PLANNING COMMISSION
MEETING AGENDA

Online via Zoom and In Person at
Tumwater Fire Department
Headquarters, Training Room, 311 Israel
Rd. SW, Tumwater, WA 98501

Tuesday, November 10, 2026
7:00 PM

1. Call to Order
2. Roll Call
3. Changes to Agenda
4. Approval of Minutes
   a. October 27, 2026 Minutes
5. Commissioner's Reports
6. Deputy Director's Report
7. Public Comment
8. Public Hearing
   9. Ordinance No. O2026-010 – Transportation Regulation Updates
   10. Ordinance No. O2026-012 – 2026 Comprehensive Plan Amendment – Adoption of Economic Development Element Update
11. Next Meeting Date - December 8, 2026
12. 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 882 9959 2394 and Passcode 043644.

Listen by Telephone
Call (253) 215-8782, listen for the prompts and enter the Webinar ID 882 9959 2394 and Passcode 043644.

Public Comment
The public is invited to attend the hearing and offer comment. The public may register in advance for this webinar to provide comment:
https://us02web.zoom.us/webinar/register/WN_CVDKUHeMSWeX_YbVw-Oz_A

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

The public may also submit comments prior to the meeting by sending an email to: cdd@ci.tumwater.wa.us. Please send the comments by 1:00 p.m. on the date of the meeting. Comments are submitted directly to the Commission/Board Members and will not be read individually into the record of the meeting.

If you have any questions, please contact Deputy Community Development Director, Sharon Lumbantobing at (360) 754-4180 or slumbantobing@ci.tumwater.wa.us.

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.

What is the Planning Commission?

> *The Tumwater Planning Commission is a citizen advisory commission that is appointed by and advisory to the City Council on the preparation and amendment of land use plans and implementing ordinances such as zoning. Actions by the Planning Commission are not final decisions; they are Commission recommendations to the City Council who must ultimately make the final decision. If you have any questions or suggestions on ways the Commission can serve you better, please contact the Community Development Department at (360) 754-4180.*

Decorum Statement

Welcome to the Planning Commission meeting. We thank you for attending.

The City Council encourages community engagement in local government and provides a variety of ways to participate.

The Chair of the Planning Commission will be responsible for conducting orderly and efficient meetings within the scheduled time. To accomplish that, the Chair will maintain order and decorum and can regulate inappropriate debate, repetitious discussion, and disruptive behavior when needed.

The Chair will recognize those that wish to speak and may limit the time allowed for individual comments. City staff will record questions and comments during the meeting. If an issue or question cannot be addressed during the meeting, City staff will address the issue or respond to the question by following up with the individual.

We respectfully request that attendees refrain from disruptions during the meeting and comply with decorum rules.

Thank you for participating.

MEETING MINUTES

TUMWATER PLANNING COMMISSION
October 27, 2026

CONVENE:	7:00 p.m.
PRESENT:	Chair Elizabeth Robbins, Vice Chair Brandon Staff, and Commissioners Sandra Nelson, Terry Kirkpatrick, Matthew Rounsley, and Gina Kotek. Staff: Deputy Community Development Director Sharon Lumbantobing, Associate Planner Dana Bowers, and Economic Development Coordinator Gene Angel.
CHANGES TO THE AGENDA:	Chair Robbins requested to change the order of Items 8 (2027 Long Range Planning Work Program) and Item 9 (Ordinance No. O2026-012 – 2026 Comprehensive Plan Amendments). The Planning Commission agreed with this request.
APPROVAL OF THE MINUTES:	**Commissioner Nelson moved, seconded by Commissioner Rounsley, to approve the minutes of October 13, 2026, as presented. Motion carried unanimously.**
COMMISSIONERS' REPORT:	No report given.
DEPUTY DIRECTOR'S REPORT:	No report given.
PUBLIC COMMENT:	No public comment.
2026 COMPREHENSIVE PLAN AMENDMENTS – ADOPTION OF ECONOMIC	Planner Bowers presented Ordinance No. O2026-012, Economic Development Element, providing an overview of the criteria, key findings and recommendations.

DEVELOPMENT ELEMENT UPDATES:

Commissioners discussed the following topics and raised questions about:

- Current regulations for data centers and battery energy storage systems
- Tumwater's reliance on public-sector employment, slowing growth in public-sector jobs, and opportunities to diversify Tumwater's employment base
- Staff capacity to implement the Economic Development Plan
- Redevelopment in established neighborhoods and potential displacement of seniors and young families
- Opportunities to partner with the Port of Olympia to develop an avionics industry and maintain transportation infrastructure to support exports
- Placemaking strategies, including business outreach, a community pride campaign, a creative arts district, greater use of public spaces, and support for local restaurants and mixed-use development
- Redevelopment at the former brewery sites
- Additional strategies to improve housing and childcare affordability, including advocating for state legislation
- The role of the Multifamily Tax Exemption Program in supporting housing development and affordability
- Commuting patterns between Tumwater and surrounding communities, including residents who work outside the city and employees who commute into Tumwater, and opportunities to better align local housing and employment
- The regional economic and housing impacts of Joint Base Lewis McChord, a major employer 30 miles from Tumwater
- Inclusion of the Tribes throughout the Economic Development Plan

MOTION:

Commissioner Rounsley moved, seconded by Commissioner Kotek, to set a public hearing on Ordinance No. O2026-012, Comprehensive Plan Amendments – Economic Development Plan for November 10, 2026. Motion carried unanimously.

2027 WORK PROGRAM:

Deputy Director Lumbantobing presented the proposed 2027 Long Range Planning Work Program, which allocates hours based on 2.5 full-time equivalent staff. The Deputy Director explained the distinction between above-the-line and below-the-line activities in the Work Program. A joint City Council and Planning Commission

work session is scheduled for December 8, 2026, at 6:00 p.m. to discuss the proposed 2027 Long Range Planning Work Program.

Planning Commissioners asked questions about:

- Regional Housing Council expected outcomes
- Habitat Conservation Plan status and its relationship to development
- Staff capacity to complete work plan activities within available time and resources

NEXT MEETING DATE: The next meeting is scheduled for Tuesday, October 27, 2026.

ADJOURNMENT: **With no further business, Chair Robbins adjourned the meeting at 9:03 p.m.**

Prepared by Dana Bowers, Associate Planner

TO: Planning Commission

FROM: Dana Bowers, Associate Planner; Sharon Lumbantobing, Deputy Community Development Director

DATE: November 10, 2026

SUBJECT: Ordinance No. O2026-010 – Transportation Regulation Updates

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1) Recommended Action:

Staff recommends that the Planning Commission hold a public hearing and forward a recommendation to the City Council to approve Ordinance No. O2026-010 – Transportation Regulation Updates.

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2) Background:

Ordinance No O2026-010 proposes amendments to several chapters of the Tumwater Municipal Code related to transportation. This ordinance includes state-mandated amendments to transportation impact fees and transportation concurrency requirements along with staff-initiated amendments to impact fee credits, stop intersections, speed limits, and no parking zones.

As required by the Growth Management Act, the City must review and update its Comprehensive Plan and related development regulations at least once every ten years. The City completed its first set of Comprehensive Plan related development regulation updates in December 2025. The remaining required updates were due in June 2026 but were delayed due to staff capacity.

The proposed amendments to TMC 3.50 – *Impact Fees* and TMC 15.48 – *Transportation Concurrency Requirements* implement changes in state law intended to support affordable housing by making impact fees proportional to dwelling unit size and removing certain requirements when adding dwelling units to existing structures.

The proposed amendments to TMC Chapter 10.04 – *Model Traffic Ordinance* TMC Chapter 10.08, *Speed Limits*, TMC Chapter 10.12, *Stop Intersections*, and TMC 10.24 – *Parking* simplify and clarify requirements and improve administration and compliance. The proposed amendments replace lists of specific locations in the municipal code with posted signage to identify speed limits, stop intersections, and no parking zones, providing greater flexibility in managing traffic regulations.

The General Government Committee is scheduled to review the proposed code amendments at its November 18, 2026, work session. The ordinance is scheduled for City Council consideration and adoption on December 15, 2026.

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3) Alternatives:

- ❑ None.

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4) Attachments:

A. Staff Report
B. Ordinance No. O2026-010 – Transportation Regulation Updates
C. Presentation

Attachment A

STAFF REPORT

Date: November 10, 2026
To: Planning Commission
From: Dana Bowers, Associate Planner, Sharon Lumbantobing, Deputy Community Development Director

Ordinance No. O2026-010 – Transportation Regulation Updates

1. Recommended Action

Staff recommends that the Planning Commission hold a public hearing and forward a recommendation to the City Council to approve Ordinance No. O2026-010 – Transportation Regulation Updates.

2. Background

Ordinance No O2026-010 proposes amendments to several chapters of the Tumwater Municipal Code related to transportation. This ordinance includes state-mandated amendments to transportation impact fees and transportation concurrency requirements along with staff-initiated amendments to impact fee credits, stop intersections, speed limits, and no parking zones.

As required by the Growth Management Act, the City must review and update its Comprehensive Plan and related development regulations at least once every ten years. Tumwater completed its first set of Comprehensive Plan-related development code amendments in December 2025. The remaining updates were due in June 2026, but were delayed due to staff capacity.

The General Government Committee is scheduled to review the proposed code amendments at its November 18, 2026 work session. The ordinance is schedule for City Council consideration and adoption on December 15, 2026.

3. Summary of Updates

A. Transportation Impact Fees

Amendments to RCW 82.02.060 in ESSB 5258 approved in 2023 require transportation impact fees for residential development to better reflect the relationship between dwelling unit size and anticipated transportation impacts. This is intended to support affordable housing development by addressing cases where smaller or multifamily

dwelling units could otherwise be charged the same impact fee as larger dwelling units despite generating lower transportation impacts.

Washington state also passed SB5452 amending RCW 82.02.090 to allow local jurisdictions to use impact fee revenues for pedestrian and cycling improvements.

Staff addressed these state requirements in the following updates:

a. Section TMC 3.50.020, *Definitions.*

   i. Revised definition of development activity to exclude structures to support transit and emergency shelters.

   ii. Added reference to the dwelling unit definition in TMC 18.04 to clarify impact fee applicability.

   iii. Revised definition for Impact Fee to include proportionality.

   iv. Clarified definition of public facilities to include bike and pedestrian facilities, fire protection facilities, and parks and open space facilities.

b. TMC 3.50.030, *Assessment of Impact Fees.*

   i. Added impact fee assessment requirement to reflect proportionality of impact for smaller dwelling units.

Along with the state-required updates to transportation impact fees, staff are proposing amendments to address concerns with impact fee credits. As currently written, impact fee credits could be applied to projects outside the scope of the development and for projects that are not identified on the Capital Facilities Plan as system improvements with funding allocated from impact fees. There are no provisions to limit the credit exceeding impact fees assessed on the development.

Staff addressed this issue in the following code sections:

a. TMC 3.50.050, *Credits.*

   i. Clarified impact fee credit eligibility to limit credits to assessed fees.

   ii. Removed frontage improvements and right of way dedications that are required to meet the minimum widths along project frontages.

   iii. Clarified the appeals process.

B. City Initiated Amendments

Recent code enforcement issues with stop signs, speed zones, and no parking zones necessitate clarification of provisions to simplify and clarify requirements and improve administration and compliance. These changes were proposed by the Transportation and Engineering Department staff in coordination with Police Department staff.

Staff addressed these requests in the following code sections:

a. TMC 10.04.010, *Adoption by reference.*

   i. Revised the Model Traffic Ordinance to align with current community priorities.

b. TMC 10.08.010, *Speed Limits – Generally.*

   i. Updated provision so that only erected signs establish speed limits.

c. TMC 10.08.020 through TMC.08.060.

   i. Removed location descriptions to establish speed limits.

d. TMC Chapter 10.12, *Stop Intersections.*

   i. Removed Chapter 10.12, *Stop Intersections* to address code enforcement issues.

e. TMC 10.24.020 through TMC 10.24.030.

   i. Added provision to allow the Director of Transportation & Engineering to erect no parking zones signs.

   ii. Removed location descriptions of where parking is prohibited and exemptions.

C. Concurrency Requirements

To support affordable housing, the State passed ESHB 1042 in 2023 which amended RCW 35.21 and affects concurrency requirements. Concurrency studies are required by the City to show that adequate transportation facilities are in place, or funding is allocated for developments to make improvements to the transportation system based on projected impacts. To address state requirements, City regulations are being updated to exempt projects from the requirement for a concurrency study where dwelling units are being added to an existing structure.

Staff addressed these requirements in the following code sections:

a. TMC 15.48.020, *Definitions*.

   i. Amended a Concurrency Test definition to include a reference to RCW 35.20.900.

b. TMC 15.48.050, *Exemptions from the concurrency test.*

   i. Added an exemption for concurrency testing for applications where additional housing units are added to an existing structure.

4. Summary of Public Participation Process

An Environmental Checklist for a non-project action was prepared on October 6, 2026, under the State Environmental Policy Act (Chapter 43.21C RCW). A Determination of Non-Significance was issued on October 16, 2026, beginning the 14-day SEPA public comment period and then the 6-day SEPA appeal period.

The proposed amendments are scheduled to be submitted to the Washington State Department of Commerce on October 5, 2026, for the required 60-day review under RCW 36.70A.106.

A Planning Commission work session on Ordinance No. O2026-010 was held on October 13, 2026, to provide an opportunity to review the amendment and accept comments. A Notice of Public Hearing for the Planning Commission was published in The Olympian on October 30, 2026.

5. Applicable Criteria, Evaluation, and Findings

The TMC Chapter 18.60 establishes procedures for reviewing and adopting amendments to the City's development regulations. Under the Growth Management Act, amendments to development regulations must be consistent with and implement the Comprehensive Plan.

The proposed amendments have been evaluated for consistency with the applicable requirements of the Growth Management Act, other state laws, the Thurston County Countywide Planning Policies, and the Tumwater Comprehensive Plan, as described below.

A. Growth Management Act

The Growth Management Act establishes planning goals that guide the development and adoption of comprehensive plans and development regulations. The following goals are applicable to the proposed amendments.

Growth Management Act Goal 3: Transportation

Transportation. Encourage efficient multimodal transportation systems that reduce greenhouse gas emissions, per capita vehicle miles traveled and are based on regional priorities and coordinated with local comprehensive plans.

Growth Management Act Goal 4: Permits

Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.

Growth Management Act Goal 11 – Citizen Participation and Coordination

Citizen participation and coordination. Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.

Staff Analysis and Finding

The proposed amendments update the city's transportation impact fee and transportation concurrency requirements to reflect changes in state law and clarify requirements used in development review and permitting. The amendments establish

clearer and more consistent requirements for calculating and administering transportation impact fees and require development to contribute its proportionate share towards transportation system improvements. The amendments also clarify and simplify requirements related to the administration of the Model Traffic Ordinance, speed limits, and parking restrictions.

The ordinance will be considered through the City's legislative process, including public meetings before the Planning Commission and City Council and opportunities for the community to provide written and oral comments. These opportunities allow community members to review the proposed amendments and provide input before final action by the City Council. Staff finds that the public participation process is consistent with Growth Management Act Goal 11 and Comprehensive Plan Goal PI-1: "Continuously engage with the community and the region."

Staff find that the proposed amendments are consistent with applicable goals and requirements of the Growth Management Act.

B. Other Applicable State Laws

The proposed amendments are intended in part to implement changes to state law in RCW 82.02.090 affecting transportation impact fees and related development regulations.

State law requires impact fees to be reasonably related to the impacts of new development and establishes requirements for the calculation and administration of impact fees. Recent changes to state law require transportation impact fee schedules to account for differences in the impacts associated with different housing types and sizes.

The proposed amendments to TMC Chapter 3.50 revise the City's transportation impact fee requirements to implement these requirements.

Related amendments to TMC Chapter 15.48 update transportation concurrency provisions for consistency with applicable state requirements in RCW 35.21.

Staff find that the proposed amendments are consistent with applicable state law.

C. Tumwater Comprehensive Plan

The following Comprehensive Plan Elements and Plans are applicable to the proposed amendments**.**

Land Use Element

Goal LU-2 Ensure development occurs in an orderly, effective, and cost-efficient manner to best utilize available land and public services, conserve natural resources, protect and enhance critical areas and open space, address equity and climate change, and reduce sprawl.

Policy LU-2.1 Review and update Tumwater's development review and permitting system on a regular basis for consistency with state law and adopted plans to ensure predictability and to process development permits in a timely and fair manner.

Staff Analysis and Finding

The proposed amendments implement the Comprehensive Plan by updating Tumwater's development regulations for consistency with state law and maintaining the regulatory mechanisms necessary to carry out the city's adopted land use and transportation policies. The Transportation Plan does not contain a goal or policy that directly addresses the specific code amendments proposed by this Ordinance.

The amendments to TMC Chapter 3.50 update the City's transportation impact fee requirements to account for differences in transportation impacts associated with different types and sizes of residential development. The amendments provide a more proportionate method for assessing transportation impact fees while continuing to require new development to contribute toward transportation improvements needed to serve growth.

The amendments to TMC Chapter 10.04, TMC Chapter 10.08, TMC Chapter 10.12 and TMC Chapter 10.24 update and clarify the City's traffic regulations to improve clarity and administration, making the regulations more predictable and processing fairer.

TMC Chapter 15.48 update and clarify the City's transportation concurrency requirements and maintain consistency between the City's development regulations and its adopted transportation planning framework.

Staff finds that the proposed amendments are consistent with and implement the applicable goals and policies of the Tumwater Comprehensive Plan.

D. Tumwater Municipal Code Amendment Process

TMC Chapter 18.60 establishes the process for consideration of amendments to the City's development regulations. The proposed amendments are being processed in accordance with those requirements, including review and recommendation by the Planning Commission and final consideration by the City Council.

RCW 36.70A.106 also requires the City to provide the Washington State Department of Commerce notice of proposed amendments to development regulations at least 60 days before final adoption.

Staff find that the proposed amendments are being processed consistent with applicable state and City procedural requirements.

6. Staff Conclusion

Based on the analysis above, staff finds that the proposed amendments are:

- Consistent with the applicable goals and requirements of the Growth Management Act and the Thurston County Countywide Planning Policies;
- Consistent with and implement the applicable goals and policies of the Tumwater Comprehensive Plan;
- Consistent with applicable state law; and
- Being processed in accordance with applicable state and City procedural requirements.

Staff recommend approval of the proposed amendments.

7. Next Steps

The General Government Committee is scheduled to review the proposed amendments at a work session on November 18, 2026. The City Council is scheduled to consider adoption on December 15, 2026.

8. Staff Contact

Dana Bowers, Associate Planner
City of Tumwater Community Development Department
360-754-4180
dbowers@ci.tumwater.wa.us

ORDINANCE NO. O2026-010

AN ORDINANCE of the City Council of the City of Tumwater, Washington, related to transportation, amending Chapter 3.50, *Impact Fees*, Title 10, *Vehicles and Traffic*, and Chapter 15.48, *Transportation Concurrency Requirements* of the Tumwater Municipal Code as more particularly described herein.

