

Economic Resiliency for Federal Way Business

Assessment & Recommendations

Report Provided by

executive
pulse™

for the Greater Federal Way Chamber



Background

For most communities, resiliency becomes a rallying cry and fever-pitch priority only after a disaster occurs. While there is no crystal ball that can predict disasters or magic potion to prevent them, COVID-19 illustrated that our preparation for disruptions of all kinds should be forward-facing...and not reactive in nature.

Tulsa, Oklahoma's *Tulsa Remote* talent attraction program and Chattanooga, Tennessee's *Gig City* fiber program are prime examples of anticipatory resiliency initiatives that positioned these communities to not only survive, but thrive, during the global pandemic—the ultimate disaster of our lifetime.

Economic resiliency refers to the ability of an economy to withstand, adapt to, and recover from various shocks, disruptions, or adverse events while maintaining its core functions and structures. It involves the capacity of an economic system to absorb and overcome challenges such as financial crises, natural disasters, geopolitical events, or shifts in market conditions without experiencing a prolonged decline in economic activity or living standards.

Economic resilience includes:

- **Adaptability:** Economies need to be able to adjust to new market conditions or technological advancements.
- **Diversity:** In an economy, having a diverse range of industries and markets can help buffer against shocks to specific clusters and/or sectors.
- **Interconnection:** Economic systems are interconnected with social and ecological systems, and the resilience of one can affect the others. For example, social and political stability can contribute to economic resilience, while environmental degradation can undermine it.
- **Strength:** The ability to maintain core functions in the face of disturbances is a key feature of economic resilience. This can involve having strong institutions, infrastructure, and resources that can withstand shocks.
- **Learning and Innovation:** Resilient systems are often characterized by a capacity for learning, experimentation, and innovation. This allows them to adapt to new challenges and find creative solutions.
- **Durability:** Building resilience requires a long-term perspective and a focus on sustainability.



The Greater Federal Way Chamber of Commerce has contracted with ExecutivePulse, Inc. to develop a proactive *economic* resiliency strategy for the trading area. Our firm is a leading CRM and training provider for economic development and allied professionals throughout North America. Our President, Laith Wardi, is a Certified Economic Developer who is a longstanding, highly rated certification instructor for the two main governing and education organizations in our industry. In addition, he provides state level certification instruction and training across the United States.

Defining Disasters

The International Federation of Red Cross and Red Crescent Societies (IFRC) defines disaster as:

“A serious disruption to the functioning of a community that exceeds its capacity to cope using its own resources. Disasters can be caused by natural, man-made and technological hazards, as well as various factors that influence the exposure and vulnerability of a community.”

Natural Disasters

Natural disasters can have devastating effects on economies, causing widespread damage to infrastructure, disrupting business operations, and displacing populations. The economic impact of natural disasters can be significant—with direct costs from damage to infrastructure and property, as well as indirect costs from lost productivity, supply chain disruptions, and reduced consumer spending. Recovery can take months or even years, depending on the severity of the disaster and the resources available for rebuilding. Accelerated climate change will certainly increase the frequency and intensity of natural disasters—further exacerbating their economic consequences.

Here's an overview of some natural disasters that can disrupt an economy:

- *Droughts*
- *Earthquakes*
- *Extreme Temperatures (Heat Waves and Cold Waves)*
- *Floods*
- *Hurricanes, Cyclones, and Typhoons*
- *Landslides*
- *Tsunamis*
- *Volcanic Eruptions*
- *Wildfires*

While not impervious to natural disasters, Federal Way is well positioned geographically to generally insulate itself from them in the coming decades.



