population and Employment Growth

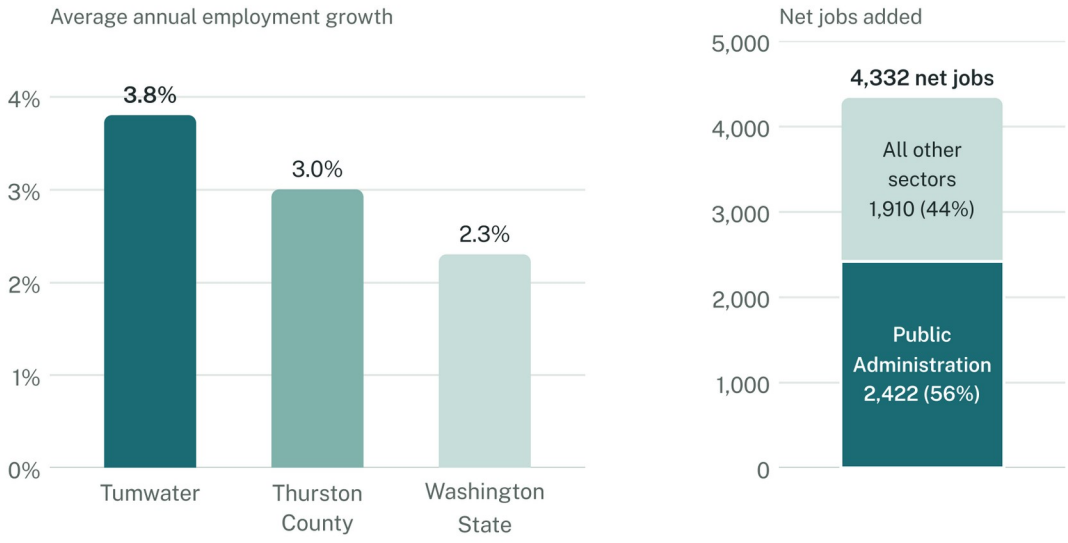
Tumwater has grown faster than regional and statewide averages on both the resident and employment sides. The population rose from 17,121 in the 2007–2011 American Community Survey period to 26,956 in the 2020–2024 period, an increase of 57.4 percent. Part of that increase reflects annexation, but with boundaries essentially stable since 2016, population has still grown an average of 2.8 percent per year. On the employment side, Tumwater's job base stood at 25,653 in the first quarter of 2026, having grown an average of 3.8 percent per year over the past five years, faster than Thurston County's 3.0 percent and Washington State's 2.3 percent.

Growth of this kind expands both the labor pool available to employers and the customer base available to local businesses and generates the level of consumer demand that makes district redevelopment feasible.

However, more than half of the five-year employment growth came from a single sector: Public Administration added 2,422 of the 4,332 net jobs, and that sector is forecast to be essentially flat at about 0.5 percent per year. Figure ED-13 compares the growth rates and shows how concentrated that growth was. This qualification connects the strength to the challenges identified below related to institutional concentration and replacement-driven labor demand.

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Figure ED-13. Employment Growth & Its Concentration in Tumwater, 2021Q1-2026Q1.



Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

Note: The left panel compares average annual employment growth across the three geographies. The right panel divides the 4,332 net jobs Tumwater added between Public Administration and all other sectors combined.

2) Strong Household Purchasing Power

The share of households earning $100,000 or more reached 47.3 percent in the 2020–2024 ACS estimate and the median household income now sits at $95,212. Tumwater households outspend neighboring jurisdictions in most discretionary spending categories. Figure ED-6 and Table ED-9 present the income and distribution, and Figure ED-7 compares per-household expenditures across the three cities.

Tumwater offers retailers, restaurateurs, and personal-service businesses the highest total household expenditure of the three principal cities, leading in twelve of seventeen categories. Lacey's five category leads are concentrated in non-discretionary spending such as groceries, health care, and utilities; Tumwater's advantage is concentrated in discretionary and committed categories, including entertainment, dining out, apparel, household furnishings, and education. This has a direct impact on the feasibility of redevelopment efforts in Tumwater's aging business districts.