WHEREAS, the Growth Management Act requires the City to periodically review and, if needed, revise its Comprehensive Plan and development regulations for consistency with applicable state law; and

WHEREAS, TMC Chapter 3.50, *Impact Fees* and Chapter 15.48, *Transportation Concurrency Requirements* require amendment to maintain consistency with state law, including RCW 36.70A.070, RCW 36.70A.696, RCW 82.02.060, and RCW 82.02.090; and

WHEREAS, state law requires impact fee schedules reflect the proportionate impacts of new housing units based on factors such as square footage, number of bedrooms, or trips generated, to produce proportionally lower impact fees for smaller housing units; and

WHEREAS, the City is amending its transportation impact fee requirements to reflect the proportionate transportation impacts of different types and sizes of residential development to comply with these state requirements; and

WHEREAS, state law expands the types of transportation improvements that may be funded through transportation impact fees to include certain bicycle and pedestrian facilities; and

WHEREAS, the City is amending impact fee credits eligibility to exclude frontage improvements and include only activities associated with the development and developments which are identified as system improvements that are to be funded in part by impact fees; and

WHEREAS, state law removes certain concurrency study requirements for housing added within existing buildings; and

WHEREAS, the City is amending its transportation concurrency requirements to maintain consistency with state law and the City's adopted Transportation Element; and

WHEREAS, the City is also proposing staff-initiated amendments to Title 10, specifically Chapter 10.04, *Model Traffic Ordinance*, Chapter 10.08, *Speed Limits*, Chapter 10.12, *Stop Intersections*, Chapter 10.24, *Parking,* related to speed, stop intersections, and no-parking zones to simplify and clarify requirements and improve administration and compliance; and

WHEREAS, the City is required to plan under Chapter 36.70A RCW, the Growth Management Act; and

WHEREAS, this Ordinance is consistent with the goals and requirements of the Growth Management Act; and

WHEREAS, this Ordinance is consistent with Tumwater's Comprehensive Plan; and

WHEREAS, this Ordinance was sent to the Washington State Department of Commerce on October 5, 2026, at least sixty days before the proposed code amendments were adopted, in accordance with RCW 36.70A.106; and

WHEREAS, an Environmental Checklist for a non-project action was prepared under the State Environmental Policy Act (Chapter 43.21C RCW), pursuant to Chapter 197-11 WAC on October 5, 2026, and a Determination of Non-Significance (DNS) was issued on October 16, 2026; and

WHEREAS, the Attorney General's Advisory Memorandum and Recommended Process for Evaluating Proposed Regulatory or Administrative Actions to Avoid Unconstitutional Takings of Private Property (October 2024) was reviewed and utilized by the City in objectively evaluating the proposed amendments; and

WHEREAS, the Planning Commission conducted a work session on October 13, 2026, and held a public hearing on November 10, 2026; and

WHEREAS, following the public hearing and deliberations, the Planning Commission recommended approval of the proposed code amendments by the City Council; and

WHEREAS, the General Government Committee discussed the Planning Commission's recommendation on the proposed code amendments at a briefing on November 18, 2026; and

WHEREAS, the City Council considered the proposed code amendments on December 15, 2026; and

WHEREAS, the City Council finds that the provisions of this Ordinance are in the best interest of and protect the health, safety, and welfare of the residents of the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUMWATER, STATE OF WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Section 3.50.020, Definitions, of the Tumwater Municipal Code is hereby amended to read as follows:

3.50.020 Definitions.
The following words and terms shall have the following meanings for the purposes of this title, unless the context clearly requires otherwise. Terms otherwise not defined herein shall be defined pursuant to RCW 82.02.090 or given their usual and customary meaning.

A. "Act" means the Growth Management Act, Chapter 17, Laws of 1990, First Extraordinary Session, Chapter 36.70A RCW et seq., and Chapter 32, Laws of 1991, First Special Session, RCW 82.02.050 et seq., as now in existence or as hereafter amended.

B. "Building permit" means the permit required for new construction and additions pursuant to TMC Chapter 15.04. The term "building permit," as used herein, shall not be deemed to include:

Permits required for the remodeling, rehabilitation, or other improvements to an existing structure or for rebuilding a damaged or destroyed structure, provided there is no increase in the applicable unit of measure (i.e., for non-residential construction) or number of dwelling units (for residential construction) resulting therefrom.

C. "Capital facilities" means the facilities or improvements included in the currently adopted city of Tumwater capital facilities plan.

D. "Capital facilities plan" means the city of Tumwater capital facilities plan element of the comprehensive plan adopted pursuant to Chapter 36.70A RCW, and such plan as amended.

E. "City" means the city of Tumwater.

F. "City of Tumwater transportation plan" means the transportation plan element of the comprehensive plan adopted pursuant to Chapter 35.63 RCW, or any amendment thereto, and such plan as amended.

G. "Cottage housing" means residential units on a lot with a common open space that either: (1) is owned in common; or (2) has units owned as condominium units with property owned in common and a minimum of twenty percent of the property as open space.

H. "Council" means the city council of Tumwater.

I. "Department" means the department of community development.

J. "Development activity" means any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any change in the use of land that creates additional demand and need for public facilities. "Development activity" does not include:

1. Buildings or structures constructed by a regional transit authority as defined under RCW 81.112.020 or

2. Buildings or structures constructed as shelters that provide emergency housing for people experiencing homelessness, or emergency shelters for victims of domestic violence, as defined in RCW 70.123.020.

K. "Development approval" means any written authorization from the city which authorizes the commencement of a development activity.

L. "Dwelling unit" – see definition in TMC 18.04.

M. "Direct access improvements" means frontage improvements and other roadway construction required by city of Tumwater ordinance or other access improvements necessary for approval of a development activity.

N~~M~~. "Director" means the director of community development or the director's designee.

O~~N~~. "Duplex" means a building designed for and used exclusively for occupancy by two families independent of each other where both dwelling units are located on the same lot and are completely separated from each other by an unpierced wall extending from ground to roof or an unpierced ceiling and floor extending from exterior wall to exterior wall, except for common stairwell or garage exterior to both dwelling units.

P~~O~~. "Encumber" means to reserve, set aside or otherwise earmark the impact fees in order to pay for commitments, contractual obligations or other liabilities incurred for public facilities.

Q~~P~~. "Fire impact fee rate study" means the rate study for impact fees for fire protection facilities dated January 8, 2003, which is incorporated herein by reference, a copy of which is on file with the city clerk.

R~~Q~~. "Hearing examiner" means the land use hearing examiner who acts on behalf of the council in considering and applying land use regulatory codes as provided under TMC Chapter 2.58.

S~~R~~. "Impact fee" means ~~the fee levied pursuant to this chapter as a condition of issuance of a building permit or development approval. "Impact fee" does not include a reasonable permit or application fee and does not preclude a SEPA mitigation fee.~~ a fee imposed as a condition of development approval to pay for

public facilities needed to serve new development and does not include typical permit fees or preclude a SEPA mitigation fee. An impact fee must:

1. Be reasonably related to the additional demand and need for public facilities created by the new development;

2. Represent a proportionate share of the cost of those public facilities; and

3. Be used for facilities that reasonably benefit the new development.

TS. "Impact fee account" or "account" means the account established for each type of public facility for which impact fees are collected. Such account shall be established pursuant to TMC 3.50.080 and shall comply with the requirements of RCW 82.02.060.

UT. "Impact fee schedule" means the fee schedules set forth in TMC 3.50.125, 3.50.130 and 3.50.135, as reflected in the currently adopted and amended fee resolution.

VU. "Independent fee calculation" means the traffic engineering calculation, the fire protection facilities calculation, and/or economic documentation prepared by a feepayer to support the assessment of an impact fee other than by the use of the impact fee schedules.

WV. "Interest" means the interest rate earned by the city on an impact fee account.

XW. "Middle housing" means buildings that are compatible in scale, form, and character with single-family detached dwellings that contain two to four attached or stacked dwelling units, including duplexes, triplexes, quadplexes, and stacked flats, as well as townhouses or cottage housing with three or more dwelling units.

YX. "Olympia School District study" means the Olympia School District rate study for interim impact fees for school facilities for adoption by the city of Olympia, the city of Tumwater and Thurston County, Washington, and such study as amended, which is incorporated herein by reference, a copy of which is on file with the city clerk. For the purpose of this chapter, the Olympia School District study applies only to those properties within the city of Tumwater that lie within Olympia School District No. 111.

ZY. "Owner" means the owner of record of real property, or a person with an unrestricted written option to purchase property; provided, that if the real property is being purchased under a recorded real estate contract, the purchaser shall be considered the owner of the real property.

AAZ. "Project improvements" means site improvements and facilities that are planned and designed to provide service for a particular development or users of the project, and are not system improvements. No improvement or facility included in a capital facilities plan approved by the council shall be considered a project improvement.

BB~~AA~~. "Public facilities" means ~~public streets and roads, Tumwater School District No. 33 infrastructure, and Olympia School District No. 111 infrastructure.~~ the following capital facilities owned or operated by government entities:

1. Public streets and roads;

2. Bicycle and pedestrian facilities that are designed with multimodal commuting as an intended use;

2. Publicly owned parks, open space, and recreation facilities with impact fees discussed in TMC 3.52;

3. School facilities; and

4. Fire protection facilities.

CC~~BB~~. "Quadplex" means a building designed for and used exclusively for occupancy by four families independent of each other where all four dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.

DD~~CC~~. "Road" means a right-of-way that affords the principal means of access to abutting property, and its accompanying signalization improvements, including an avenue, place, way, drive, lane, boulevard, highway, street, and other thoroughfare, except an alley.

EE~~DD~~. "Single-family detached dwelling" means a building that is not attached in any way to another dwelling unit or structure that provides complete, independent living facilities for a family.

FF~~EE~~. "Square footage" means the square footage of the gross floor area of the development.

GG~~FF~~. "Stacked flat" means dwelling units in a residential building of no more than three stories in which each floor may be separately rented or owned as one dwelling unit.

HH~~GG~~. "State" means the state of Washington.

II~~HH~~. "System improvements" means public facilities that are included in the capital facilities plan and are designed to provide service within the community at large, in contrast to project improvements.

JJ~~II~~. "TMC" means the Tumwater Municipal Code.

KK~~JJ~~. "Townhouse" means one of a line or row of three or more dwelling units attached one to the other, having common walls between individual units, generally two stories in height (and sometimes three). Each unit occupies the space between common walls from the lowest level to the roof, where common walls are the property lines between units, and that have a yard or public or private street, alleys, pathways, or similar feature which the public has a right of use on not less than two sides.

LL~~KK~~. "Transportation impact fee program" means the city of Tumwater transportation impact fee program, as adopted by the city council and as hereafter amended, a copy of which is on file with the city clerk.

MM~~LL~~. "Triplex" means a building designed for and used exclusively for occupancy by three families independent of each other where all three dwelling units are located on the same lot and are completely separated from each other, except for common stairwells or garages.

NN~~MM~~. "Tumwater School District study" means the 2004 Tumwater School District No. 33 Capital Facilities Plan 2004-2010, and such future plan, as amended, for adoption by the city of Tumwater, and Thurston County, Washington, which is incorporated herein by reference, a copy of which is on file with the city clerk. For the purpose of this chapter, the Tumwater School District study applies only to those properties within the city of Tumwater that lie within Tumwater School District No. 33.

(Ord. O2025-011, Amended, 12/16/2025; Ord. O2011-002, Amended, 03/01/2011; Ord. O2010-008, Amended, 05/04/2010; Ord. O2007-024, Amended, 03/18/2008; Ord. O2004-026, Amended, 01/04/2005; Ord. O2002-029, Amended, 04/01/2003; Ord. O99-024, Amended, 12/21/1999; Ord. O96-027, Amended, 10/15/1996; Ord. O94-038, Amended, 12/06/1994; Ord. 1333, Added, 10/20/1992)

Section 2. Section 3.50.030, Assessment of impact fees, of the Tumwater Municipal Code is hereby amended to read as follows:

3.50.030 Assessment of impact fees.

A. The city shall collect impact fees, as set forth in TMC 3.50.125, 3.50.130, 3.50.135 and 3.50.140, from any applicant seeking development approval from the city, for any development activity within the city, where such development activity requires the issuance of a building permit, except that nonresidential development shall not be assessed an Olympia schools impact fee, or a Tumwater schools impact fee.

B. Impact fees shall be collected from the feepayer prior to issuing the development approval, using the impact fee schedules in effect on the date of the application for the development activity, except as provided in TMC 3.50.035.

C. The city's impact fee schedule shall reflect the proportionate impact of new dwelling units, including multifamily units, based on the square footage, number of bedrooms, or trips generated, in the dwelling unit to produce a proportionally lower impact fee for smaller dwelling units.

(Ord. O2016-008, Amended, 06/21/2016; Ord. O2007-024, Amended, 03/18/2008; Ord. O2004-026, Amended, 01/04/2005; Ord. O2002-029, Amended, 04/01/2003; Ord. 1357, Amended, 06/01/1993; Ord. 1333, Added, 10/20/1992)

Section 3. Section 3.50.050, Credits, of the Tumwater Municipal Code is hereby amended to read as follows:

3.50.050 Credits.

A. A feepayer can request that a credit or credits be awarded to him/her for the value of dedicated land, improvements, or construction provided by the feepayer if the land and/or the facility constructed are system improvements that provide capacity to serve new growth beyond that associated with the fee payer's development, and said system improvements are included within the adopted capital facilities plan and identified as system improvements that are to be funded in part by impact fees.

B. For each request for a credit or credits, the feepayer shall retain an appraiser approved by the department to determine the value of the dedicated land, improvements, or construction provided by the feepayer.

C. The feepayer shall pay the cost of the appraisal or request that the cost of the appraisal be conducted from the credit which the department may be providing to the feepayer.

D. After receiving the appraisal, the director shall provide the applicant with a letter or certificate setting forth the dollar amount of the credit, the reason for the credit, where applicable, the legal description of the site donated, and the legal description or other adequate description of the project or development to which the credit may be applied. The applicant must sign and date a duplicate copy of such letter or certificate indicating their~~his/her~~ agreement to the terms of the letter or certificate, and return such signed document to the director before the impact fee credit will be awarded. The failure of the applicant to sign, date, and return such document within sixty days shall nullify the credit.

E. Any claim for credit must be made not later than the time of application for a building permit. Any claim not so made shall be deemed waived, unless such claim is made within twenty days of the application.

F. No credit shall be given for project improvements or right-of-way dedications for direct access improvements to and/or within the development in question. Where a project provides for direct access to or within the development and also provides a system improvement, credit may be granted for only the incremental increase in project cost attributable to the system-wide aspects of the project.

G. A feepayer can also request that a credit be granted in a situation involving the replacement or alteration of an existing structure on the same parcel where the current or prior use of that structure had an impact on public facilities. In this situation, the credit may be requested only for the amount of an impact fee that would be assessed under this chapter for the highest level of impact previously caused by use of the structure. Procedures for establishing the availability of such a credit shall be as set forth in TMC 3.50.040(A)(4). When a credit is granted in this

situation, the feepayer shall be assessed an impact fee only for the incremental increase in impact caused by the replacement or alteration above the highest level of impact of current or documented previous uses.

H. Eligible credits above and beyond a project's impact will be paid to the feepayer no sooner than the year that the improvement was shown in the capital facilities plan provided unencumbered funds are available in the impact fee account. If not available when requested, such requests for payment shall be made on a first-come, first-served basis.

I. ~~Determinations made by the director pursuant to this section shall be subject to the appeals procedures set forth in TMC 3.50.070.~~Credits shall not exceed the associated impact fees assessed on the development.

J. No credit shall be given for project improvements, including frontage improvements and right-of-way dedication required to meet the prescribed minimum widths along the project frontages.

K. Determinations made by the transportation and engineering director pursuant to this section shall be subject to the appeals procedures set forth in TMC 3.50.070.

(Ord. O99-045, Amended, 12/21/1999; Ord. O94-038, Amended, 12/06/1994; Ord. 1333, Added, 10/20/1992)

Section 4. Section 10.04.010, Adoption by reference, of the Tumwater Municipal Code is hereby amended to read as follows:

10.04.010 Adoption by reference.

The Washington Model Traffic Ordinance, Chapter 308-330 WAC, except WAC 308-330-500 through 308-330-565, is hereby adopted by reference as the traffic ordinance of the city of Tumwater as if set forth in full.

(Ord. O97-031, Amended, 10/21/1997; Ord. O94-027, Amended, 06/21/1994; Ord. 1129, Amended, 07/07/1987; Ord. 965, Amended, 03/15/1983; Ord. 764, New, 11/16/1976)

Section 5. Chapter 10.08, Speed Limits, of the Tumwater Municipal Code is hereby amended to read as follows:

10.08.010 Speed limits – Generally.

Pursuant to RCW 46.61.415, the maximum speed limit for City streets shall be as shown on erected signs approved by the director of transportation and engineering or their designee~~and when signs are erected giving notice thereof, the maximum speed limit upon the following streets or portions thereof, and during such times as may be specified herein, shall be as set forth in this chapter~~.

(Ord. 1090, Amended, 02/03/1987; Ord. 1082, Amended, 12/02/1986; Ord. 1037, Amended, 06/19/1985; Ord. 848, Amended, 08/07/1979; Ord. 820, Amended,

04/18/1978; Ord. 765, Amended, 11/16/1976; Ord. 736, Amended, 04/20/1976; Ord. 596, Added, 10/05/1971)

~~**10.08.020 Thirty miles per hour.**~~

~~The maximum speed limit upon the following streets is thirty miles per hour:~~

~~A. Linderson Way SW from a point two hundred fifty feet south of the south right-of-way line of Lee Street to Tumwater Boulevard SW;~~

~~B. Littlerock Road from Trosper Road SW to a point two hundred fifty feet south of the south right-of-way line of Bishop Road SW;~~

~~C. Second Avenue SW from Trosper Road SW to Desoto Street SW;~~

~~D. 29th Avenue S.W. from R.W. Johnson Boulevard SW to the Burlington Northern Railroad easterly right-of-way.~~

~~(Ord. O2007-001, Amended, 03/20/2007; Ord. O96-036, Amended, 10/15/1996; Ord. 1090, Amended, 02/03/1987; Ord. 1082, 12/02/1986; Ord. 1037, Amended, 06/18/1985; Ord. 848, Amended, 08/07/1979; Ord. 820, Amended, 04/18/1978; Ord. 765, Amended, 11/05/1976; Ord. 736, Amended, 04/20/1976; Ord. 596, Added, 10/05/1971)~~

~~**10.08.030 Thirty-five miles per hour.**~~

~~The maximum speed limit upon the following streets is thirty-five miles per hour:~~

~~A. Capitol Boulevard from the north city limits to 73rd Avenue SE;~~

~~B. Center Street SW from 73rd Avenue SW to 83rd Avenue SW;~~

~~C. Cleveland Avenue SE from Custer Way SE to Delta Lane SE;~~

~~D. 83rd Avenue SE from Armstrong Road SW to Kimmie Street SW;~~

~~E. Henderson Boulevard SE from Yelm Highway SE to the south city limits;~~

~~F. Israel Road SW from Littlerock Road SW to the overpass on Interstate 5;~~

~~G. Kimmie Street SW from 83rd Avenue SW to 93rd Avenue SW;~~

~~H. Kirsop Road SW from Trosper Road SW to the city limits;~~

~~I. R.W. Johnson Boulevard SW from 25th SW to Sapp Road SW;~~

~~J. Littlerock Road SW from the south city limits to Bishop Road SW;~~

~~K. Mottman Road SW from North 9th Avenue SW to the west city limits;~~

~~L. Sapp Road SW from Rural Road SW to the west city limits;~~

~~M. Trosper Road SW from Schoth Street SW to the west city limits;~~

~~N. Tumwater Boulevard SW from Littlerock Road SW to Henderson Boulevard SE;~~

~~O. 25th Avenue SW from Mottman Road SW to R.W. Johnson Boulevard SW;~~

~~P. Yelm Highway SE from Delta Lane SE to Henderson Boulevard SE.~~

~~(Ord. O2007-001, Amended, 03/20/2007; Ord. 1249, Amended, 08/07/1990; Ord. 1090, Amended, 02/03/1987; Ord. 1082, Amended, 12/02/1986; Ord. 1037, Amended, 06/18/1985; Ord. 848, Amended, 08/07/1979; Ord. 820, Amended, 04/18/1978; Ord. 765, Amended, 11/05/1976; Ord. 736, Amended, 04/20/1976; Ord. 596, Added, 10/05/1971)~~

~~10.08.040 Forty miles per hour.~~

~~The maximum speed limit upon the following streets is forty miles per hour:~~

~~A. Old Highway 99 SE from 73rd Avenue SE to 79th Avenue SE.~~

~~(Ord. O2007-001, Amended, 03/20/2007; Ord. 1090, Amended, 02/03/1987; Ord. 1082, Amended, 12/02/1986; Ord. 1037, Amended, 06/18/1985; Ord. 848, 08/07/1979; Ord. 820, Amended, 04/18/1978; Ord. 765, Amended, 11/05/1976; Ord. 736, Amended, 04/20/1976; Ord. 596, Added, 10/05/1971)~~