Man Made Disasters

Here, we conflate man-made and technological hazards. Man-made disasters can have significant and long-lasting impacts on economies at local, regional, and even global levels. These disasters can disrupt supply chains, damage infrastructure, and lead to loss of life and property. Here's an overview of some man-made disasters that can disrupt an economy:

- *Business Closure/Disruption (significant employer)*
- *Crime*
- *Cyber Attacks*
- *Financial Crises*
- *Homelessness*
- *Humanitarian Crises*
- *Industrial Accidents*
- *Infrastructure Failures*
- *Migration (climate, war, etc.)*
- *Pandemics*
- *Political unrest*
- *Poverty*
- *Terrorism*
- *Urban Fires*
- *War*

Federal Way, like all communities across the globe, is increasingly susceptible to man-made disasters. Globalization, digitization, the velocity of change, and political polarization are all predominate factors at play here. All of these man-made disasters—directly or indirectly—contribute to economic instability. As indicated, this area of resiliency, focused squarely on the economy of Federal Way, is the focus of this strategy report.

Data in the following sections is provided as a general benchmark for situational analysis of the market area. It is acknowledged that the Great Federal Way Chamber of Commerce is a historically strong purveyor of this type of important, curated secondary data on the market.

Note: This function of the Chamber was cited during many focus groups with community stakeholders as a unique value proposition and strength of the organization.

Demographic & Economic Snapshot

Federal Way is a small city in King County, Washington State that is strategically positioned between the larger metropolises of Tacoma and Seattle. Federal Way is a significant economic hub within the Seattle-Tacoma-Bellevue Metropolitan Area, which had a gross domestic product (GDP) of approximately \$382 billion in 2020.

According to the U.S. Census Bureau's QuickFacts data (which includes the latest estimates as of July 1, 2021), here is the demographic information for Federal Way:

Population

- Total population: 99,037
- Population percent change from April 1, 2020, to July 1, 2021: 1.2%
- Population estimate for 2022 is 101,030

Age and Sex

- Persons under 5 years: 6.3%
- Persons under 18 years: 23.3%
- Persons 65 years and over: 13.7%
- Female persons: 51.2%

Racial Diversity

- White (non-Hispanic): 42.8%
- Asian: 23.7%
- Black or African American: 13.9%
- Hispanic or Latino (of any race): 18.2%
- Two or More Races: 8.4%
- Native Hawaiian and Other Pacific Islander: 3.2%
- American Indian and Alaska Native: 1.1%

The city's population is notably more diverse than the state of Washington as a whole, which is about 78% White (non-Hispanic).

Linguistic Diversity

- Roughly 31% of Federal Way residents speak a language other than English at home.
- Most prevalent foreign languages are Spanish, Korean, Russian, Vietnamese, and Tagalog.



Immigrant Population

- Approximately 26% of Federal Way residents are foreign-born, which is higher than the national average of about 14%.
- The largest immigrant groups in Federal Way come from Korea, Mexico, the Philippines, Vietnam, and India.

Housing

- Housing units: 36,986
- Owner-occupied Housing Units: 19,935 (57.7% of occupied units)
- Renter-occupied Housing Units: 14,607 (42.3% of occupied units)
- Median value of owner-occupied housing units: \$412,100
- Median selected monthly ownership costs (with mortgage) \$2,089
- Median gross rent: \$1,382

Education

- High school graduate or higher (persons age 25+): 88.8%
- Bachelor's degree or higher (persons age 25+): 25.6%

Income

- Median Household Income (2020): \$70,672
- Per Capita Income (2020): \$32,859
- Poverty Rate (2020): 10.2%

Labor Force

- Total Labor Force (2021): 54,600
- Employed: 51,800
- Unemployed: 2,800
- Unemployment Rate (2021): 5.1%

Top Industries by Employment

- Educational Services, Health Care, and Social Assistance: 21.9%
- Retail Trade: 12.4%
- Manufacturing: 10.6%
- Professional, Scientific, and Management, and Administrative and Waste Management Services: 10.4%
- Arts, Entertainment, and Recreation, and Accommodation and Food Services: 9.3%