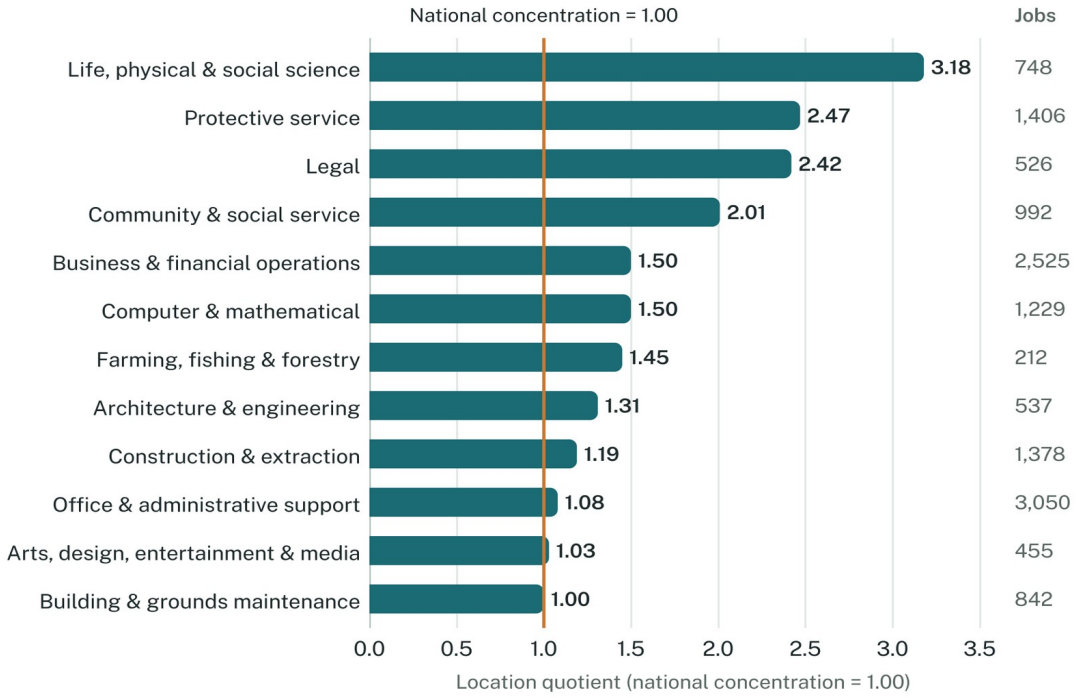
3) A Stable Public-Sector Employment Anchor

Public Administration accounts for 8,334 jobs, 32.5 percent of all employment in Tumwater, at a location quotient of 6.93, roughly seven times the national concentration. Average annual wages in Public Administration are $95,828, well above the citywide average of $77,127, and the sector added 2,422 jobs over the past five years.

These are stable, benefited, middle-to-upper-wage positions. They sustain consumer demand through economic cycles, support a surrounding market of contractors, suppliers, and professional-service firms, and contribute to the stability of Tumwater's consumer demand for services. Deep Concentrations of Skilled and Credentialed Workers

Tumwater's occupational profile is rich in technical and professional work. It exceeds the national concentration in twelve of the 22 major occupation groups, with the strongest concentrations in scientific, legal, protective, and social service work: life, physical, and social science occupations stand at more than three times the national norm (location quotient 3.18), protective service at 2.47, legal at 2.42, and community and social service at 2.01. Figure ED-14 presents all twelve groups. Conversely, the concentration in farming, fishing, and forestry occupations (1.45, with 212 jobs) reflects agricultural operations in and around Tumwater rather than the professional cluster this strength describes.

Figure ED-14. Occupation Groups at or Above the National Concentration in Tumwater, 2026Q1.



Source: JobsEQ® Occupation Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.
Note: Includes all occupation major groups at or above the national concentration of 1.00.