~~10.08.050 Forty-five miles per hour.~~

~~The maximum speed limit upon the following streets is forty-five miles per hour:~~

~~A. Black Lake Boulevard SW from the north city limits to the south city limits.~~

~~(Ord. O2007-001, Amended, 03/20/2007; Ord. 1090, Amended, 02/03/1987; Ord. 1082, Amended, 12/02/1986; Ord. 1037, Amended, 06/18/1985; Ord. 848, 08/07/1979; Ord. 820, Amended, 04/18/1978; Ord. 765, Amended, 11/05/1976; Ord. 736, Amended, 04/20/1976; Ord. 596, Added, 10/05/1971)~~

~~10.08.060 Fifty miles per hour.~~

~~The maximum speed limit upon the following streets is fifty miles per hour:~~

~~A. 88th Avenue SW from Old Highway 99 to Tilley Road SW lying north of 93rd Avenue SW;~~

~~B. 93rd Avenue SW from Tilley Road SW lying south of 93rd Avenue SW to the east city limits;~~

~~C. Old Highway 99 from 79th Avenue SE to the south city limits;~~

~~D. Tilley Road SW from 99th Avenue SW to 93rd Avenue SW.~~

~~(Ord. O2007-001, Amended, 03/20/2007; Ord. 1090, Amended, 02/03/1987; Ord. 1082, Amended, 12/02/1986; Ord. 1037, Amended, 06/18/1985; Ord. 848, Amended, 08/07/1979; Ord. 820, Amended, 04/18/1978; Ord. 765, Amended, 11/05/1976; Ord. 736, Amended, 04/20/1976; Ord. 596, Added, 10/05/1971)~~

Section 6. Chapter 10.12, Stop Intersections, of the Tumwater Municipal Code is hereby deleted in its entirety:

~~**Chapter 10.12**~~

~~**STOP INTERSECTIONS**~~

~~**10.12.010 Stop intersections designated.**~~

~~When signs are erected giving notice thereof, drivers of vehicles shall stop at every intersection before entering any of the following streets or parts of streets:~~

~~1. 25th Avenue Southwest from Mottman Road to R.W. Johnson Boulevard;~~

~~2. Boston Street from Hazelhurst to East Lee Street;~~

~~3. Capitol Boulevard from Gleason Road to Trosper Road;~~

~~4. Capitol Boulevard from Trosper Road to Carlyon Avenue;~~

~~5. Cleveland Avenue from Custer Way to Capitol Boulevard;~~

~~6. Cleveland Avenue from Custer Way to south city limits;~~

~~7. Custer Way from Capitol Boulevard to Cleveland Avenue;~~

~~8. Custer Way from South 2nd Avenue to Capitol Boulevard;~~

~~9. Desoto Avenue from North 4th Avenue to North 2nd Avenue;~~

~~10. East Dennis Street from Capitol Boulevard to end;~~

~~11. East Lee Street from Boston Street to Capitol Boulevard;~~

~~12. Elm Street from East Dennis Street to Hazelhurst Drive;~~

~~13. Ferry Street from North 7th Avenue to North 4th Avenue;~~

~~14. Hazelhurst Drive from East Hixon Drive to Boston Street;~~

~~15. Hoadly Street from South Street to North Street;~~

~~16. Irving Street from North 9th to North 7th Avenue;~~

~~17. Israel Road from Littlerock Road to Capitol Boulevard;~~

~~18. Lake Park Drive from Linwood Avenue to Trosper Road;~~

~~19. Linderson Way from West Lee Street to Israel Road;~~

~~20. Linwood Avenue from South 2nd Avenue to the west city limits;~~

~~21. Littlerock Road from Trosper Road to south city limits;~~

~~22. Mottman Road from North 9th Avenue to the west city limits;~~

~~23. North 7th Avenue from Ferry Street to West Bates Street;~~

~~24. North 7th Avenue from Irving Street to Ferry Street;~~

~~25. North 9th Avenue from Mottman Road to Irving Street;~~

~~26. North 3rd Avenue becoming South 3rd Avenue at Division from West Bates to South 2nd Avenue;~~

~~27. North 2nd Avenue becoming South 2nd Avenue at Division from Desoto Avenue to Trosper Road;~~

~~28. North 4th Avenue from Ferry Street to Desoto Avenue;~~

~~29. North 9th Avenue from Ferry Street to Grant Street;~~

~~30. North Street from Cleveland Avenue to east city limits;~~

~~31. R.W. Johnson Boulevard from 25th Avenue Southwest to a point one thousand seven hundred forty feet south of 25th Avenue Southwest;~~

~~32. Sapp Road from Rural Road to the west city limits;~~

~~33. South Street from Cleveland Avenue to Hoadly Street;~~

~~34. Trosper from South 2nd Avenue to west city limits at Rural Road;~~

~~35. Trosper Road from South 2nd Avenue to Capitol Boulevard;~~

~~36. West Bates Street from North 7th Avenue to North 3rd Avenue;~~

~~37. West Lee Street from Capitol Boulevard to Linderson Way;~~

~~38. West Dennis from Capitol Boulevard to 11th Avenue Southwest.~~

~~(Ord. O94-023, Amended, 06/07/1994; Ord. 1090, Amended, 02/03/1987; Ord. 1082, Amended, 12/02/1986; Ord. 1037, Amended, 06/18/1985; Ord. 848, Amended, 08/07/1979; Ord. 820, Amended, 04/18/1978; Ord. 765, Amended, 11/05/1976; Ord. 736, Amended, 04/20/1976; Ord. 596, Added, 10/05/1971)~~

Section 7. Section 10.24.010, Parking on certain streets – Prohibited at all times, of the Tumwater Municipal Code is hereby amended to read as follows:

10.24.010 Parking on certain streets – Limitations~~Prohibited at all times~~.
The director of transportation and engineering is authorized to erect signs prohibiting parking or limiting the hours for parking upon the improved or unimproved portion of any public street, highway, alley, right-of-way, or publicly owned parking lot.

~~When signs are erected giving notice thereof, no person shall at any time park or stand a vehicle on any of the following described streets or parts of streets:~~

~~1. Alley in Block B, Woodland Addition, north and south sides, from the east right-of-way line of Erie Street to the west right-of-way line of Cleveland Avenue;~~

~~2. Barnes Boulevard, east and west sides, from the north right-of-way line of "I" Street to the east right-of-way line of Crosby Boulevard;~~

~~3. Bay Loop, westerly-most couplet, southbound roadway, east and west sides, from Bay Street to the south right-of-way of the north-south portion of Bay Loop;~~

~~4. Bay Loop, easterly-most couplet, southbound roadway, east and west sides, from Bay Street to the south right-of-way of the north-south portion of Bay Loop;~~

~~5. Bonniewood Drive, east and west sides, from a point one hundred twenty-five feet south of the south right-of-way line of Scott Street to the north right-of-way line of Old Highway 99;~~

~~6. Capitol Boulevard, east side, from the north city limit line to the south city limit line;~~

~~7. Capitol Boulevard, west side, from the north city limit line to a point two hundred feet south of Carlyon Avenue;~~

~~8. Capitol Boulevard, west side, from a point five hundred feet north of Custer Way to the south city limits line;~~

~~9. Capitol Boulevard, west side, from a point one hundred sixty feet northeast of the point where the northerly right-of-way line of Emerson Street extended intersects the westerly right-of-way line of Capitol Boulevard, to a point two hundred thirty-five feet northeast of the same intersection point;~~

~~10. Clark Place, east side, from Custer Way to East Bates Street;~~

~~11. Cleanwater Lane, east and west sides, from a point two hundred feet south of the south right-of-way line of Israel Road to the north right-of-way line of Tumwater Boulevard;~~

~~12. Cleveland Avenue, east side, from Capitol Boulevard to a point three hundred twenty feet south of the south line of North Street;~~

~~13. Cleveland Avenue, west side, from a point one hundred eighty feet north of the north right-of-way limits of North Street to a point ninety-five feet south of the south line of North Street;~~

~~14. Crosby Boulevard, east and west side, from the north city limit line to the south end of Crosby Boulevard;~~

~~15. Custer Way, north and south sides, from Cleveland Avenue to 2nd Avenue;~~

~~16. "E" Street, both sides, between Capitol Boulevard and Deschutes Way;~~

~~17. Dennis Street (East), north side, from the east right-of-way line of Capitol Boulevard to a point two hundred feet east of said line;~~

~~18. Dennis Street (East), south side, from the east right-of-way line of Capitol Boulevard to a point one hundred seventy feet east of said line;~~

~~19. Dennis Street (East), south side, from a point one thousand two hundred seventy-one and eighty-one one-hundredths feet east of the east right-of-way line of~~

~~Dennis Court SE, to a point one thousand three hundred seventy-six and eighty-one one-hundredths feet east of the east right-of-way line of Dennis Court SE;~~

~~20. Dennis Street (West), north side, from the west right-of-way line of Capitol Boulevard to a point two hundred forty feet west of said line;~~

~~21. Dennis Street (West), south side, from the west right-of-way line of Capitol Boulevard to a point three hundred forty feet west of said line;~~

~~22. Deschutes Way, east side, south from the Tumwater Falls Park exit driveway to the north right-of-way line of "E" Street;~~

~~23. Deschutes Way, west side, from a point six hundred fifty feet north of the north right-of-way line of "C" Street to a point eight hundred feet north of the north right-of-way line of "C" Street;~~

~~24. Elm Street, west side, from the south right-of-way line of East Pinehurst Street to a point one hundred thirty-five feet south of the south right-of-way line of East Pinehurst Street;~~

~~25. Erie Street, east side, from Custer Way to East Bates Street;~~

~~26. Irving Street, north and south sides, from the east right-of-way line of Crosby Boulevard to a point six hundred twenty feet east of said right-of-way line;~~

~~27. Israel Road, north and south sides, from Bonniewood Drive to the east right-of-way line on Littlerock Road;~~

~~28. Lake Park Drive, east side, from a point forty feet south of the south right-of-way line of Central Avenue to a point fifteen feet north of the south right-of-way line of Central Avenue;~~

~~29. Lee Street (West), north and south sides, from the west right-of-way line of Capitol Boulevard to a point one hundred twenty-five feet west of the west right-of-way line of Capitol Boulevard, and from a point five hundred eighty-five feet west of the west right-of-way line of Capitol Boulevard to a point one thousand feet west of the west right-of-way line of Capitol Boulevard;~~

~~30. Linderson Way, east and west sides, from the south right-of-way line of Israel Road to the north right-of-way line of 83rd Avenue;~~

~~31. Linwood Avenue, south side, from 2nd Avenue to 6th Avenue;~~

~~32. Linwood Avenue, north side, from 2nd Avenue to 5th Avenue;~~

~~33. Linwood Avenue, north side, from the east right-of-way line of 7th Avenue/Barnes Boulevard to a point sixty-two feet east of said east right-of-way line;~~

~~34. Littlerock Road, east and west sides, from Trosper Road to the south city limits line;~~

~~35. "M" Street, north and south sides, between Capitol Boulevard and Rainier Avenue;~~

~~36. Market Street, east and west sides, from the east right-of-way line of Capitol Boulevard to a point ninety-five feet east of the east right-of-way line of Capitol Boulevard;~~

~~37. Mottman Road, north and south sides, from the east right-of-way line of Crosby Boulevard to a point six hundred feet east of the east right-of-way line of Crosby Boulevard;~~

~~38. Mottman Road, north and south sides, from the west right-of-way line of Crosby Boulevard to the nearest boundary with the city of Olympia;~~

~~39. New Market Street SW, east and west sides, from the centerline of Israel Road SW south six hundred sixty feet to the south limits of city property;~~

~~40. New Market Street, east and west sides, from a point seven hundred feet north of the north right-of-way line of Tumwater Boulevard to the north right-of-way line of Tumwater Boulevard;~~

~~41. North Street, north and south sides, from Cleveland Avenue to the east city limits;~~

~~42. Pinehurst Street West, north and south sides, from Capitol Boulevard to the west boundary;~~

~~43. R.W. Johnson Boulevard, on the east and west sides, from the south right-of-way line on 29th Avenue to a point one hundred feet south of the south right-of-way line of 29th Avenue;~~

~~44. R.W. Johnson Boulevard, on the east and west sides, from the north right-of-way line on 29th Avenue to a point one hundred feet north of the north right-of-way line of 29th Avenue;~~

~~45. South Street, east side, from the west right-of-way line of Pifer Road to the north right-of-way line of South Street;~~

~~46. Somerset Hill Drive, north and south sides, from the west right-of-way line of Crosby Boulevard to the east right-of-way line of R.W. Johnson Boulevard;~~

~~47. Trosper Road, north side, from the west right-of-way line of Capitol Boulevard to the west right-of-way line of Lake Park Drive, and from a point two hundred twenty feet west of the west right-of-way line of Lake Park Drive to a point seven hundred fifty feet west of the west right-of-way line of Lake Park Drive;~~

~~48. Trosper Road, south side, from the west right-of-way line of Capitol Boulevard to a point seven hundred fifty feet west of the west right-of-way line of Lake Park Drive;~~

~~49. Tumwater Boulevard, north and south sides, from the east city limit line to Littlerock Road;~~

~~50. "U" Street, north and south sides, from the west right-of-way line of Margo Place to the east right-of-way line of Capitol Boulevard, a distance of four hundred nine feet;~~

~~51. Vista Loop, east and west sides, from the north terminus at Barnes Boulevard to the south terminus with Barnes Boulevard;~~

~~52. "X" Street (East), north and south sides, from a point two hundred fifty-five feet east of the east right-of-way line of Capitol Boulevard to the east right-of-way line of Capitol Boulevard;~~

~~53. "X" Street (West), north side, from the west right-of-way line of Capitol Boulevard to a point two hundred thirty feet west of the west right-of-way line of Capitol Boulevard;~~

~~54. 2nd Avenue North, west side, from Desoto Avenue to Bates Street;~~

~~55. 2nd Avenue, west side, from a point one hundred feet north of Little Street to the intersection of Little Street;~~

~~56. 12th Avenue, east and west sides, from the south right-of-way line of Irving Street to the north right-of-way line of Vista Loop;~~

~~57. 29th Avenue, north and south sides, from the west right-of-way line of R.W. Johnson Boulevard to a point one hundred feet west of the west right-of-way line of R.W. Johnson Boulevard;~~

~~58. 73rd Avenue, north and south sides, from the east city limits to the east right-of-way line along Capitol Boulevard;~~

~~59. 73rd Avenue, north and south sides, from a point six hundred sixty feet east of the east right-of-way line of Linderson Way to the east right-of-way line of Linderson Way.~~

(Ord. O2010-021, Amended, 10/19/2010; Ord. O2009-011, Amended, 08/04/2009; Ord. O2009-002, Amended, 01/20/2009; Ord. O2003-010, Amended, 03/18/2003; Ord. O2002-009, Amended, 04/16/2002; Ord. O2001-004, Amended, 03/06/2001; Ord. O96-042, Amended, 12/17/1996; Ord. O96-028, Amended, 09/03/1996; Ord. 1373, Amended, 02/16/1993; Ord. 1337, Amended, 08/04/1992; Ord. 1306, Added, 10/15/1991)

Section 8. Section 10.24.020, Parking on certain streets prohibited during certain hours, of the Tumwater Municipal Code is hereby deleted in its entirety:

~~**10.24.020 Parking on certain streets prohibited during certain hours.** When signs are erected giving notice thereof, no person shall park or stand a vehicle in violation of the provisions set forth in this section:~~

~~A. Custer Way, on the north side, from the east right-of-way line of Erie Street to a point two hundred eighty feet east of the east right-of-way line of Erie Street, limited to one hour between the hours of 9:00 a.m. and 6:00 p.m. the following day;~~

~~B. Cleveland Avenue, on the westerly side, between the south line of Emerson Street and a point three hundred sixty feet south of the south line of Emerson Street, limited to thirty minutes during all hours, except Sundays and public holidays;~~

~~C. Dorchester Drive, east and west sides, from the west right-of-way line of Hampton Court through the limits of the cul-de-sac, no parking between the hours of 8:00 a.m. to 5:00 p.m. Monday through Friday;~~

~~D. Margo Place on the west and east sides, from the south side of Pinehurst Drive to the north side of Laurelhurst Drive, limited to one hour between the hours of 8:00 a.m. and 6:00 p.m., except Saturdays, Sundays and public holidays;~~

~~E. Linderson Way, on the east side, from a point one hundred eighty feet north of the north right-of-way line of Tartan Drive to the north right-of-way line of Israel Road, no parking between the hours of 7:00 a.m. to 2:00 p.m.;~~

~~F. The west side of Firland Street SW from 27th Avenue to 29th Avenue and the east side of Noble Street SW from 28th Avenue SW to 29th Avenue SW and the south side of 28th Avenue SW from Noble Street SW to Firland Street, limited by no parking Monday through Friday.~~
~~(Ord. O96-029, Amended, 08/20/1996; Ord. O96-028, Amended, 09/03/1996; Ord. O95-010, Amended, 03/07/1995; Ord. 1337, Added, 08/04/1992)~~

Section 9. Section 10.24.030, Residential exemptions, of the Tumwater Municipal Code is hereby deleted in its entirety:

~~**10.24.030 Residential exemptions.**~~
~~A. Streets Subject to Exemption. For the streets or portions of streets enumerated below, only vehicles holding duly authorized parking permits may stand, stop or park on such streets:~~

~~1. Margo Place on the west and east sides, from the south side of Pinehurst Drive to the north side of Laurelhurst Drive.~~

~~2. The west side of Firland Street SW from 27th Avenue to 29th Avenue and the east side of Noble Street SW from 28th Avenue SW to 29th Avenue SW and the south side of 28th Avenue SW from Noble Street SW to Firland Street SW.~~

~~B. Permit Issuance Procedures. The police chief or his/her designee shall promulgate written criteria for the issuance or denial of permit requests including procedures by which such requests are processed. Such procedures and criteria shall provide that any person who resides immediately adjacent to the streets or portions of streets described above may apply to the Tumwater police department for a permit as described in the preceding subsection for each vehicle registered in~~

~~his/her name. That vehicle may thereafter park in any legal on-street parking space located within the applicable area as an exemption from the no parking restriction. In addition, any such person may similarly apply for temporary visitors' permits for vehicles of any persons visiting their home. Exemption for vehicles registered shall be valid only for so long as the person named therein remains the registered owner of the vehicle and so long as the person remains a resident of or visitor to the applicable residence.~~

~~(Ord. O96-029, Amended, 08/20/1996; Ord. 974, Added, 09/20/1983)~~

Section 10. Section 15.48.050, Exemptions from the concurrency test, of the Tumwater Municipal Code is hereby amended to read as follows:

15.48.050 Exemptions from the concurrency test.
The following applications for a land use permit or, if a land use permit is not required, a building permit shall be exempt from the concurrency test; provided, that this exemption from the concurrency test is not an exemption from TMC Chapter 3.50.

A. Any proposed development that creates no additional impacts on any transportation facility;

B. Any project that is a component of another proposed development and that was included in a prior application for a finding of concurrency;

C. Any application for a residential building permit if the dwelling unit is a part of a subdivision or short plat that submitted an application and that has undergone a concurrency test and received concurrency approval as part of plat approval; ~~and~~

D. Any application that is exempt from TMC Title 16, Environment~~.~~; and

E. Applications where additional residential units are constructed within the existing structure following RCW 35.21.990.

(Ord. O2024-005, Amended, 12/03/2024; Ord. O2010-017, Amended, 12/21/2010; Ord. O95-022, Added, 11/07/1995)

Section 11. Corrections. The City Clerk and codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Section 12. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 13. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application

thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 14. **Effective Date**. This Ordinance shall become effective thirty days after passage, approval, and publication as provided by law.

ADOPTED this _____ day of _____, 20_____.