Business Establishments by Industry

- Retail Trade: 17.6%
- Health Care and Social Assistance: 14.4%
- Accommodation and Food Services: 11.8%
- Professional, Scientific, and Technical Services: 10.9%
- Other Services (except Public Administration): 10.1%
- Construction: 6.5%
- Administrative, Support, Waste Management, and Remediation Services: 5.7%
- Wholesale Trade: 4.3%
- Manufacturing: 4.1%
- Real Estate, Rental, and Leasing: 3.9%
- Finance and Insurance: 3.3%
- Educational Services: 2.3%
- Arts, Entertainment, and Recreation: 1.8%
- Transportation and Warehousing: 1.4%
- Information: 1.3%

Business Establishments by Size (Number of Employees)

- 1-4 employees: 46.4%
- 5-9 employees: 21.4%
- 10-19 employees: 14.0%
- 20-49 employees: 11.1%
- 50-99 employees: 4.0%
- 100-249 employees: 2.4%
- 250-499 employees: 0.5%
- 500+ employees: 0.2%

The vast majority (81.8%) of businesses in Federal Way are small, with fewer than 20 employees. Only about 3.1% of businesses have 100 or more employees.

Major Employers

- Federal Way Public Schools (*over 3,000 employees*)
- St. Francis Hospital (*over 1,000 employees*)
- World Vision (*over 900 employees*)
- Wild Waves Theme & Water Park (*over 800-seasonal employees*)
- Weyerhaeuser (*over 700 employees*)
- City of Federal Way (*over 600 employees*)
- Walmart (*over 500 employees*)

Note: Data is based on estimates and may not reflect the complete 2022 Census data, which is yet to be released in its entirety.



Unique Physical Characteristics

Federal Way has several unique physical characteristics that differentiate it from other cities in the state and nation.

- 1. Location:** Federal Way is situated between Seattle and Tacoma, along the Interstate 5 corridor, providing easy access to both cities.
- 2. Coastal setting:** The city is located near the shores of Puget Sound, offering residents and visitors scenic views of the water and nearby Vashon Island.
- 3. Parks and green spaces:** Federal Way is home to several large parks and green spaces, including Dash Point State Park, West Hylebos Wetlands Park, and Celebration Park.
- 4. Lakes:** The city has several lakes within its boundaries, including Steel Lake, North Lake, and Lake Killarney, which offer recreational opportunities like fishing, swimming, and boating.
- 5. Mount Rainier views:** On clear days, Federal Way offers stunning views of Mount Rainier, the tallest mountain in the Cascade Range.
- 6. Elevation:** Federal Way's elevation ranges from sea level to about 515 feet (157 meters), with some areas featuring hills and slopes.
- 7. Urban density:** As a suburban city, Federal Way has a mix of residential neighborhoods, commercial centers, and industrial areas, with varying levels of density.
- 8. Dumas Bay:** Federal Way's western border is formed by Dumas Bay, a small inlet of Puget Sound known for its sandy beaches and coastal wildlife.
- 9. Green River Valley:** The city's eastern border is situated near the Green River Valley, an important agricultural area known for its fertile soil.

These unique physical characteristics contribute to Federal Way's overall landscape, environment, and quality of life—and *should* make it an attractive place to live, work, and visit within the Seattle-Tacoma metropolitan area.



Transportation Arteries & Services

Federal Way, Washington, is well-connected to the surrounding region through several major transportation routes. These transportation routes provide Federal Way residents with access to employment centers, regional attractions, and neighboring cities, making it a well-connected suburb in the Seattle-Tacoma metropolitan area.

1. Interstate 5 (I-5):

- Major north-south interstate highway running through Federal Way
- Connects Federal Way to Seattle (23 miles north) and Tacoma (8 miles south)
- Provides access to other regional destinations, such as Olympia, Portland, and Vancouver, B.C.