Resident educational attainment reinforces this. Among residents aged 25 to 64, 45.5 percent hold a bachelor's degree or higher, up from 39.4 percent in 2011, and 56.7 percent hold a postsecondary credential of some kind. Because housing costs rose steeply over the same period, some of this increase reflects a change in which households live in Tumwater

rather than gains among households already here. The attainment advantage holds against both benchmarks: Tumwater's 45.5 percent bachelor's-or-higher share compares with 38.6 percent in Thurston County and 40.7 percent statewide, and only 2.6 percent of Tumwater residents age 25 to 64 lack a high school diploma, compared with 5.0 percent countywide and 7.8 percent statewide. Figure ED-4 in the Demographics chapter compares the full distributions.

4) Private-Sector Diversification

Diversification is an established trend in Tumwater. *Professional, Scientific, and Technical Services* is the fastest-growing sector in Tumwater, adding 672 jobs over five years at 11.2 percent annual growth, compared with 6.8 percent in the county and 3.4 percent statewide and pays a thriving wage at $120,866. Information grew 8.4 percent annually at wages of $136,106 and software developers grew 11.1 percent per year, above the state's 5.3 percent, at a median wage of $128,600.

Because the *Professional, Scientific, and Technical Services* sector still sits just below the national concentration at a location quotient of 0.89, this growth shows a sector expanding to take advantage of Tumwater's talent base rather than one that has exhausted it.

5) An Established Goods-Movement Economy

Wholesale Trade is a private sector employment pillar in Tumwater with 1,290 jobs at average wages of $106,354 growing 6.4 percent annually compared with essentially flat statewide performance. Anchored by Tumwater's Interstate 5 position between the Seattle and Portland markets, the city can build on this existing cluster in Thurston County and its geographic advantage between two major metropolitan markets.

6) Housing Production

Tumwater permitted an average of 279 housing units per year across 2023 and 2024, up from an average of about 164 units per year over 2014–2022, and 65 percent of the 2023–24 units were in multifamily structures, compared with 37 percent over the prior nine years.[50]

The pivot toward multifamily construction is the clearest evidence available that Tumwater can respond to housing pressure with increased supply, both in scale and type. It has not yet closed the gap with the adopted production requirement (that shortfall is treated under Threats), but its positive momentum demonstrates that Tumwater is responding to the challenge directly.

[50] County and Place Building Permit Data Report, second quarter 2025 edition, place annual data for Tumwater, 2014–2024. Multifamily shares are multifamily units as a percentage of total permitted units. This finding is carried out in the Housing chapter's production discussion.

C. Weaknesses

1) Home Ownership Costs

The typical Tumwater home was valued at approximately $510,000 at the end of 2024; purchasing it with a 30-year mortgage at prevailing rates and a 20 percent down payment would require roughly 118 percent of area median income for a four-person household. The buyer affordability indices tracked by the Washington Center for Real Estate Research have been declining for Thurston County cities at approximately the same rate since 2010.

That narrows the pool of workers who can establish themselves in Tumwater and shifts homeownership toward higher income households, consistent with the income shifts identified in earlier sections.

2) Challenges for Renters

Renting remains more attainable than homeownership. The average rent in Tumwater was $1,747 in the third quarter of 2024. By 2023, 47.7 percent of Tumwater renters paid more than 30 percent of household income toward gross rent, and nearly a quarter of renter households were severely cost-burdened. Almost 15 percent of all Tumwater households spent more than half their income on housing.

The ownership market offers workers at median income few points of entry, and the rental market that absorbs them consumes an outsized share of their income. Every dollar a cost-burdened household spends on housing is a dollar unavailable to the local consumer economy to support small businesses.

3) Public Administration Anchor

The *Public Administration* sector alone accounts for 32.5 percent of Tumwater employment. The five-year forecast for Public Administration is flat at about 0.5 percent annual growth, and of the sector's 4,005 projected openings only 192 represent net new positions.

A local economy in which roughly one third of total jobs depend on the budget decisions, leasing practices, and staffing policies of a single institutional employer has limited capacity to absorb a contraction within that employer. This is the central structural argument for economic diversification, and it is the finding that drives much of Part 1.