CITY OF TUMWATER

_____
Leatta Dahlhoff, Mayor

ATTEST:

_____
Melody Valiant, City Clerk

APPROVED AS TO FORM:

_____
Karen Kirkpatrick, City Attorney

Published: _____

Effective Date: _____



Transportation Updates

Ordinance No. O2026-010 Work Session

Planning Commission, November 10, 2026

Intro & Background
Key Changes
Recommended Action
Next Steps

Public Hearing on Ordinance No. O2026-010 – Transportation Regulation Updates

Forward a recommendation to City Council to approve Ordinance No. O2026-010

Changes to:

- TMC Chapter 3.50 – *Impact Fees*
- TMC Chapter 15.48 – *Transportation Concurrency Requirements*
- TMC Chapter 10.04 – *Model Traffic Ordinance*
- TMC Chapter 10.08 – *Speed Limits*
- TMC Chapter 10.12 – *Stop intersections*
- TMC Chapter 10.24 – *Parking*

Intro & Background
Key Changes
Recommended Action
Next Steps

Key Changes

Update Tumwater code to reflect:

State Required Updates

Impact Fees (RCW 82.02.060)

- Must be proportionate.
- May pay for active transportation.

Concurrency Requirements (RCW 35.21)

- Reduce barriers for redevelopment.

Intro & Background
Key Changes
Recommended Action
Next Steps

Key Changes

Update Tumwater code to reflect:

Staff Requested Updates

Impact Fees

- Clarifying credit eligibility.

Model Traffic Ordinance

- Update to facilitate administration.

No Parking Zones

- Remove list in code, refer to street signs.

Stop Signs

- Remove list in code, refer to street signs.

Speed limits

- Remove list in code, refer to street signs.

Intro & Background
Key Changes
Recommended Action
Next Steps

Recommended Action

Staff requests that the Planning Commission forward a recommendation of approval to City Council.

Intro & Background
Key Changes
Recommended Action
Next Steps

Next Steps

State Environmental Protection Act

- SEPA Checklist was completed October 5, 2026
- Determination of Non-Significance was issued October 16, 2026
- Determination Appeal Period will end November 5, 2026

Commerce Notice of Intent

- Notice of Intent was submitted to Commerce on October 5, 2026
- Comment Period will end on December 4, 2026

Intro & Background
Key Changes
Recommended Action
Next Steps

Next Steps

November 10, 2026
Planning Commission public hearing

Public hearing, deliberation, and recommend approval to the City Council.

November 18, 2026
General Government Committee

Committee review of the proposed amendments.

December 15, 2026
City Council

Council consideration of Ordinance No. O2026-010.

Thank you!

Comments and questions:

Community Development Department
555 Israel Road SW
Tumwater, WA 98501
Phone: 360-754-4180
Email: cdd@ci.tumwater.wa.us

TO: Planning Commission

FROM: Dana Bowers, Associate Planner, Gene Angel, Economic Development Coordinator; Kelly Adams, Assistant City Administrator; and Sharon Lumbantobing, Deputy Community Development Director

DATE: November 10, 2026

SUBJECT: Ordinance No. O2026-012 – 2026 Comprehensive Plan Amendment – Adoption of Economic Development Element Update

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1) Recommended Action:

Staff requests that the Planning Commission hold a public hearing and forward a recommendation to the City Council to approve Ordinance No. O2026-012, amending the Comprehensive Plan to adopt the Economic Development Element.

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2) Background:

As required by the Growth Management Act, Tumwater must review and update its Comprehensive Plan at least once every ten years. The most recent periodic update was adopted 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.

The General Government Committee is scheduled to review the proposed Comprehensive Plan amendment at its November 18, 2026 work session. The ordinance is scheduled for City Council consideration and adoption on December 15, 2026.

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3) Alternatives:

- ❑ None.

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4) Attachments:

A. Staff Report
B. Ordinance No. O2026-012
    a. Exhibit A – Economic Development Element Part 1
    b. Exhibit B – Economic Development Element Part 2
C. Presentation

Attachment A

STAFF REPORT

Date: November 10, 2026
To: Planning Commission
From: Gene Angel, Economic Development Coordinator; Kelly Adams, Assistant City Administrator; Sharon Lumbantobing, Deputy Community Development Director

2026 Tumwater Comprehensive Plan Amendment – Economic Development Element Ordinance No. O2026-012 – Public Hearing

1. Recommended Action

Staff recommends that the Planning Commission hold a public hearing and forward a recommendation to the City Council to approve Ordinance No. O2026-012, amending the Comprehensive Plan to adopt the updated Economic Development Element.

2. Background

The Growth Management Act requires the City to review and update its Comprehensive Plan every ten years. Tumwater completed its most recent update in December 2025. The Economic Development Plan, which was last updated in 2019, was not updated as part of the 2025 periodic update and is being updated through the City's 2026 annual amendment process.

The Economic Development Plan is part of the Comprehensive Plan and guides the City's economic development policies and implementation actions. The update incorporates current economic, employment, workforce, and land capacity data and updates the City's economic development goals, policies, and implementation actions to reflect current conditions and priorities.

Amendments to the Comprehensive Plan may be considered once per calendar year under RCW 36.70A.130 and TMC 18.60.025(A)(2). Ordinance No. O2026-012, the City's 2026 Final Docket of Comprehensive Plan amendments, includes one City-sponsored amendment: adoption of the updated Economic Development Plan.

The proposed amendment was reviewed against the criteria in TMC 18.60.025(B):

1. *Does the amendment conform to the Growth Management Act?*
2. *Is it consistent with the Comprehensive Plan, Thurston County-Wide Planning Policies, and related plans?*
3. *Have area conditions changed or are changing to justify a change in land use for the area?*

4. *Is there a need to provide a community-related use not anticipated by the Comprehensive Plan?*

3. Key Changes in the Economic Development Plan

The Economic Development Plan update reflects changes in Tumwater's economy and provides a strategy for supporting economic growth over the next 20 years.

Tumwater has a strong employment base, but the local economy is heavily concentrated in public-sector employment. Approximately one-third of jobs in Tumwater are in public administration. While state and other government employment provides an important and stable economic base, the updated Plan recognizes the need to diversify the local economy and expand private-sector employment opportunities.

Key changes in the updated Plan include a greater emphasis on:

- **Economic diversification.** Support growth in a broader range of industries and reduce reliance on any single employment sector.
- **Business retention and growth.** Strengthen support for existing businesses while creating opportunities to attract new businesses and investment.
- **Employment land.** Preserve and make effective use of Tumwater's commercial and industrial land to accommodate long-term business and employment growth, including leveraging the Olympia Regional Airport to facilitate the creation of a local aerospace cluster.
- **Brewery and Brownfield Redevelopment.** Connects the Brewery redevelopment strategy with City's Brownfields Program.
- **District Vibrancy and Tourism.** Elevates coordination between tourism, district aesthetics, signage, and wayfinding as a primary district revitalization tool.
- **Affordability as Equity Strategy.** Identifies that cost-of-living issues stem from supply side barriers and that economic development policies can allow all individuals have equitable access to share in Tumwater's prosperity.

The updated Plan provides a framework for building on the stability of Tumwater's existing employment base while creating a more diverse and resilient economy with a broader range of businesses and employment opportunities.

As part of the update to test internal consistency, staff compared each of the 52 goals and policies in the proposed Economic Development Plan against the other elements of the updated Comprehensive Plan, the Shoreline Master Program, and the current Parks, Recreation and Open Space Plan. Staff have categorized these policy relationships and labeled each Supportive, Coordinate, or Tension. Of these, 117 are Supportive, 28 require Coordination, and one is identified as in Tension. The results indicate the proposed Plan is broadly consistent with adopted policy.

4. Summary of Public Participation Process

An Environmental Checklist for a non-project action was prepared on September 30, 2026, under the State Environmental Policy Act (Chapter 43.21C RCW). A Determination of Non-Significance was issued on October 2, 2026. A Notice of Determination of Non-Significance was published in The Olympian on October 2, 2026, beginning the 14-day public comment period, which ended on October 16, 2026, and the 6-day appeal period which ended on October 22, 2026. No comments were received.

The proposed amendments were submitted to the Washington State Department of Commerce on September 17, 2026, for the required 60-day review under RCW 36.70A.106. The 60-day review period will close on November 16, 2026.

A Notice of Public Hearing for the Planning Commission was published in The Olympian on October 30, 2026.

The General Government Committee is scheduled to review the proposed amendments on November 18, 2026. The City Council is scheduled to consider the proposed amendments on December 15, 2026.

Additionally, staff have developed an outreach strategy to gather input from Tumwater residents, businesses, and regional partners. The strategy includes community surveys on goals and policies and leveraging regional partner social media and newsletter platforms to boost survey populations.

Staff presented the plan to several interest groups including:

a. Thurston Chamber of Commerce Business and Economics Committee on July 17, 2026,
b. Thurston Economic Development Council Board on September 23, 2026, and
c. Tumwater Area Chamber of Commerce on October 16, 2026.

Staff and partners have shared survey and plan information in their newsletters and social media to help inform the public and gather additional responses from their audiences. The survey is also posted in a press release on the City of Tumwater Website. https://www.ci.tumwater.wa.us/Home/Components/News/News/10037/554. Outreach will continue through November 15, 2026, when the survey will close.

Lastly, staff also plans press releases to *The Olympian* and *The Jolt* and is pursuing a *Thurston Talk* feature.

5. Applicable Criteria, Evaluation, and Findings

Comprehensive Plan amendments are subject to the criteria in TMC 18.60.025(B):

1) Growth Management Act

All amendments to the Comprehensive Plan must conform with the requirements of the Washington State Growth Management Act, Chapter 36.70A RCW, and all amendments for permanent changes to the Comprehensive Plan must be submitted to the Washington State Department of Commerce pursuant to RCW 36.70A.106.

The proposed Economic Development Plan update is being considered through the City's annual Comprehensive Plan amendment process. If approved by the City Council, the amendment will be submitted to the Washington State Department of Commerce pursuant to RCW 36.70A.106.

The proposed amendment is consistent with the applicable Growth Management Act planning goals as follows:

1) **Urban growth.** *Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.*

   Finding: The Economic Development Plan supports employment and business growth within the City and identifies strategies to make efficient use of Tumwater's employment lands and existing infrastructure.

2) **Reduce sprawl.** *Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.*

   Finding: The Economic Development Plan supports economic growth within the City's urban growth area and encourages efficient use and redevelopment of existing commercial, mixed-use, and industrial lands.

3) **Transportation.** *Encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled, and are based on regional priorities and coordinated with county and city comprehensive plans.*

   Finding: The Economic Development Plan recognizes the relationship between economic development, employment growth, land use, and transportation and supports access to employment areas by multiple modes of transportation.

4) **Housing.** *Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.*

   Finding: The Economic Development Plan recognizes the relationship between housing and economic development, including the importance of an adequate and affordable housing supply to attract and retain Tumwater's workforce.

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.*

   Finding: The Economic Development Plan directly implements this goal. The update evaluates current economic and employment conditions and establishes goals, policies, and actions to support business retention and expansion, attract new

investment, strengthen employment opportunities, and maintain an adequate supply of land for future economic growth.

6) **Property rights.** *Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.*

Finding: The proposed amendment does not change development regulations or authorize the taking of private property and does not conflict with this goal.

7) **Permits.** *Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.*

Finding: The Economic Development Plan supports a predictable and efficient development environment and does not conflict with this goal.

8) **Natural resource industries.** *Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.*

Finding: The proposed amendment does not change regulations governing natural resource lands or industries and does not conflict with this goal.

9) **Open space and recreation.** *Retain open space and green space, enhance recreational opportunities, enhance fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.*

Finding: The proposed amendment does not change the Comprehensive Plan policies governing open space and recreation and does not conflict with this goal.

10) **Environment.** *Protect and enhance the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.*

Finding: The Economic Development Plan supports economic growth within the existing urban area and recognizes the need to balance economic development with environmental protection.

11) **Citizen participation and coordination.** *Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.*

Finding: The Economic Development Plan update included opportunities for public and stakeholder participation. Notice and public hearing requirements for the Comprehensive Plan amendment are being completed through the City's annual amendment process.

12) **Public facilities and services.** *Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the*

development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

Finding: The Economic Development Plan recognizes the importance of infrastructure and public services to support existing businesses and future economic growth. The proposed amendment does not change the City's adopted standards for public facilities and services.

13) **Historic preservation.** *Identify and encourage the preservation of lands, sites, and structures that have historical or archaeological significance.*

Finding: The proposed amendment does not change the Comprehensive Plan policies or regulations governing historic and archaeological resources.

14) **Climate change and resiliency.** *Ensure that the City's Comprehensive Plans and development regulations adapt to and mitigate the effects of a changing climate; support reductions in greenhouse gas emissions and per capita vehicle miles traveled; prepare for climate impact scenarios; foster resiliency to climate impacts and natural hazards; protect and enhance environmental, economic, and human health and safety; and advance environmental justice.*

Finding: The Economic Development Plan supports a resilient local economy and coordination of economic development with land use, housing, transportation, and infrastructure planning.

15) **Shorelines of the state.** *For shorelines of the state, the goals and policies of the Shoreline Management Act as set forth in RCW 90.58.020 shall be considered an element of the City's Comprehensive Plan.*

Finding: The proposed amendment does not change the City's Shoreline Master Program or policies governing shorelines.

2) **Comprehensive Plan and County-Wide Planning Policy Consistency**

Amendments and site-specific rezone applications should be evaluated for internal consistency with the comprehensive plan, and for consistency with the county-wide planning policies, related plans, and the comprehensive plan of Thurston County or cities which have common borders with Tumwater.

Comprehensive Plan

The proposed Economic Development Plan update is internally consistent with the Comprehensive Plan. The update supports the City's adopted direction for accommodating employment growth, making efficient use of commercial and industrial land, providing housing for Tumwater's workforce, and coordinating land use and transportation planning.

The following Comprehensive Plan goals and policies are particularly applicable to the proposed amendment:

1) **Land Use Element**

Goal LU-8: *Support development of commercial and mixed uses in appropriate areas.*

Goal LU-9: *Support development of manufacturing, industrial, and warehouse uses in appropriate areas.*

Goal LU-13: *Protect the Olympia Regional Airport from incompatible land uses that could affect present and future use of airport facilities and operations while acknowledging the existing urban environment adjacent to the Airport.*

Finding: The Economic Development Plan is consistent with these provisions by supporting efficient use of Tumwater's commercial, mixed-use, and industrial lands and identifying strategies to retain and expand existing businesses, attract new investment, and accommodate future employment growth.

2) Housing Element

Policy H-1.5: *Direct mixed use and high density residential development along transit corridors and into urban centers to support employment and place-making opportunities.*

Finding: The Economic Development Plan recognizes that housing and economic development are closely connected. An adequate supply of housing at a range of prices is important to attract and retain Tumwater's workforce and allowing workers to live near employment opportunities.

3) Transportation Element

Policy T-4.1: *Develop a transportation system that supports compact, mixed-use development and related active transportation travel to reduce per capita vehicle miles travelled, increase energy efficiency, reduce environmental impacts, and encourage physical activity and community health.*

Finding: The Economic Development Plan recognizes that businesses and employment centers depend on safe and efficient access for employees, customers, services, and goods. The Plan supports coordination of economic development with transportation investments and multimodal access.

Applicable County-Wide Planning Policies

The applicable Thurston County County-Wide Planning Policies that support the proposed Economic Development Plan update are as follows:

1) Economic Development and Employment

a. **Policy 7.1:** *Encourage an economy that is diverse, can adapt to changing conditions, and takes advantage of new opportunities.*
b. **Policy 7.2:** *Support the recruitment, retention, and expansion of environmentally sound and economically viable commercial, public sector, and industrial development and resource uses, including the provision of assistance in obtaining funding and/or technical assistance.*
c. **Policy 7.3:** *Provide in comprehensive plans for an adequate amount of appropriately located land, utilities, and transportation systems to support*

desirable economic development. Create and maintain regulatory certainty, consistency, and efficiency.

d. **Policy 7.4:** *Acknowledge and look for opportunities to engage with regional economic drivers such as state government, the Port of Olympia, and Joint Base Lewis-McChord. Coordinate economic development efforts as well with other jurisdictions, the Economic Development Council, Chambers of Commerce, and other affected groups.*

e. **Policy 7.5:** *Build a vital, diverse, and strong local economy, including job opportunities that support community and household resilience, health, and well-being, by:*

a. Supporting workforce training and offering opportunities for education and entrepreneurial endeavors.

b. Supporting creativity, arts, and culture.

c. Providing opportunities for a range of business types to succeed.

d. Emphasizing policies that support locally owned businesses including home-based, entrepreneurial, and nonprofit business and organizations.

e. Encouraging the development of local services for food, clothing, and other basic human needs.

f. Nurturing urban and rural agricultural and food-oriented businesses.

g. Protecting resource lands.

h. Encouraging the utilization and development of areas designated for industrial use, consistent with the environmental policies in these County-Wide Planning Policies.

i. Connecting economic health with personal health and well-being and the advancement of environmental health.

j. Adding incentives for businesses to demonstrate their environmental sustainability including reduction in greenhouse gas emissions.

Finding: The Economic Development Plan update is consistent with Economic Development Policies 7.1 through 7.5. The Plan evaluates current economic and employment conditions and establishes goals, policies, and actions to support a diverse and resilient economy, retain and expand existing businesses, attract new investment, maintain an adequate supply of employment land, support workforce development and entrepreneurship, and strengthen coordination with regional economic development partners.

2) Affordable Housing Policy 8.1: *Increase housing choices to support all ranges of lifestyles, household incomes, abilities, and ages. Encourage a range of housing types and costs that are commensurate with the employment base and income levels of jurisdictions' populations, particularly for low, moderate and fixed income families.*

Finding: The Economic Development Plan update is consistent with Affordable Housing Policy 8.1 by recognizing the relationship between housing and economic development, including the importance of housing availability and affordability to attracting and retaining Tumwater's workforce.

3) Change in Conditions

Whether conditions in the area for which comprehensive plan change/zoning amendment is requested have changed or are changing to such a degree that it is in the public interest to encourage a change in land use for the area.

Finding: : This criterion does not apply because the Economic Development Plan update does not propose a zoning amendment or change in land use.

4) Community-Related Use

Whether the proposed comprehensive plan zoning amendment is necessary in order to provide land for a community-related use which was not anticipated at the time of adoption of the comprehensive plan.

Finding: This criterion does not apply because the Economic Development Plan update does not propose providing land for a community-related use.

Overall Findings: The proposed Economic Development Plan update meets the applicable Comprehensive Plan amendment criteria in TMC 18.60.025(B). The amendment is consistent with the applicable Growth Management Act planning goals, including those related to economic development, urban growth, housing, transportation, and climate resiliency. It is internally consistent with the City's Comprehensive Plan and is consistent with the applicable Thurston County County-Wide Planning Policies and related plans.

The criteria related to changed conditions supporting a change in land use and the need to provide land for an unanticipated community-related use do not apply because the amendment does not propose a Comprehensive Plan map amendment, zoning amendment, or change in land use.

Based on this review, the proposed Economic Development Plan update meets the applicable criteria for approval.

6. Next Steps

The General Government Committee will review the proposed amendments at a work session on November 18, 2026. The City Council is scheduled to consider adoption on December 15, 2026.

7. Staff Contacts

Kelly Adams, Assistant City Administrator
City of Tumwater, Executive Department
kadams@ci.tumwater.wa.us

Gene Angel, Economic Development Coordinator
City of Tumwater, Executive Department
gangel@ci.tumwater.wa.us

ORDINANCE NO. O2026-012

AN ORDINANCE of the City Council of the City of Tumwater, Washington, related to planning under the Growth Management Act of the State of Washington and the 2026 City of Tumwater Comprehensive Plan, amending the Comprehensive Plan by adopting an updated Economic Development Plan.

WHEREAS, the City is required to plan under the Growth Management Act, Chapter 36.70A RCW; and

WHEREAS, this Ordinance meets the goals and requirements of the Growth Management Act; and

WHEREAS, the Growth Management Act, Chapter 36.70A RCW, and Tumwater Municipal Code 18.60.025(A)(2) require that amendments to the City's Comprehensive Plan be considered concurrently and no more than once annually; and

WHEREAS, the City Council, Planning Commission, property owners, or City staff may propose amendments to the City's Comprehensive Plan map and text, and corresponding zone districts; and

WHEREAS, Tumwater Municipal Code 18.60.025(A) establishes a process by which the preliminary docket of proposed Comprehensive Plan amendments undergoes an initial review by the Planning Commission for recommendation to the City Council; and

WHEREAS, the City Council determined which proposed Comprehensive Plan amendments in the preliminary docket would be included in the final docket on February 17, 2026; and

WHEREAS, the Growth Management Act, Chapter 36.70A RCW, requires a process of early and continuous public participation for the proposed Comprehensive Plan amendments; and

WHEREAS, the adoption of proposed Comprehensive Plan amendments must be processed in compliance with the requirements of the State Environmental Policy Act; and

WHEREAS, the City adopted its periodic update of the Comprehensive Plan in December 2025 by Ordinance No. O2025-010, with the exception of the Economic

Development Plan, which is being updated and adopted separately through this Ordinance; and

WHEREAS, the Economic Development Plan was last updated in 2019; and

WHEREAS, the Economic Development Plan is an element of the Tumwater Comprehensive Plan and establishes goals, policies, and strategies to guide economic development in the City; and

WHEREAS, the updated Economic Development Plan reflects changes in Tumwater's economy and established updated goals, policies, and strategies to support employment diversification, business development and retention, employment growth, and a resilient local economy; and

WHEREAS, the Economic Development Plan update has been reviewed for consistency with the Growth Management Act, the other elements of the Tumwater Comprehensive Plan, and the Thurston County County-Wide Planning Policies; and

WHEREAS, the City provided opportunities for public participation in the development and review of the Economic Development Plan update consistent with the requirements of the Growth Management Act; and

WHEREAS, the City Council reviewed the record and evidence presented and has made findings and conclusions regarding the Economic Development Plan update as set forth herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUMWATER, STATE OF WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Findings. For the purposes of effective land use planning, the Tumwater City Council adopts the following findings of fact:

1. The proposed amendment is an update to the City's Economic Development Plant to reflect new information and to be consistent with the Comprehensive Plan, which was updated in December 2025.

2. The Economic Development Plan update reflects changes in Tumwater's economy, employment base, population, development patterns, and economic opportunities since the Plan was last updated.

3. The Economic Development Plan update recognizes the significant role of public-sector employment in Tumwater's economy and establishes policies

intended to support greater economic diversification, business development and retention, employment growth, and a resilient local economy.

4. The proposed Comprehensive Plan amendment meets the intent of and is consistent with the Growth Management Act, Chapter 36.70A RCW, County-Wide Planning Policies, and internal goals and policies of the City's Comprehensive Plan.

5. The Attorney General's *Advisory Memorandum and Recommended Process for Evaluating Proposed Regulatory or Administrative Actions to Avoid Unconstitutional Takings of Private Property* (October 2024) was reviewed and utilized by the City in objectively evaluating the proposed amendments.

6. The proposed Comprehensive Plan amendment was prepared in conformance with the Public Participation and Intergovernmental Coordination Procedures contained in the City's Comprehensive Plan, which meets the Growth Management Act, Chapter 36.70A RCW, requirements for the same.

7. The City engaged the community through public briefings, work sessions, and meetings with the Planning Commission, the General Government Committee, and the City Council.

8. An Environmental Checklist for a non-project action was prepared under the State Environmental Policy Act (Chapter 43.21C RCW), pursuant to Chapter 197-11 WAC on September 30, 2026, and a Determination of Non-Significance was issued on October 2, 2026.

9. The ordinance was sent to the Washington State Department of Commerce on September 17, 2026, for their required 60-day review before the proposed Comprehensive Plan amendment was adopted, in accordance with RCW 36.70A.106.

10. The Planning Commission reviewed the preliminary docket and provided comments at their briefing on January 27, 2026.

11. The General Government Committee discussed the Planning Commission's preliminary docket recommendation at their February 11, 2026, meeting.

12. The City Council approved the preliminary docket for further review by staff at their February 17, 2026, meeting.

13. City staff completed the work on the proposed Economic Development Plan.

14. The Planning Commission discussed the proposed update to the Economic Development Plan at briefings and work sessions on February 10, May 12, October 13 and October 27, 2026.

15. A Notice of Public Hearing for the Planning Commission public hearing was issued on October 30, 2026. The notice was posted, published as a press release, distributed to interested individuals and entities that have requested such notices, and published in *The Olympian*.

16. The Planning Commission held a public hearing for the Comprehensive Plan amendment on November 10, 2026.

17. Following a public hearing and deliberations on November 10, 2026, the Planning Commission recommended approval of the proposed Comprehensive Plan amendment to the City Council.

18. The City Council's General Government Committee reviewed the proposed Comprehensive Plan amendment in a briefing on November 18, 2026, and recommended that the City Council approve the proposed Comprehensive Plan amendment.

19. On December 15, 2026, the City Council approved the 2026 Comprehensive Plan amendment.

20. The proposed Comprehensive Plan amendment will be submitted to the Washington State Department of Commerce ten days after final adoption, pursuant to RCW 36.70A.106.

21. Any Conclusion herein, which may be deemed a Finding, is hereby adopted as such.

Section 2. Conclusions. For the purposes of comprehensive planning, the Tumwater City Council makes the following conclusions:

1. Based on its review of the requirements of the Growth Management Act, Chapter 36.70A RCW, the analysis and proposed revisions prepared by City staff, the recommendation of the Planning Commission, and the public comments received, the City Council finds, declares, and concludes that the Economic Development Plan update has been prepared in conformance with applicable law and City procedures, including the Growth Management Act, Chapter 36.70A RCW, the State Environmental Policy Act, Chapter 43.21C RCW, and the City of Tumwater Public Participation and Intergovernmental Coordination Procedures.

2. Based on its review of the Economic Development Plan update, the applicable requirements of the Growth Management Act, Chapter 36.70A RCW, the Thurston County County-Wide Planning Policies, the other elements of the Tumwater Comprehensive Plan, the analysis prepared by City staff, the recommendation of the Planning Commission, and the public comments received, the City Council accepts the Economic Development Plan update and finds, declares, and concludes that the Economic Development Plan, as adopted by this Ordinance, complies with the Growth Management Act, is consistent with the Thurston County County-Wide Planning Policies, and is internally consistent with the Tumwater Comprehensive Plan.

3. Any Finding herein, which may be deemed a Conclusion, is hereby adopted as such.

Section 3. Adoption. The City Council of the City of Tumwater Washington hereby adopts the updated Economic Development Plan, attached hereto as Exhibit "A" and incorporated herein by reference, as an element of the City of Tumwater Comprehensive Plan.

Section 4. Corrections. The City Clerk and codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Section 5. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 6. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 7. Effective Date. This Ordinance shall become effective thirty days after passage, approval, and publication as provided by law.

ADOPTED this _____day of _____, 20_____.

CITY OF TUMWATER

_____
Leatta Dahlhoff, Mayor

ATTEST:

_____
Melody Valiant, City Clerk

APPROVED AS TO FORM:

_____
Karen Kirkpatrick, City Attorney

Published: _____

Effective Date: _____

Exhibit "A"

Economic Development Plan

Attachment B
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. O2026-XXX

CITY OF TUMWATER



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Appendix A. Draft Implementation Actions 59

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

Chapter 1. Introduction

Background

This **Economic Development Element** (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. This 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.

This 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

Regulatory Guidelines 11

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

Element Goals and Policies 14

Chapter 3 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.

Draft Implementation Actions 59

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 this 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 this 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

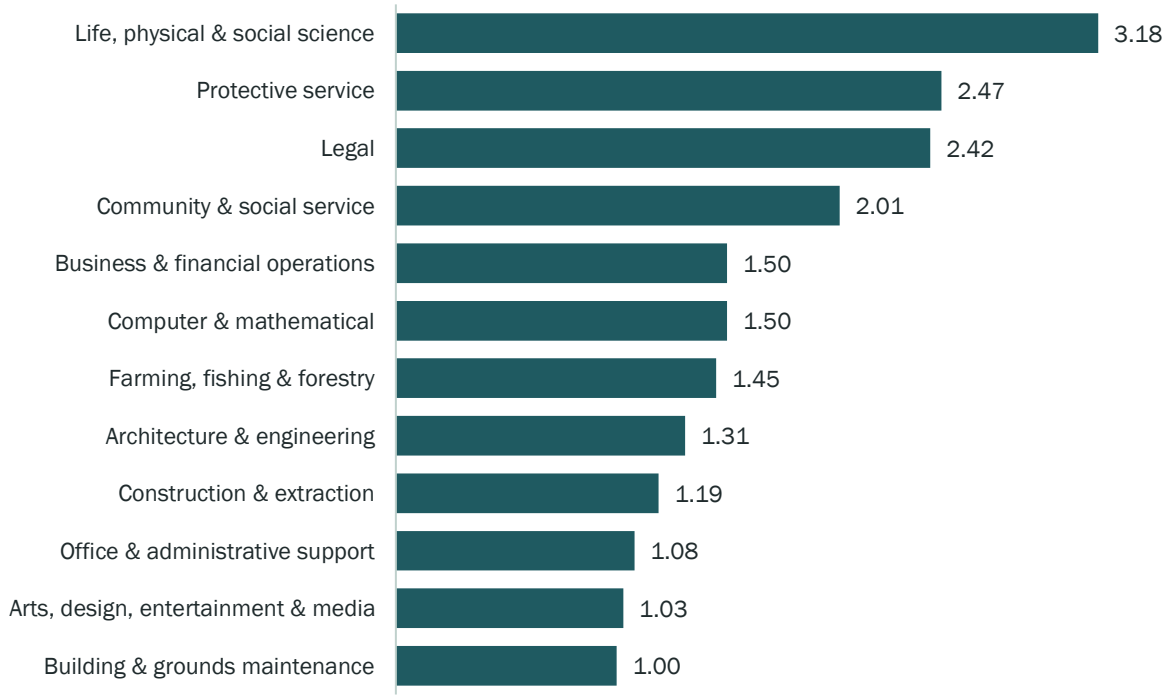
$77,127
average annual wage, 2026Q1

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.



Chapter 2. Regulatory Guidelines

Growth Management Act – Element Goals

Chapter 36.70A RCW requires Tumwater show how this 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 this Element addresses the relevant goal:

> *"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)*

This 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. This 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 this Element, and a brief description of how this 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

This 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. This 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

This Element contains goals (what we want to achieve), policies (how we are going to get there), and implementation actions (what we need to do next), that promote maximizing the use of existing infrastructure and assets as covered by County-Wide Planning Policy 3.2.a.

This 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

This Element contains direction, standards, and tasks that address the wide range of issues covered by County-Wide Planning Policies 7.1-7.5.

This 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. This Element includes the land analysis conducted by The Thurston Regional Planning Council in 2021, including updates in 2025.

Chapter 3. 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

This 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 this Element's goals and policies.

Period

Each of this 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 this Element's policies are associated with several 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
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
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
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

What the data shows

Tumwater is growing faster than the region.

3.8%

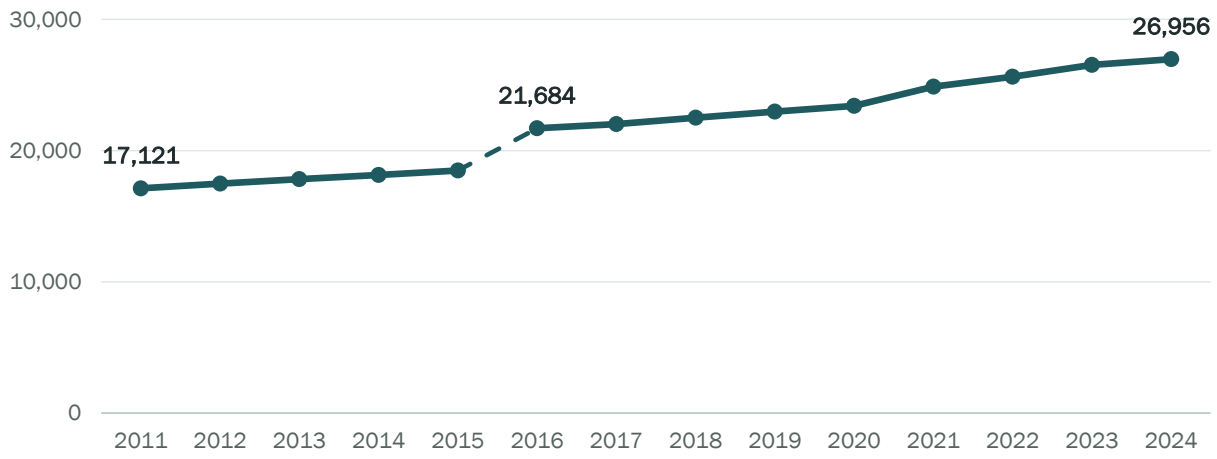
average annual employment growth in Tumwater, 2021Q1–2026Q1, compared with 3.0 percent in Thurston County and 2.3 percent statewide.

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.

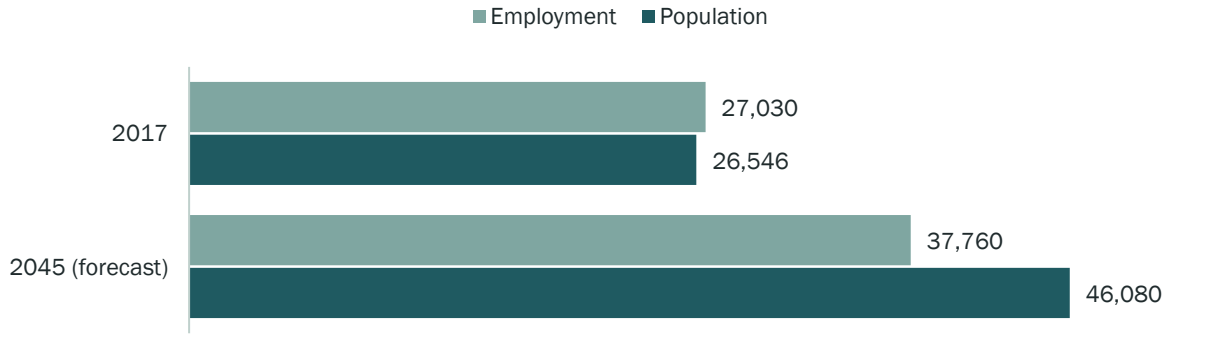
From Part 2, SWOT Analysis: Sustained Population and Employment Growth. Employment: JobsEQ® Industry Snapshot, 2026Q1. Population: American Community Survey 5-Year Estimates via JobsEQ®.

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

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 talent pool 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
ED-3.1 Protect and strategically utilize light industrial zoned lands to support sustainable long-term economic growth.	CDD, EXD
ED-3.2 Identify and support priority sectors that align with Tumwater's assets, workforce, land base, and diversification goals.	EXD
ED-3.3 Position Tumwater to participate in and benefit from clean energy, green business, and sustainable industry growth.	EXD, WRS
ED-3.4 Support and connect workforce development and education partners to promote the needs of Tumwater's target industries and employers.	EXD
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

What the data shows

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

56%

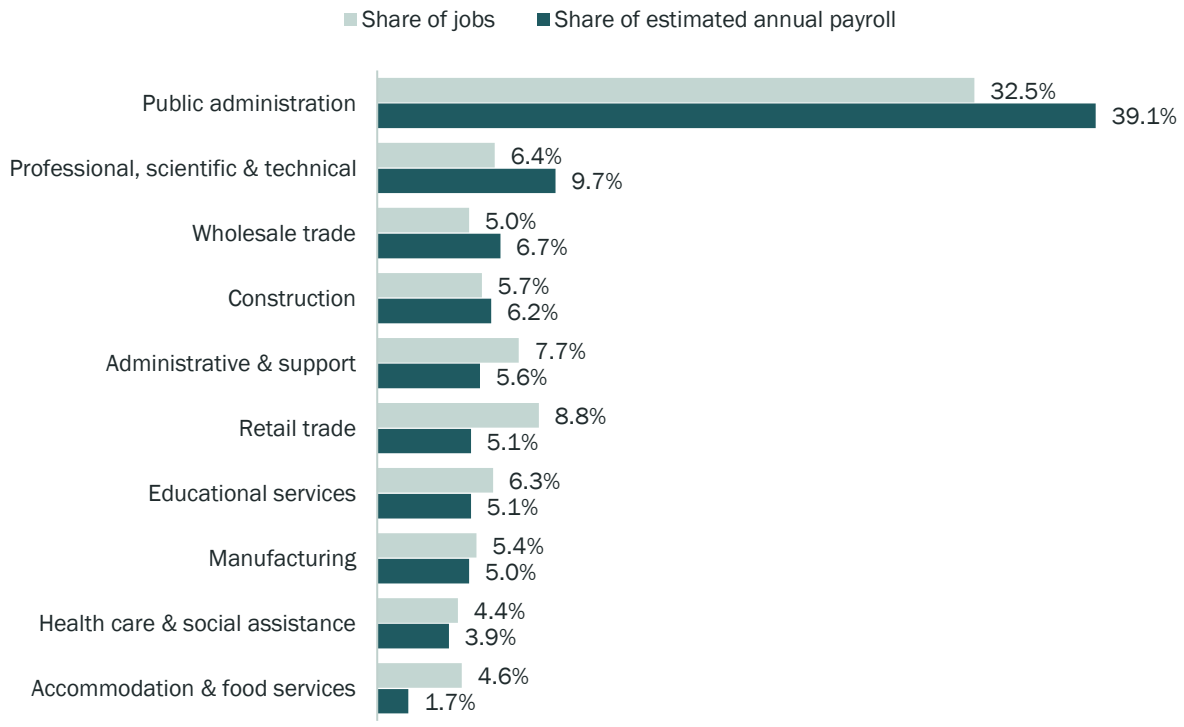
of the 4,332 net jobs Tumwater added from 2021 to 2026 were in Public Administration, a sector forecast to grow about 0.5 percent per year.

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

What the data shows

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

9.1%

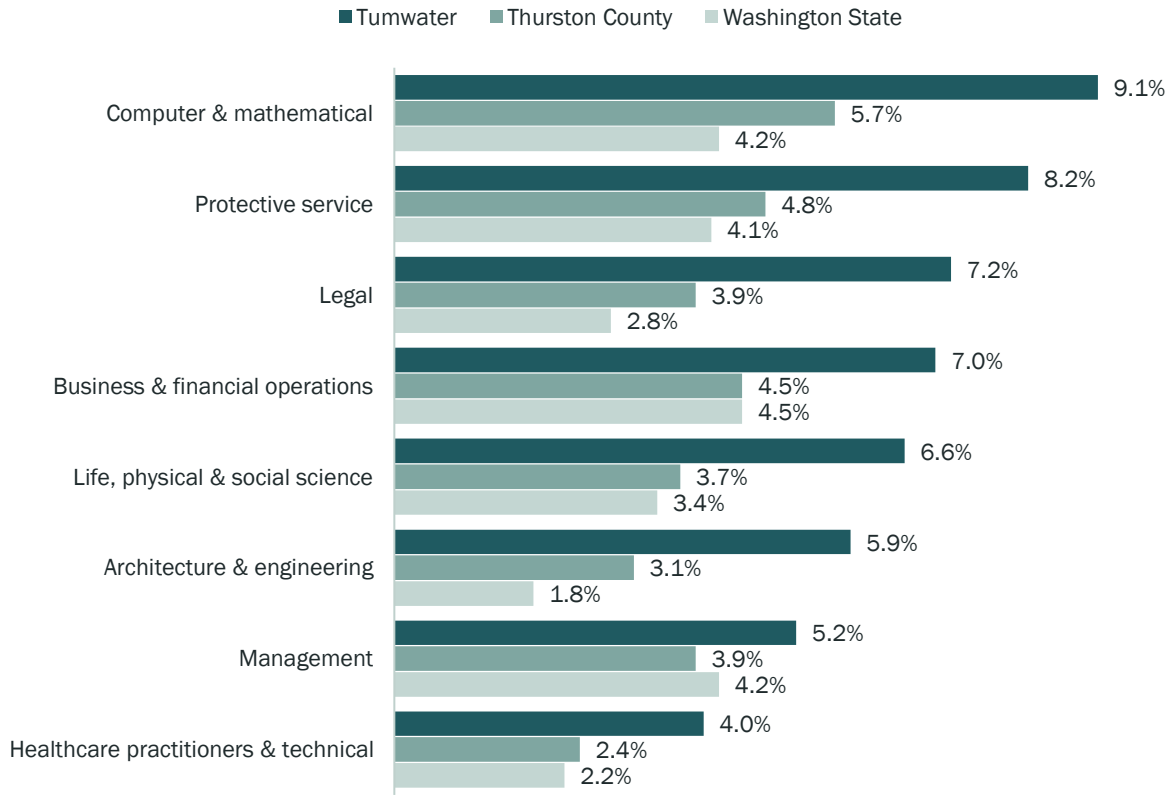
average annual growth in computer and mathematical occupations in Tumwater, 2021 Q1–2026 Q1, compared with 5.7 percent countywide and 4.2 percent statewide.