4) Labor Demand

Of the roughly 14,200 job openings projected in Tumwater over the next five years, about 5,850 come from labor force exits (retirements and departures) and about 7,600 from transfers between occupations. Only about 790 openings (less than 6 percent of the total) represent net employment growth.

Tumwater's workforce challenge over the planning period is therefore less about job growth and more about pathway development, retention, and succession planning.

5) Youth Unemployment

Resident unemployment of 5.3 percent is in line with county and state levels, but unemployment among residents aged 16 to 19 stands at 16.4 percent, roughly three times the citywide rate. As labor costs increase, entry-level and less experienced workers become less competitive, creating a gap between those seeking work and opportunities for employment.

6) Workforce Pathway

Residents under 25 fell from 32.0 percent of Tumwater's population in 2011 to 28.7 percent in 2024, while residents 65 and over rose from 13.7 to 15.6 percent. The countywide senior share is projected to reach 22.7 percent by 2045. Tumwater remains a comparatively young city (its median age of 37.1 is below both the county's 40.0 and the state's 38.3), but these trends will create workforce pressures over time.

Future job openings will continue to result from replacing retiring or departing workers, instead of new job growth. At the same time, the groups entering the workforce are getting smaller, while those leaving are increasing. This trend creates greater challenges for employers, especially those with owner-operated businesses, to find successors and maintain operations.

6) Residential Growth Is Outpacing Employment Growth

Population in Tumwater and its urban growth area is projected to grow about 2.0 percent per year, from 26,546 residents in 2017 to 46,080 by 2045, while employment in the same area is forecast to grow about 1.2 percent per year, from 27,030 jobs to 37,760. The two were roughly equal in 2017; by 2045 the area is forecast to have 8,320 more residents than jobs.

Currently Tumwater has more jobs than residents participating in the labor force, but if that divergence holds, Tumwater may become progressively more residential and less a place of work. The consequences are fiscal as well as economic as Tumwater's revenue base becomes more dependent on capturing household spending locally and puts it in a higher stake's competition with its neighbors.

D. Opportunities

1) Private Industry Adjacent to Government

Tumwater has a large pool of professional and technical workers, especially in fields that support government and regulated industries. Occupations such as law, compliance,

environmental science, engineering, program administration, accounting, and information technology are all more common in Tumwater than the national average. The industry that would ordinarily employ such workers privately remains underbuilt (the *Professional, Scientific, and Technical Services* sector stands at a location quotient of 0.89), but it is growing faster than elsewhere in the region, at 11.2 percent annually.

That pairing signals a recruitment opportunity. Candidate activities include environmental and regulatory consulting, government-operations and regulatory technology, legal support services, audit and program administration, and engineering services. Proximity to the state's largest institutional buyer strengthens the case further.

2) Health Care and the Care Economy

The *Health Care and Social Assistance* sector represents a significant service gap in Tumwater, and it is widening: 1,129 jobs at a location quotient of 0.28, having lost 144 jobs over the past five years even as the sector grew countywide and statewide. Demand is moving in the opposite direction. Health care is the fastest-growing spending category in all three principal cities, projected to grow 8.7 percent in Tumwater by 2030, the sector carries the strongest forecast of any major local sector at about 1.4 percent per year, and the countywide senior share is projected to reach 22.7 percent by 2045. A local supply of care shrinking while local need is rising is both a service gap for residents and a recurring economic leakage.

The aggregate concentration gap reflects the absence of a hospital and the region's concentration of major medical facilities in Olympia; it is not a gap Tumwater can likely close through recruitment alone. The realistic targets are outpatient services, clinics, senior and residential care, home-based care, and support businesses sized to the resident population.

3) Diversify Workforce Housing

The recent shift toward multifamily production indicates that Tumwater can increase supply in both scale and type. Extending that shift into missing-middle housing, smaller ownership products, and mixed-income development helps address that affordability gap. Homeownership is not only a primary way residents build wealth and retirement security , but also allows them to establish themselves in the community, fostering a greater sense of belonging and stability.