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.

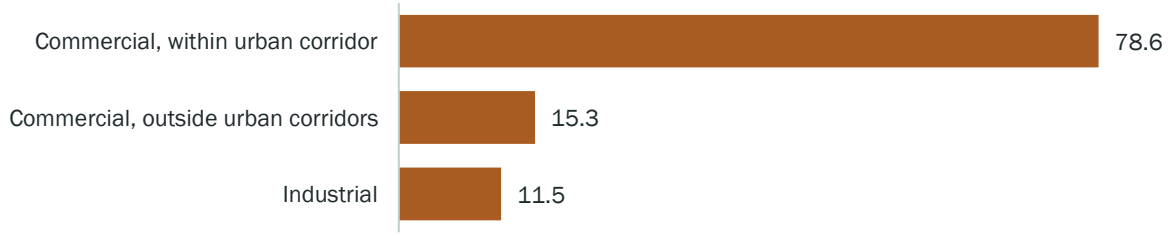
From Part 2, Workforce chapter (Wages & Growth) and SWOT Analysis: Build Private Industry Adjacent to Government. JobsEQ® Occupation and Industry Snapshots, 2026Q1.

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
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
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
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
ED-5.4 Recognize and promote the unique industrial rail use opportunity at the former Brewery Warehouse site.	EXD, CDD
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
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

What the data shows

The condition of anchor sites constrains district redevelopment.

$283 million

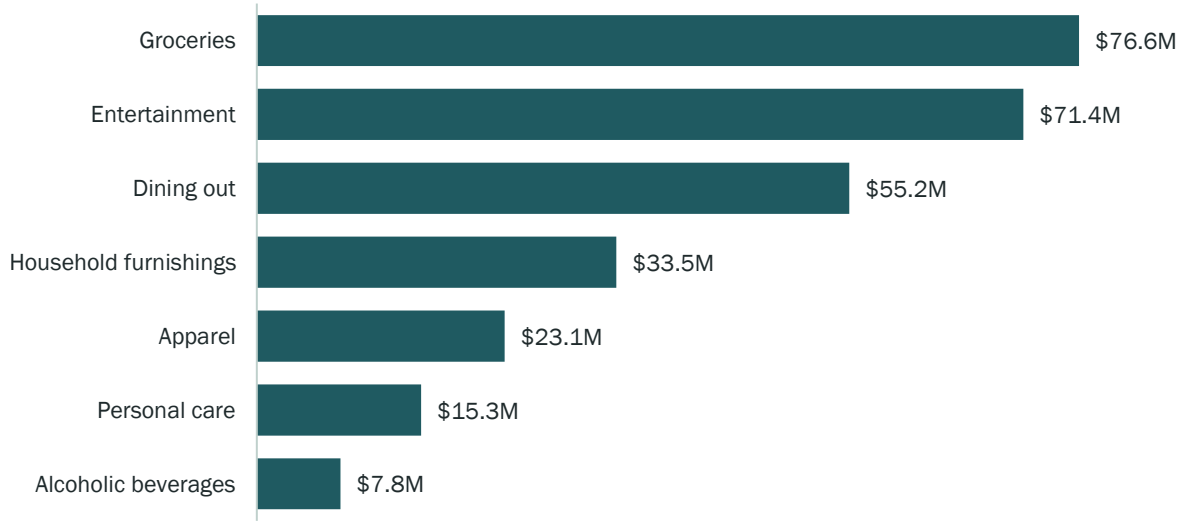
in annual Tumwater household spending falls in categories a local business district can compete for.

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
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
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
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
ED-6.4 Use Olympia Regional Airport for economic development in ways compatible with airport safety, environmental, transportation, and community priorities.	EXD, TED, CDD

What the data shows

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

37.4%

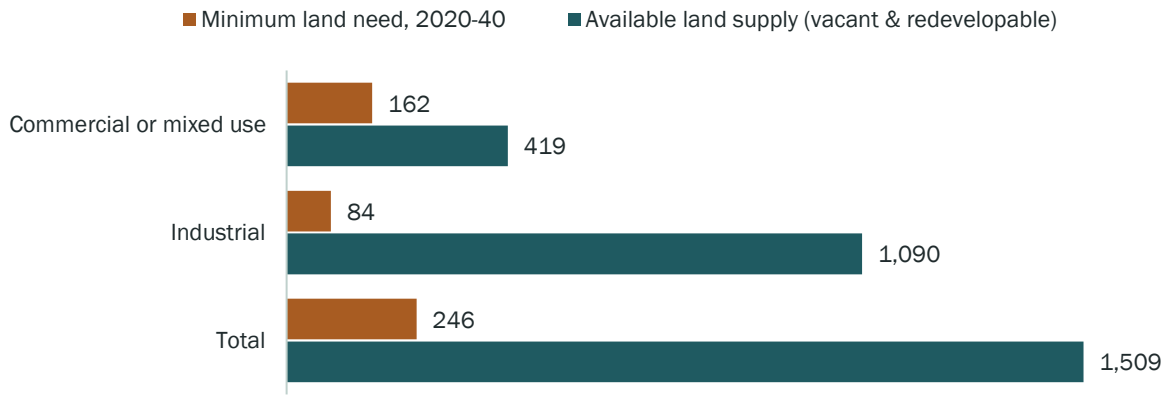
of the industrial-zone job growth forecast for Thurston County's urban areas, 2020–40, is expected in Tumwater and its urban growth area.

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
ED-7.1 Maintain a coordinated business outreach program that connects local businesses, property owners, developers, employers, entrepreneurs, economic development partners, Tumwater Area Chamber of Commerce and the Thurston County Chamber of Commerce (Chambers), and City staff.	EXD
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
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
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
ED-7.5 Define partner roles and accountability measures for business outreach and economic development communication.	EXD

What the data shows

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

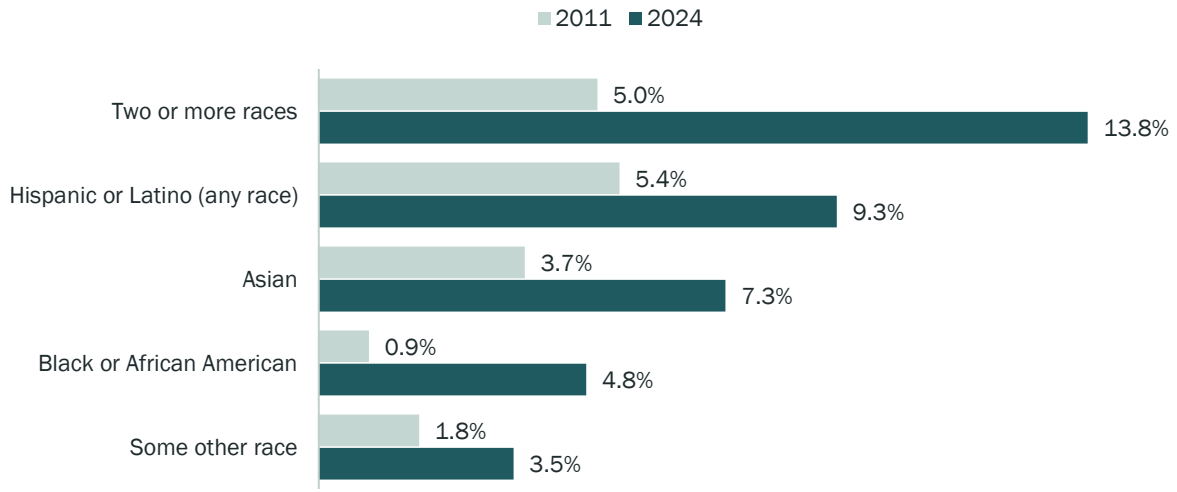
13.8%

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
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
ED-8.2 Strengthen Tumwater's business districts as active and identifiable places that support local business growth and community life.	EXD, CDD
ED-8.3 Use placemaking, aesthetic improvements, and active public spaces to improve livability and strengthen private investment potential.	EXD, PRD, TED, CDD
ED-8.4 Advance Tumwater's visitor appeal by improving wayfinding, aesthetics, tourism assets, event activity, and connections among key destinations.	EXD, PRD, CDD
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

What the data shows

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

8.9%

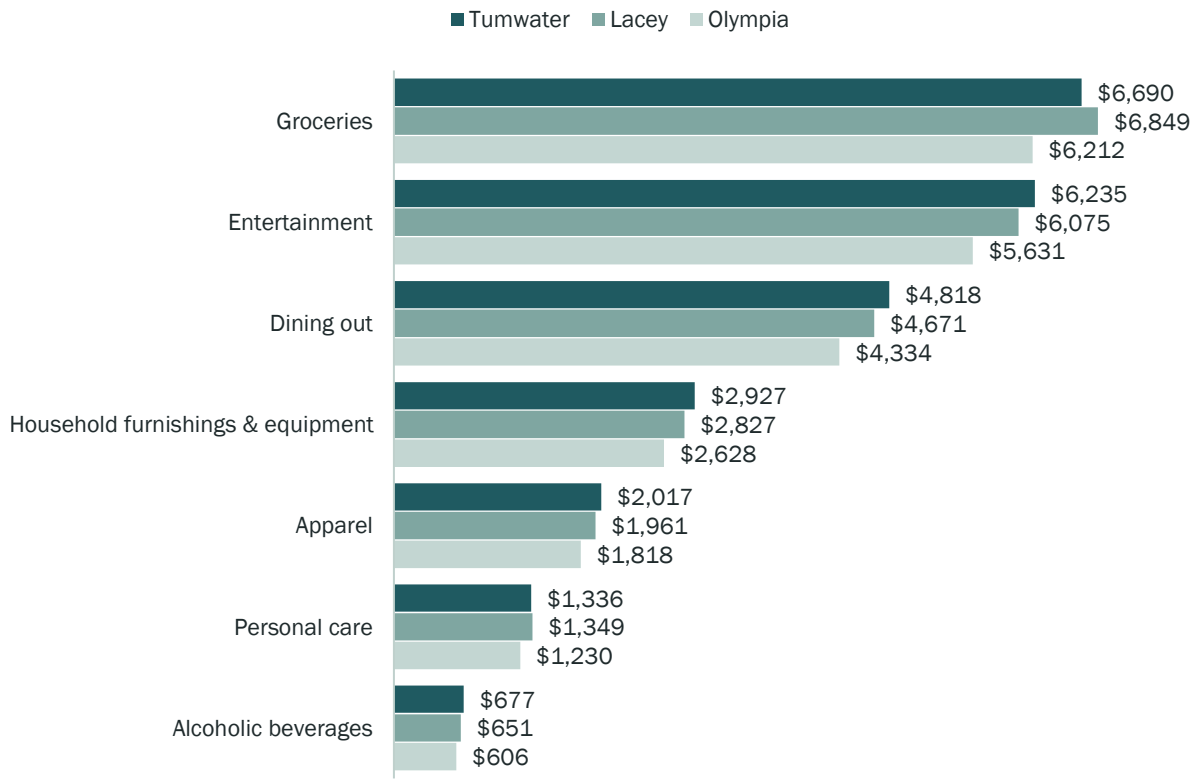
average annual employment growth in Arts, Entertainment & Recreation, 2021Q1–2026Q1, a sector concentrated at 1.47 times the national average.

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
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
ED-9.2 Increase access to education, training, and career pathways that expand residents' ability to obtain living-wage employment.	EXD
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
ED-9.4 Identify market conditions that would attract child care and elder care services.	EXD

What the data shows

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

47.7%

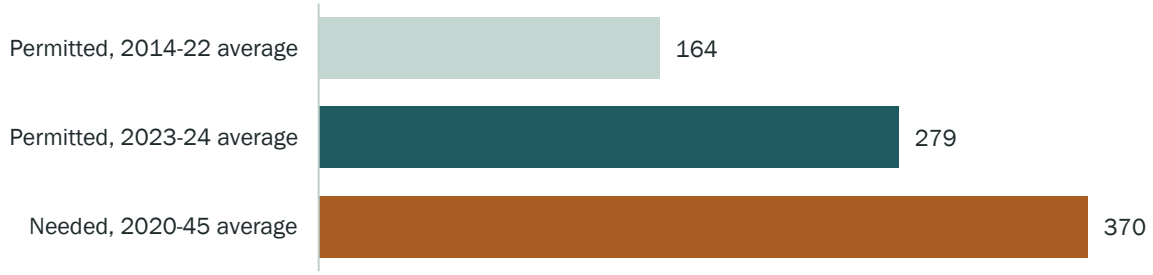
of Tumwater renter households were cost-burdened in 2023, spending more than 30 percent of income on housing.

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.

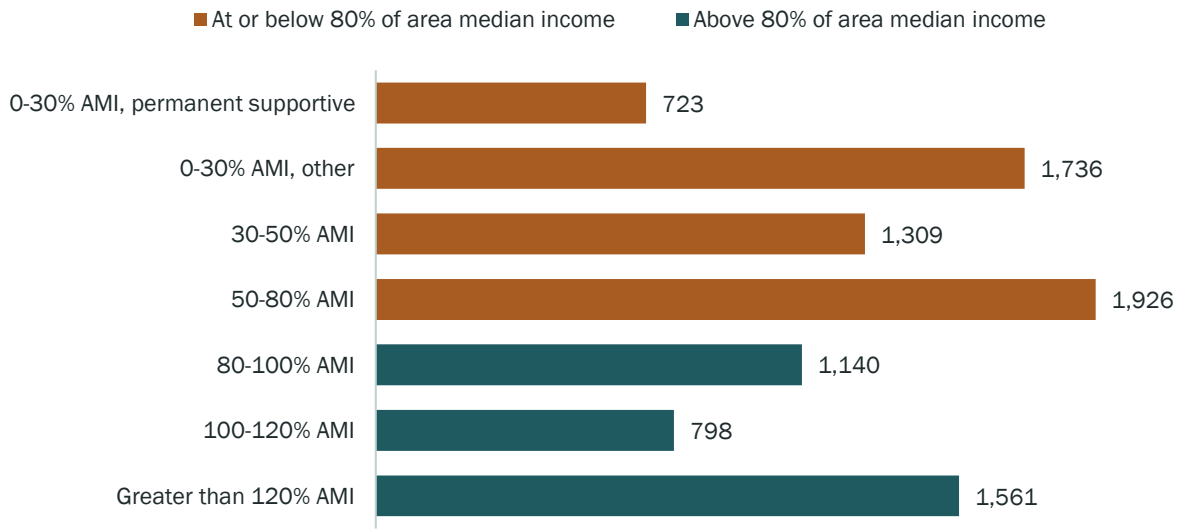
From Part 2, Housing chapter and SWOT Analysis. Cost burden: 2023 U.S. Census American Community Survey 5-Year Estimates, Table DP04, as presented in the Tumwater Housing Element, Part 2, Table H-9.

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 3 of this 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 this 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

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

Period

Each of this 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 this 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
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
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
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
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
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
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
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
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

Policies and Implementation Actions	Lead
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
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
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
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

Goal ED-2

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

Policies and Implementation Actions	Lead
ED-2.1 Maintain a proactive business retention and expansion program focused on existing employers through partner organizations.	EXD
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
ED-2.1.2 Provide coordinated site-location, permitting, and problem-solving assistance for existing businesses seeking to expand or remain in Tumwater.	EXD
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
ED-2.2 Strengthen key industry clusters by supporting existing businesses and attracting complementary businesses.	EXD

Policies and Implementation Actions	Lead
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
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
ED-2.3 Support small businesses and entrepreneurs through accessible City processes, partnerships, and targeted programs.	EXD, CDD
ED-2.3.1 Review development regulations and City processes for small-business impacts and address recurring barriers identified through outreach.	CDD, EXD
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
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
ED-2.3.4 Create outcomes, metrics, goals, and reporting standards for economic development partners to track and communicate business successes.	EXD, CDD
ED-2.4 Align workforce and education partnerships with the needs of Tumwater businesses.	EXD
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 pool for local industries.	EXD
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

Goal ED-3

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

Policies and Implementation Actions	Lead
ED-3.1 Protect and strategically utilize light industrial zoned lands to support sustainable long-term economic growth.	CDD, EXD
ED-3.1.1 Conduct regular outreach to industrial and manufacturing businesses to identify retention needs, expansion opportunities, infrastructure barriers, and redevelopment constraints.	EXD
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
ED-3.2 Identify and support priority sectors that align with Tumwater's assets, workforce, land base, and diversification goals.	EXD
ED-3.2.1 Define priority sectors using economic data, local assets, regional competitiveness, available sites, and alignment with Tumwater's goals.	EXD
ED-3.2.2 Align business outreach, recruitment, marketing, workforce partnerships, and infrastructure planning with Tumwater's priority sectors.	EXD
ED-3.3 Position Tumwater to participate in and benefit from clean energy, green business, and sustainable industry growth.	EXD, WRS
ED-3.3.1 Support existing clean energy and green businesses and work with partners to recruit, retain, and grow similar businesses.	EXD, WRS
ED-3.4 Support and connect workforce development and education partners to promote the needs of Tumwater's target industries and employers.	EXD
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
ED-3.4.2 Facilitate employer connections with education and workforce partners to improve talent pools, career awareness, and job access for residents.	EXD
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

Policies and Implementation Actions	Lead
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
ED-3.5.2 Work with education and workforce partners to strengthen skill pools for government-adjacent sectors, including professional services, technology, administration, and contracting.	EXD
ED-3.5.3 Evaluate regulatory, permitting, taxation, and space needs that affect small-scale professional service, technology, and contractor businesses.	EXD

Goal ED-4

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

Policies and Implementation Actions	Lead
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
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
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
ED-4.1.3 Review and update recruitment criteria on a regular basis to reflect economic conditions, employer feedback, and available development opportunities.	EXD
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
ED-4.2 Prioritize recruitment of businesses that fill supply-chain, contractor, vendor, and service gaps for existing Tumwater employers.	EXD
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

Policies and Implementation Actions	Lead
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
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
ED-4.3 Focus recruitment on businesses that offer living-wage jobs, increase exports, and diversify Tumwater's employment base.	EXD
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
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
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
ED-4.4 Market specific Tumwater sites and districts to qualified recruitment opportunities.	EXD
ED-4.4.1 Maintain a current inventory of priority commercial, industrial, redevelopment, and infill sites suitable for target employers.	EXD
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
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
ED-4.5 Align recruitment with workforce development, infrastructure planning, permitting readiness, and business retention efforts.	EXD, CDD, TED
ED-4.5.1 Connect recruitment prospects with workforce and education partners when talent availability is a key location factor.	EXD
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

Policies and Implementation Actions	Lead
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
ED-4.6 Track recruitment activity, outcomes, and lessons learned to refine the City's target-business strategy over time.	EXD
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
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
ED-4.6.3 Use recruitment outcomes and employer feedback to refine target sectors, site-readiness priorities, and partner work plans.	EXD

Goal ED-5

Redevelop the former Brewery sites to their highest available use.

Policies and Implementation Actions	Lead
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
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
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
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

Policies and Implementation Actions	Lead
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
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
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
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
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
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
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
ED-5.3.3 Communicate brownfield findings and cleanup pathways through the development of a cleanup roadmap.	EXD, CDD
ED-5.4 Recognize and promote the unique industrial rail use opportunity at the former Brewery Warehouse site.	EXD, CDD
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
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

Policies and Implementation Actions	Lead
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
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
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
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
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
ED-5.6.1 Maintain a current redevelopment action plan identifying lead responsibilities, partner roles, funding opportunities, near-term decisions, and key milestones.	EXD
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
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

Goal ED-6

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

Policies and Implementation Actions	Lead
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

Policies and Implementation Actions	Lead
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
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
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
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
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, electric vertical takeoff and landing aircraft (eVTOL)-related operations, charging systems, and other emerging airport technologies.	EXD, CDD, TED
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
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
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
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
ED-6.4 Use Olympia Regional Airport for economic development in ways compatible with airport safety, environmental, transportation, and community priorities.	EXD, TED, CDD

Policies and Implementation Actions	Lead
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
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
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

Goal ED-7

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

Policies and Implementation Actions	Lead
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
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
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
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
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
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

Policies and Implementation Actions	Lead
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
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
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
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
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
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
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
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
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
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
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

Policies and Implementation Actions	Lead
ED-7.4.2 Create regular channels for business-facing updates, such as an economic development newsletter, partner-distributed updates, or targeted alerts.	EXD
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
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
ED-7.5 Define partner roles and accountability measures for business outreach and economic development communication.	EXD
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
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

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
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
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
ED-8.1.2 Use consistent placemaking messages in City communications, economic development materials, tourism partnerships, wayfinding, district promotion, and business outreach.	EXD, PRD

Policies and Implementation Actions	Lead
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
ED-8.2 Strengthen Tumwater's business districts as active and identifiable places that support local business growth and community life.	EXD, CDD
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
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
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
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
ED-8.3 Use placemaking, aesthetic improvements, and active public spaces to improve livability and strengthen private investment potential.	EXD, PRD, TED, CDD
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
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
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
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

Policies and Implementation Actions	Lead
ED-8.4 Advance Tumwater's visitor appeal by improving wayfinding, aesthetics, tourism assets, event activity, and connections among key destinations.	EXD, PRD, CDD
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
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
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
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
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
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
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
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

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, child care, education, and energy options.

Policies and Implementation Actions	Lead
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
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
ED-9.2 Increase access to education, training, and career pathways that expand residents' ability to obtain living-wage employment.	EXD
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
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
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
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
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
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

Policies and Implementation Actions	Lead
ED-9.4 Identify market conditions that would attract child care and elder care services.	EXD
ED-9.4.1 Coordinate with Thurston Economic Development Council to conduct outreach to relevant non-profits and direct service providers to identify barriers to market.	EXD
ED-9.4.2 Identify best practices by researching strategies and policy outcomes from other jurisdictions.	EXD

Sustainable Growth

City of Tumwater 2025 Comprehensive Plan
Economic Development Element, Part 1

Attachment B
Exhibit A

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 20, 2026

October 2026

Ordinance No. O2026-XXX

CITY OF TUMWATER

Economic Development Element

Part 2 – Technical Information

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Chapter 1. Introduction

A. Background

The Economic Development Element (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)).

This 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.

This 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.

B. How to Read this Element

Part 2 presents the economic analysis on which the goals and policies of Part 1 are based. 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.

C. Connections with Other Elements

This 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

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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.

D. 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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Chapter 2. 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].

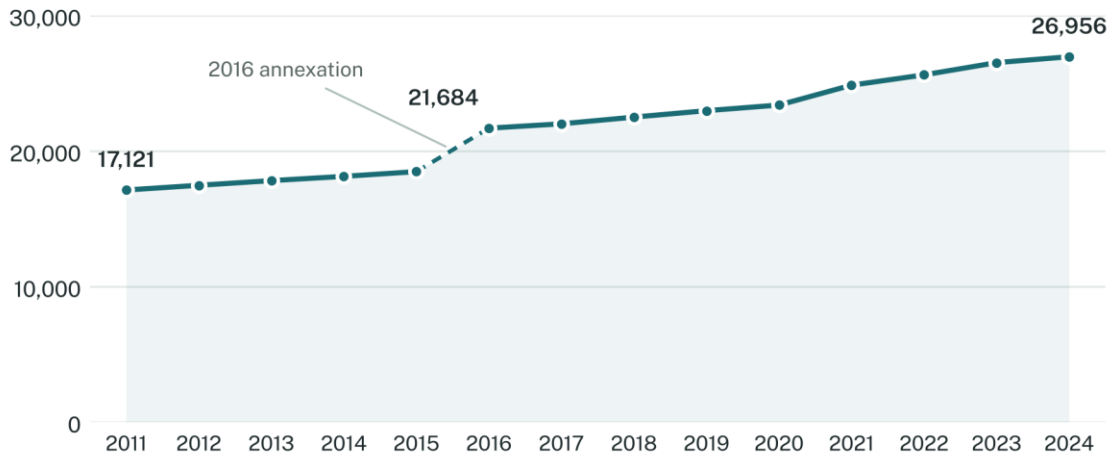
An area of specific interest is the ratio over time between residents and jobs. The Thurston Regional Planning Council forecasts both population and employment growth for Tumwater and its urban growth area. Employment is forecast to grow from 27,030 jobs in 2017 to 37,760 by 2045, about 1.2 percent per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

[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.
[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.

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.

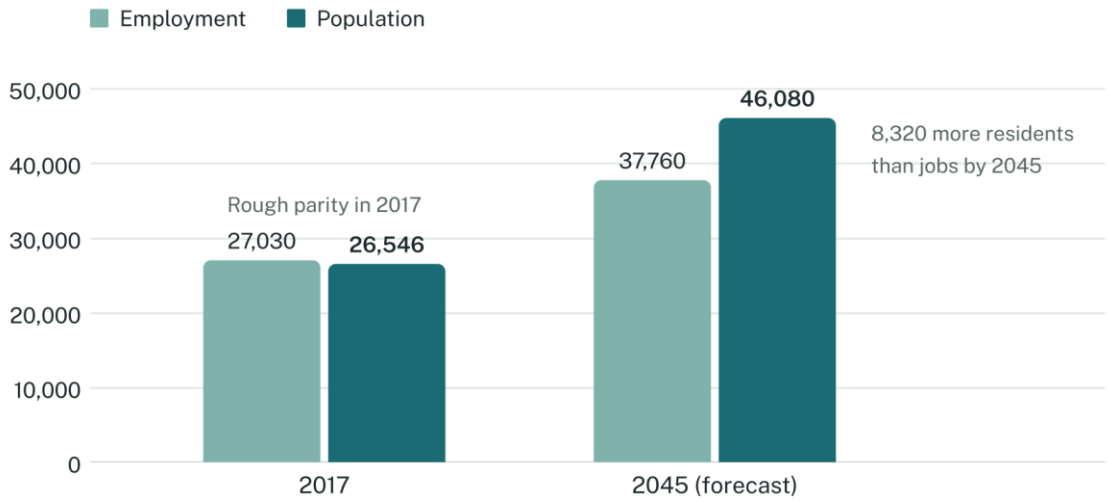
Year	Population	Total Households
2011	17,121	7,230
2012	17,469	7,503
2013	17,813	7,762
2014	18,128	7,773
2015	18,478	7,987
2016	21,684	9,342
2017	22,005	9,297
2018	22,500	9,336
2019	22,974	9,568
2020	23,390	9,272
2021	24,855	9,730
2022	25,617	9,967

Year	Population	Total Households
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

Age Group	2011 Share	2024 Share	Change (pts)
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.

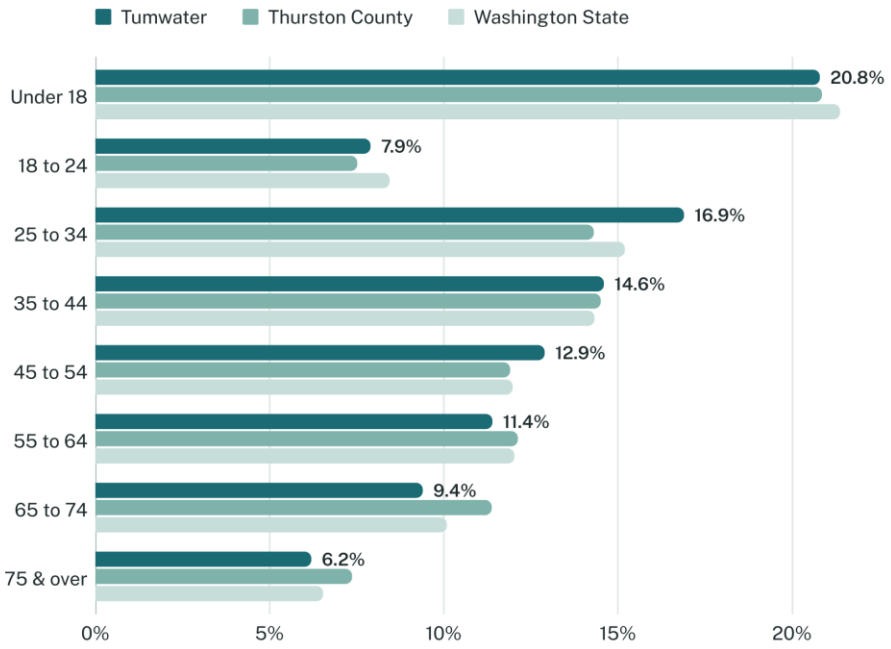
2. Senior populations represent a rising share of the population but have relatively few local options for health and support services. As with the dynamics among young people, the increase in senior populations is a demographic trend across most of the United States. The proportion of individuals 65 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 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

[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.

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.

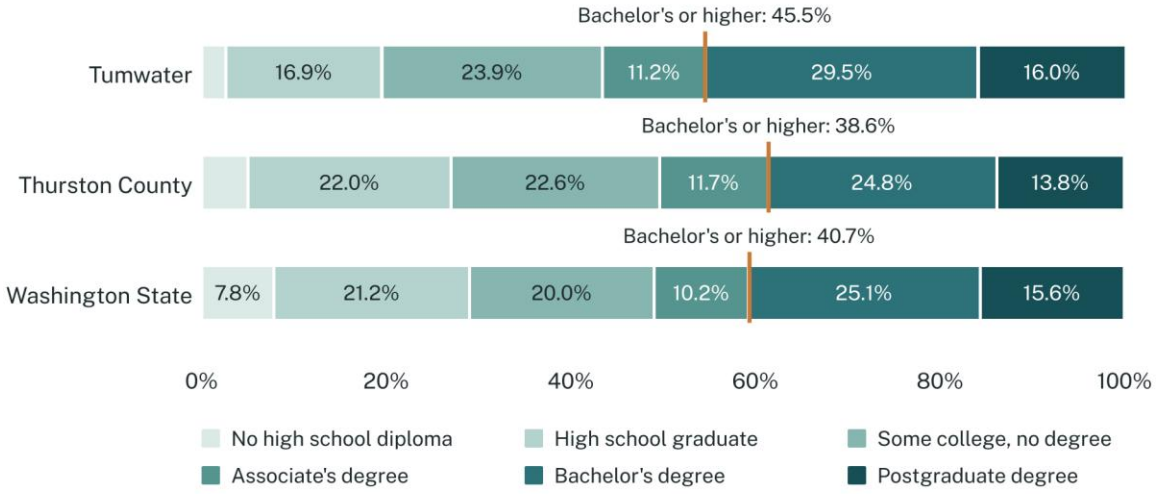
Among residents age 25 to 64, 45.5 percent hold a bachelor's degree or higher (29.5 percent bachelor's, 16.0 percent postgraduate), up from 39.4 percent in 2011[9]. Adding associate's degrees (11.2 percent) brings the share with a postsecondary credential to 56.7 percent. The share without a high school 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.

[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.

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%
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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Chapter 3. 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.[11] 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. This 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 who can establish themselves in Tumwater, tightens the available labor pool for employers, and shifts home-ownership toward higher income households.

[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.

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.

D. Housing Inventory & Tenure

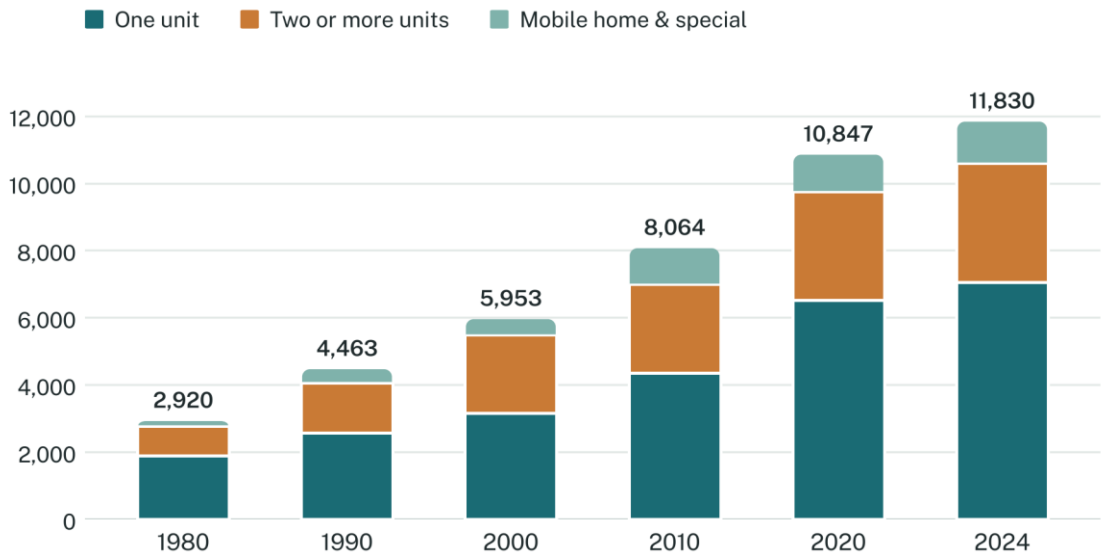
Tumwater had 11,830 housing units in 2024, a 47 percent increase from 2010. About 60 percent of homes are single-unit structures, up from 54 percent in 2010, and more than ten percent are mobile homes or special housing units, a stock the Housing Element identifies as vital to Tumwater's

[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.

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.

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

[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.

Year	Total Units	One Unit	Two or More Units	Mobile Home & Special
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.

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.

[21] [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.

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.

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.

[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.

Economic Development Element

Part 2 – Technical Information

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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Chapter 4. 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 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

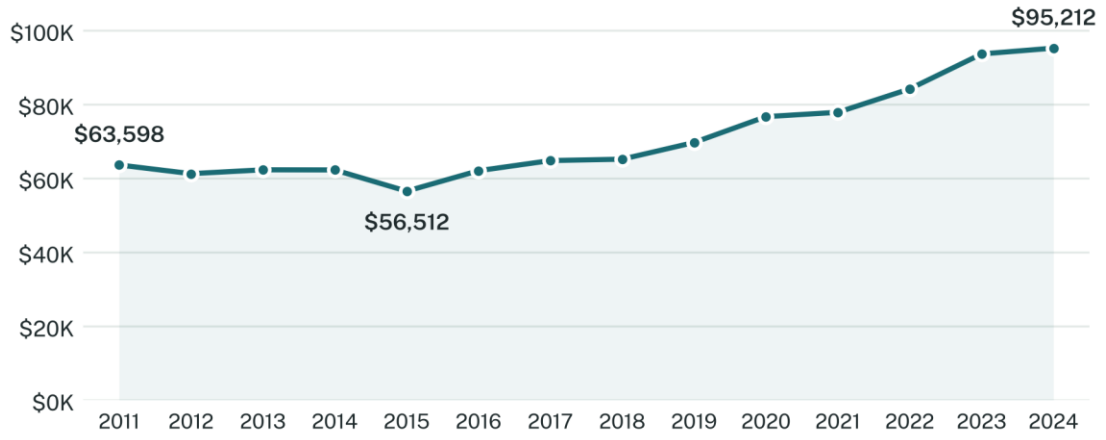
[28] U.S. Census Bureau, American Community Survey (ACS) 5-year estimates, accessed via JobsEQ®, exported July 28, 2026. Estimates are for the Tumwater city limits and are labeled by the ending year of the five-year period.

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

[30] See Table ED-10

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%
$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**

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Income Bracket	Tumwater	Thurston County	Washington
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

[31]Tumwater Housing Element, Part 2 – Technical Information (2025), Chapter 4.F, Displacement Risk, p. 70.

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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.

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

[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.

Category	Tumwater Total ($M)	Per Household: Tumwater	Lacey	Olympia
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**			

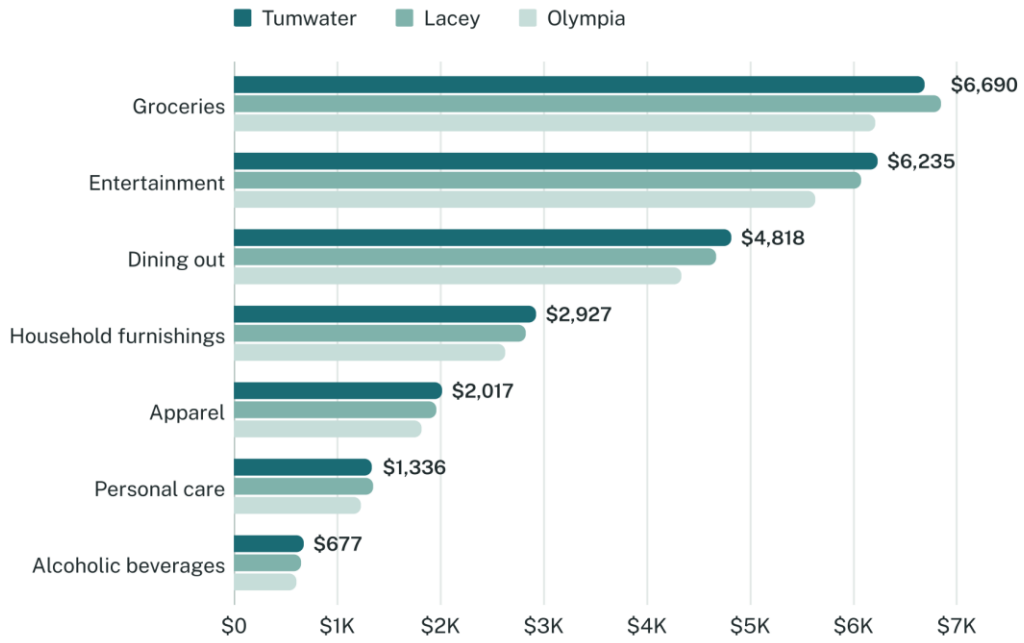
Source: Zoom Prospector consumer expenditure estimates, 2025 estimates & 2030 projections, accessed via the Washington State Department of Commerce Choose Washington site selector, July 28, 2026.

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.

Chapter 5. 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

[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.

Tumwater over the next five years, 94% will be 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 service occupations were about twice as concentrated as the national average. These concentrations largely reflect Tumwater's state government employment base.

[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.

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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
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.

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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.