4) Revitalize Local Districts to Capture More Household Spending

Approximately $283 million of Tumwater household spending each year falls into categories a local business district can compete for: groceries ($76.6 million), entertainment ($71.4 million), dining out ($55.2 million), household furnishings ($33.5 million), apparel ($23.1 million), personal care ($15.3 million), and alcoholic beverages ($7.8 million). Tumwater

households spend more per household in most of these categories than their Lacey and Olympia counterparts.

This is the most concrete near-term opportunity in the analysis because the demand already exists and is already being spent, much of it outside Tumwater. Capturing a larger share depends on business conditions, site readiness, and district vitality with district-based development in the Capitol Boulevard Corridor and the Brewery District as the primary vehicle. And because total consumer demand is projected to grow about 5.0 percent between 2025 and 2030 almost entirely by growth in the number of households, business creation and housing production in and near those districts are mutually dependent and also depend on the successful rehabilitation of Tumwater's many brownfields.

5) Convert Remote Work into Local Economic Activity

More than a quarter of employed Tumwater residents now work from home, up from about 4 percent in 2011.[51] That places workers away from traditional employment and commercial centers during the work week. Investing in attractive business districts, placemaking efforts, welcoming gathering places and neighborhood-scale commercial development are strategies that Tumwater can leverage to keep local business districts vibrant.

6) Build Youth and Career Pathways

Teen unemployment at roughly three times the citywide rate sits alongside roughly 14,200 projected openings dominated by replacement need. These trends indicate an alignment problem rather than a scarcity problem: the local economy generates thousands of openings each year that its youngest eligible workers are slow to be employed in.

Paid internships, pre-apprenticeships, first job programs, and employer-connected education are tools that can help fill this gap. Career pathways can connect entry-level service and retail workers into management, project management, skilled trades, logistics, health care, engineering, information technology, and public-systems occupations, all of which Tumwater already hosts at scale. Existing institutional partners include the Pacific Mountain Workforce Development Council, Tumwater School District, New Market Skills Center, South Puget Sound Community College, The Evergreen State College, and Saint Martin's University should take prominent leadership roles alongside Tumwater in facilitating these pathways.

7) Support Inclusive Entrepreneurship

Tumwater's population has diversified over the last decade, with residents identifying as two or more races rising from 5.0 to 13.8 percent of the population and Hispanic or Latino residents increasing from 5.4 to 9.3 percent.

[51] US Census American Community Survey 5-Year Estimates, 2020-2024 via JobsEQ; exported July 17, 2026

Culturally responsive business assistance, multilingual permitting guidance, procurement support, and targeted entrepreneurial outreach can expand the pool of new businesses. The evidence also indicates that translation alone is unlikely to be sufficient as English language proficiency is not likely to be a primary barrier. Rather, Tumwater should focus on making city resources more accessible to diverse communities, and outreach should meet people where they are rather than assuming a single point of contact.

8) Establish a Tourism and Place-Branding Strategy on a Measured Base

Arts, Entertainment, and Recreation supports 804 jobs at a location quotient of 1.47, and is growing 8.9 percent annually, an above-norm concentration that has not previously featured in Tumwater's economic development framing. Combined with Tumwater's brewing heritage, the Deschutes River corridor, historic sites, and parks, this sector provides the foundation for a destination and identity strategy that could draw spending from beyond the resident base and help offset Tumwater's smaller regional consumer demand totals.

9) Leverage the Airport, Port Industrial Land, and Interstate 5

The Olympia Regional Airport and the Port of Olympia's New Market Industrial Campus sit within Tumwater and combined with Interstate 5 access and Tumwater's position between the Portland and Seattle markets, form the physical basis of the distribution, logistics, and wholesale strategy supported elsewhere in this analysis.

Access to airport infrastructure also creates opportunities for high-wage employment in aerospace and advanced avionics including training facilities, maintenance and repair and supply chain manufacturing for the aerospace and avionics industries.