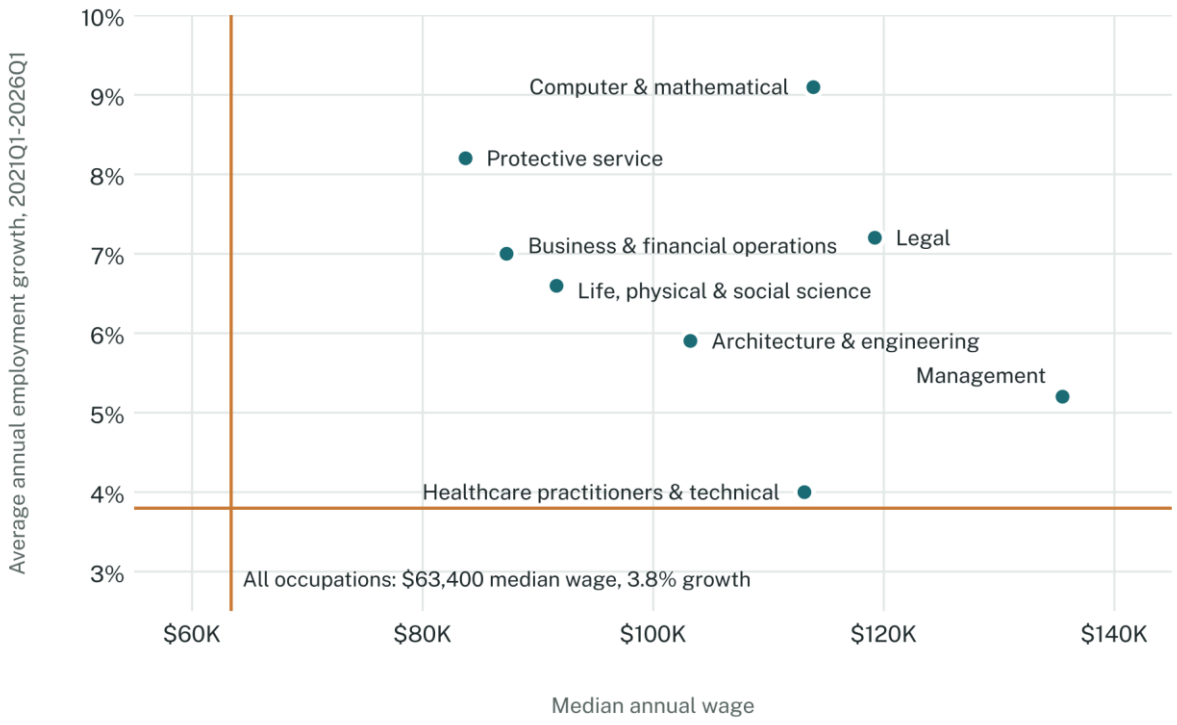
3. The third is Tumwater's direct to consumer retail sectors. The city's single largest detailed occupation category is retail salespersons at 593 jobs, with fast food and counter workers (428) and cashiers (388) close behind, all at median wages near $38,000.

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.

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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 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

[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.*

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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Chapter 6. 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
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

[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)
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**

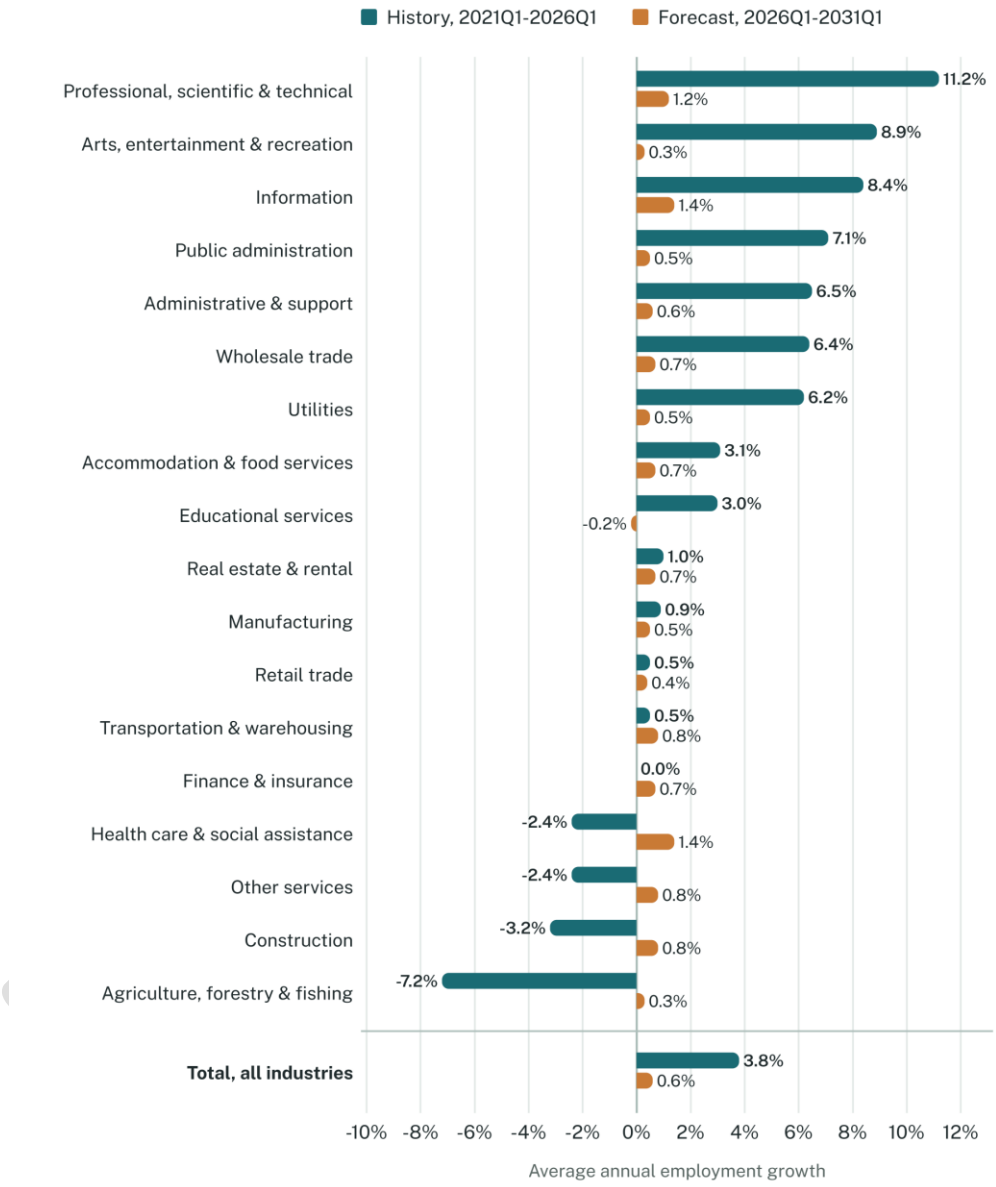
Source: JobsEQ® Industry Snapshot, Tumwater city, WA, 2026Q1; exported July 28, 2026.

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.

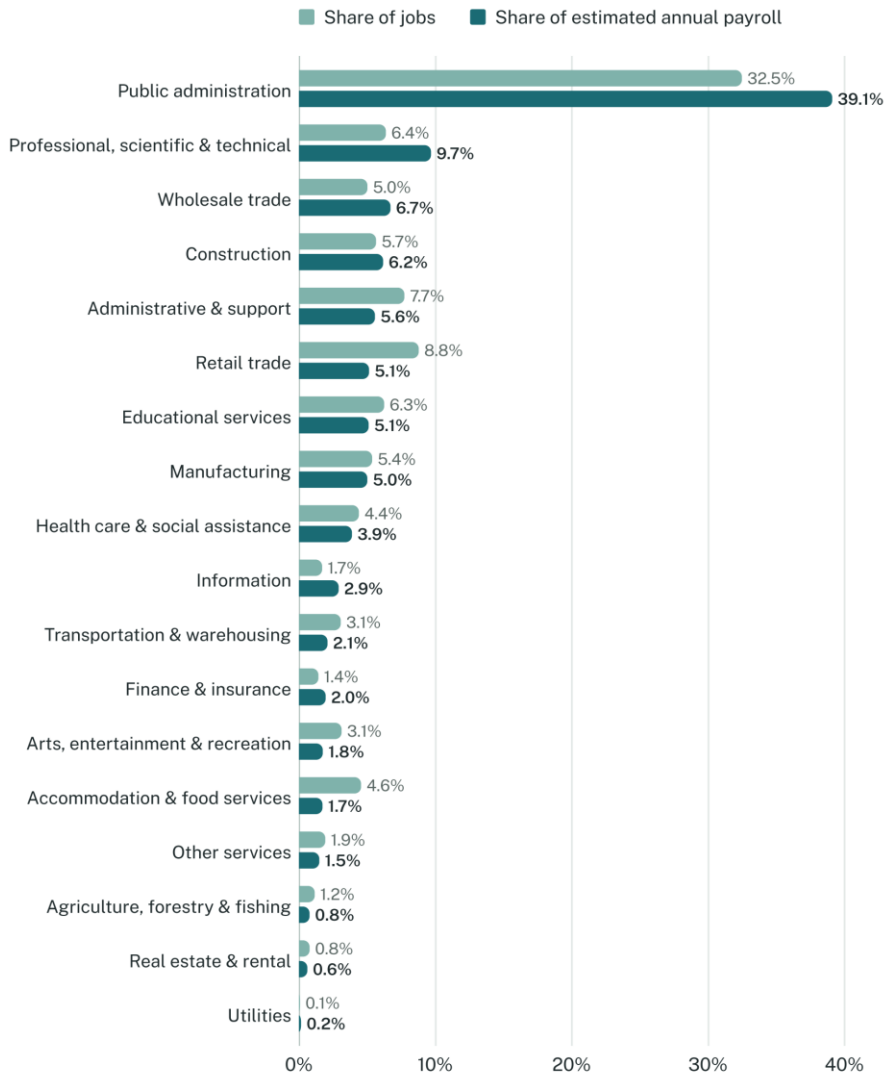
Note: Forecast growth rates reflect national industry projections applied to local industry composition and should be read as direction rather than precise magnitude.

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.

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.

[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.

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 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

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

Measure	Value
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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Chapter 7. 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 of all industrial job growth forecast for the County's urban areas is expected to occur in Tumwater. The forecast

[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.

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
Commercial, outside urban corridors	8,400	550	15.3
Industrial	13,400	1,170	11.5

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

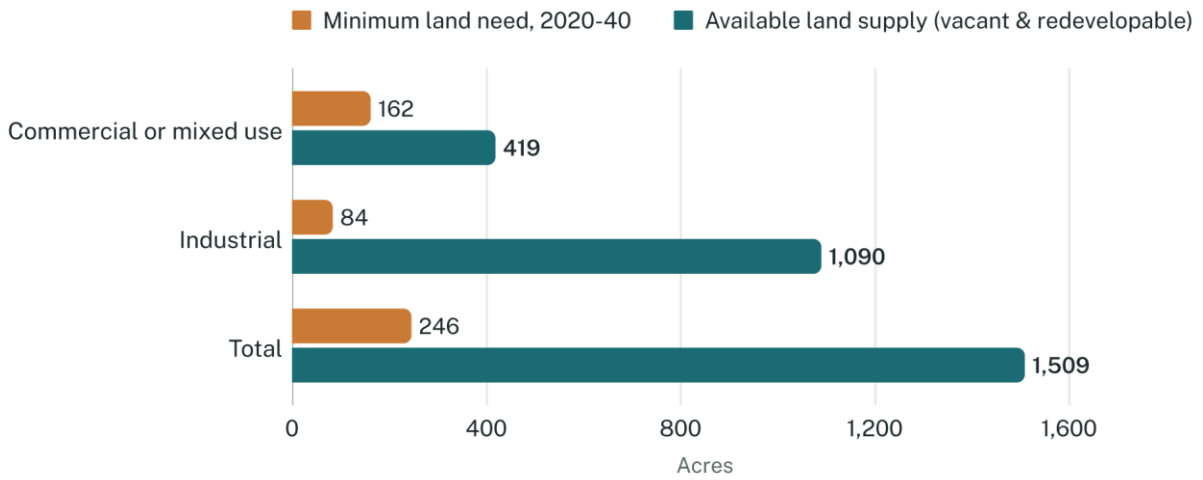
Note: The inventory includes buildings permitted through the end of 2019 and excludes schools, churches, colleges, hospitals, the airport, Port of Olympia property, and certain other public and institutional facilities.

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.

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

Zone Category	Minimum Land Need (acres)	Vacant (acres)	Redevelopable (acres)	Total Supply (acres)
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.

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.

[47] 2021 Buildable Lands Report for Thurston County, p. 51.
[48] 2021 Buildable Lands Report for Thurston County, pp. 43 & 51.

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.

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.

[49]Tumwater Land Use Element, Part 2 – Technical Information (2025), Table LU-9.

Chapter 8. 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

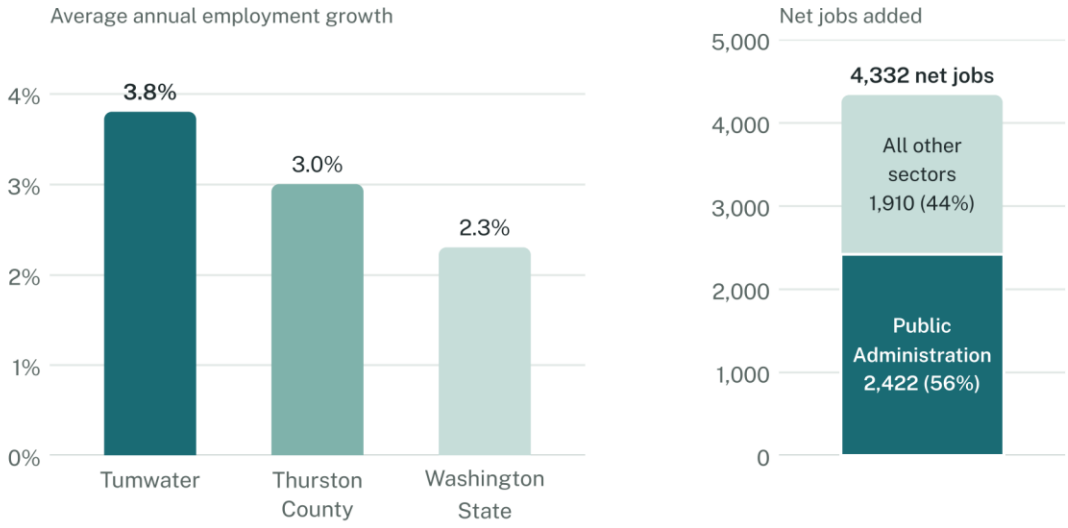
Tumwater has grown faster than regional and statewide averages on both the resident and employment sides. The population rose from 17,121 in the 2007–2011 American Community Survey period to 26,956 in the 2020–2024 period, an increase of 57.4 percent. Part of that increase reflects annexation, but with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

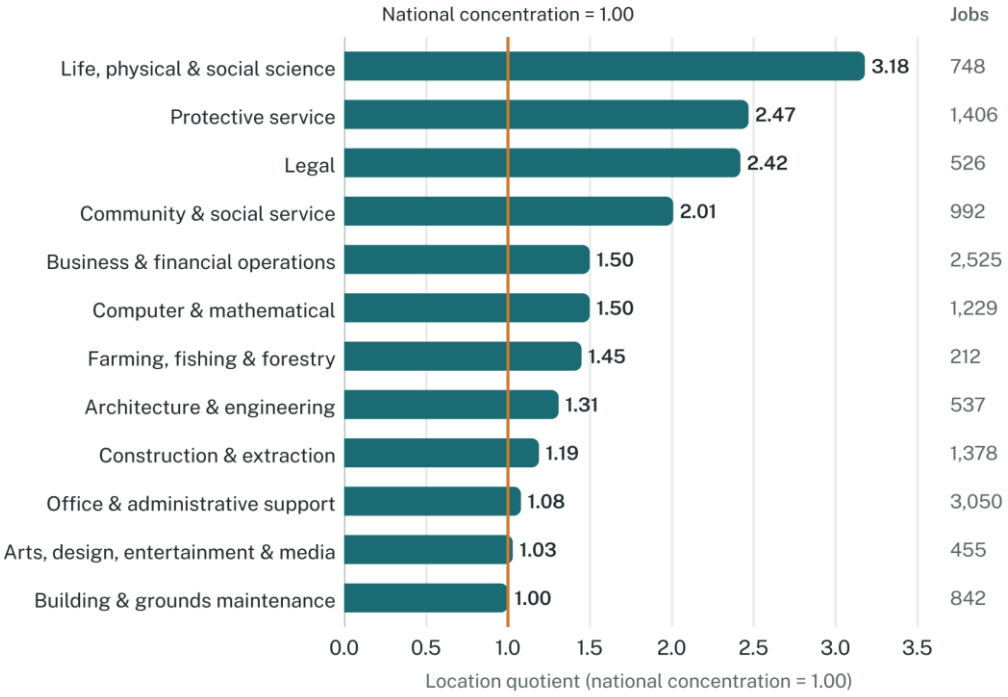
3) A Stable Public-Sector Employment Anchor

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.

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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

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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

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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.

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.

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

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.

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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.

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

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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.

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[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.



Attachment C

Economic Development Plan Update

Ordinance No. O2026-012

Planning Commission Public Hearing, November 10, 2026

Background
Requested Action
Update Summary
Criteria and Findings
Next Steps

What We'll Cover Tonight

1. Introduction & Background
2. Requested Action
3. Criteria & Findings
4. Next Steps

Background
Requested Action
Update Summary
Criteria and Findings
Next Steps

Why the Economic Development Plan Is Being Updated

Ten-year cycle

- The Growth Management Act requires the Comprehensive Plan to be updated every ten years.
- Tumwater completed its last periodic update in December 2025.

A 2019 plan

- The Economic Development Plan was last updated in 2019.
- The Plan was not updated as part of the 2026 periodic update.

Annual amendments

- The annual amendment process allows Comprehensive Plan amendments once per calendar year.
- The Economic Development Plan is the one 2026 amendment

Background
Requested Action
Update Summary
Criteria and Findings
Next Steps

Briefing on Ordinance No. O2026-012 – Comprehensive Plan Amendments, Economic Development Plan Updates

Forward a recommendation to City Council to approve.

This is a public hearing on Ordinance No. O2026-012, 2026 Comprehensive Plan Amendments.

Background
Requested Action
Update Summary
Criteria & Findings
Next Steps

2026 Priorities

Economic Diversification

Business retention and growth

Land for employment

Brewery and brownfields

District vibrancy and tourism

Affordability as equity strategy

Background
Requested Action
Update Summary
Criteria & Findings
Next Steps

Element Review

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.

Background
Requested Action
Update Summary
Criteria & Findings
Next Steps

Element Review

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.

Background
Requested Action
Update Summary
Criteria and Findings
Next Steps

Review Criteria TMC 18.60.025(B)

1 Growth Management Act

Does the amendment conform to the Growth Management Act?

2 Plan and policy consistency

Is it consistent with the Comprehensive Plan, County-Wide Planning Policies, and related plans?

3 Changed conditions

Have area conditions changed to justify a change in land use for the area?

4 Community-related use

Is there a need for a community-related use not anticipated by the Comprehensive Plan?

Background
Requested Action
Update Summary
Criteria and Findings
Next Steps

Overall Findings

Consistent with Growth Management Act

The updated Plan is consistent with the applicable Growth Management Act planning goals.

Internally and regionally consistent

The updated Plan is consistent with the Comprehensive Plan, Thurston County-Wide Planning Policies, and related plans.

Changing conditions

This criterion does not apply because the Plan update does not propose a zoning amendment or change in land use.

Overall Finding

Based on this review, the proposed Economic Development Plan update meets the applicable criteria in TMC 18.60.025(B) for approval.

Background
Requested Action
Update Summary
Criteria and Findings
Next Steps

Next Steps

STATE ENVIRONMENTAL PROTECTION ACT

SEPA Checklist completed **September 30, 2026**

Determination of Non-significance notice published **October 2, 2026**

Determination Appeal Period ended on **October 22, 2026**

DEPARTMENT OF COMMERCE

Notice of Intent submission completed **September 17, 2026**

Comment Period ends on **November 16, 2026**

CITY COUNCIL

Gen. Government Committee scheduled for **November 18, 2026**

Consideration scheduled for **December 15, 2026**

Background
Key Changes
Update Summary
Criteria and Findings
Next Steps

Public Outreach Summary

Objectives

- Reach a broad audience
- Collect usable data to inform local priorities
- Consistent messaging for all groups
- Complete outreach before **November 15, 2026**

Tools

- Partner Presentations
  - July 2026 - Thurston Chamber of Commerce
  - Sept 2026 - Thurston Economic Development Council Board
  - Oct 2026 - Tumwater Area Chamber of Commerce
- Surveys
- Press Releases

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