E. Threats

1) Housing Affordability and Workforce Stability

If home prices continue to rise faster than incomes and ownership remains attainable only above the area median, workers will increasingly live farther from Tumwater or leave the regional market altogether. Employers would face longer recruitment cycles, upward wage pressure, higher turnover, and commuting-related instability. Longer commutes would also increase demand, contribute to traffic congestion, and make climate goals more difficult to achieve.

These threats fall unevenly across populations with the bulk of the impact falling on those who are least able to absorb it. Those without the means to live close to employment centers will face longer commutes and higher fuel costs.

2) State Budget and Facilities

In Tumwater, 28.3 percent of jobs depend on the Washington State operating budget. If the state reduces its budget, consolidates agencies, changes its leasing practices, or restructures the public sector, Tumwater would feel the impact more than most cities of its size.

This impact would go beyond just public employees. Contractors, professional service firms, property owners, retailers, and restaurants that rely on government workers and their spending would also be affected. If a major state facility were relocated or consolidated, it would have both direct and indirect effects on Tumwater's local economy.

3) Automation Impacts

Many of Tumwater's largest occupations involve routine tasks like transaction processing and information management. Office and administrative support is the city's largest occupational group, with 3,050 jobs. Major occupations also include retail salespersons (593 jobs), fast food and counter workers (428), stockers and order fillers (421), and cashiers (388), with median wages ranging from about $38,000 to $48,000.

Automating these tasks could reduce the number of entry-level job openings, even as employers continue to need replacements for remaining positions. This shift would especially impact opportunities for young workers starting their careers. As it becomes harder to find entry-level workers and wages rise, employers may increasingly turn to automation to manage labor costs and staffing needs.

4) Regional Competition

Olympia and Lacey each have roughly twice Tumwater's household count and more established commercial concentrations that Tumwater does not match. Without distinctive districts, development-ready sites, and competitive development conditions, Tumwater will continue to lose household spending and business investment to neighboring jurisdictions.

This threat can compound over time. Spending that leaves Tumwater reduces the market evidence supporting new business formation, which in turn gives residents fewer reasons to spend locally.

5) Replacement Pressure

Population aging, occupational exits, high transfer rates, and a reduction in qualified young workers may make it progressively harder for employers to maintain staffing at all, independent of whether the economy grows. Of the roughly 14,200 openings projected over five years, about 5,850 arise from labor force exits alone.

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The risk is greatest in service, care, logistics, construction, and administrative occupations with large annual replacement needs, and in public-sector professional occupations, where retirements must be filled from a shrinking pool of qualified candidates.

6) The Condition of Anchor Sites

Large, historically significant, and underutilized properties occupy anchor positions in Tumwater's priority redevelopment districts, most prominently the former brewery properties in the Brewery District and the former Washington State Department of Transportation headquarters. The 2019 Economic Development Plan called for exploring grants, donations, and public-private partnerships to rehabilitate the Old Brewhouse, a recognition that renewal of this kind cannot rely on private investment alone.[52] Where such sites occupy anchor positions in a district, their condition constrains the district as a whole and not merely the individual parcel. The health of these districts is vital to capturing Tumwater's increasing consumer demand and district revitalization cannot succeed if these areas remain anchored by prominent sites in decline.

F. Conclusion

This analysis defines Tumwater as a city with considerable strengths, including rapid population and job growth, high household purchasing power, and a well-educated workforce. However, these benefits are unevenly distributed and bring their own set of risks. This analysis identifies three main themes:

- the need to balance the stability offered by a strong public sector employment base with the risk of overdependence;
- the importance of connecting housing growth, household spending, and business district vitality;
- and the challenge of shifting workforce dynamics, with most future job openings resulting from workforce replacement rather than new job creation.

Economic diversification depends on a workforce that can afford to live in Tumwater, while revitalizing business districts relies on both housing growth and improving key sites. Additionally, workforce development is linked to the success of diversification efforts. Addressing these challenges will require a coordinated strategy that integrates economic diversification, housing development, and workforce planning, rather than treating them as isolated initiatives.

[52] Tumwater 2019 Updated Economic Development Plan (adopted January 2020), Goal 4, Policy 4.A, and implementation discussion of the brewery properties and Brewery District.