2. State Route 18 (SR 18):

- East-west state highway connecting Federal Way to the cities of Auburn and Maple Valley
- Intersects with I-5 in Federal Way and I-90 near Snoqualmie, providing access to Eastern Washington

3. State Route 99 (SR 99):

- North-south state highway paralleling I-5 through Federal Way
- Serves as an alternate route to I-5 and provides access to local businesses and neighborhoods

4. State Route 161 (SR 161) - Enchanted Parkway:

- North-south state highway connecting Federal Way to the cities of Des Moines and Puyallup
- Intersects with I-5 and SR 18 in Federal Way

5. State Route 509 (SR 509):

- North-south state highway connecting Federal Way to the cities of Des Moines and Burien
- Provides access to Seattle-Tacoma International Airport (SEA-TAC)

6. King County Metro and Sound Transit:

- Public transportation services, including buses and commuter trains
- King County Metro operates several bus routes within Federal Way and connecting to nearby cities
- Sound Transit provides regional express bus and light rail services (Link Extension planned for 2026)

7. Pierce Transit:

- Public transportation service operating in Pierce County, serving Tacoma, and surrounding areas
- Some routes connect to Federal Way Transit Center-providing access to south destinations

8. Sounder Commuter Rail:

- Operated by Sound Transit
- Connects Federal Way to Seattle and Tacoma via the Lakewood-Seattle line
- Federal Way Station is located at 32320 23rd Ave S, Federal Way, WA 98003

9. Bus Connections:

- The Federal Way Transit Center also serves as a major hub for bus routes in the area.
- Several King County Metro and Sound Transit Express bus routes connect to the light rail



Public Organizations

The main governing bodies and public organizations in Federal Way are:

- 1. Mayor:** The Mayor is the chief executive officer of the city and is responsible for the administration of city affairs, enforcing laws and ordinances, and appointing city officials. The Mayor is elected by the citizens to a four-year term.
- 2. Federal Way City Council:** The City Council is the legislative body of the city, responsible for enacting ordinances, adopting the budget, and setting policies. It consists of seven members, including the mayor, who are elected to four-year terms.
- 3. King County Council:** As Federal Way is located within King County; the King County Council also has some jurisdiction over the city. The County Council is responsible for regional services, such as public health, transportation, and parks.
- 4. State of Washington:** Federal Way is subject to the laws and regulations of the State of Washington, which are enacted by the Washington State Legislature and enforced by the Governor.

The public/private partnerships with the Greater Federal Way Chamber of Commerce include many anchor businesses as well as:

- 1. District 30 Legislative Delegation:** The delegation includes State Senator Claire Wilson and Representatives Kristine Reeves and Jamila Taylor. This group has been a strong supporter of economic development and allied work through the Chamber.
- 2. Federal Way Public School District:** The public school district has been a strong proponent and partner with the Chamber on shared educational and workforce objectives for the community.
- 3. Lakehaven Water & Sewer District:** This entity provides a full array of water services to South King County including availability and quality of fresh water for residential, commercial, and industrial clients in Federal Way.
- 4. South King Fire:** They provide professional fire department services to safeguard community and enhance quality of life in the market area. Like the Water & Sewer District, they offer a multitude of services that impact citizens and businesses.

Emergency Management Organizations

Federal Way, Washington, is served by several emergency management organizations at the local, county, and state levels. These organizations work together to prepare for, respond to, and recover from various types of emergencies and disasters.

1. Federal Way Emergency Management:

- Part of the Federal Way Police Department
- Responsible for coordinating the city's emergency preparedness, response, and recovery efforts
- Works closely with other local, county, and state agencies for effective emergency management

2. South King Fire:

- Provides fire suppression, emergency medical services, and rescue operations
- Participates in emergency planning and preparedness activities

3. King County Office of Emergency Management:

- Coordinates emergency management efforts across King County, including Federal Way
- Develops and maintains the county's Comprehensive Emergency Management Plan
- Provides resources and support to local jurisdictions during emergencies

4. Washington State Emergency Management Division:

- Part of the Washington State Military Department
- Coordinates statewide emergency management efforts and supports local and county agencies
- Manages the state's Emergency Operations Center during major emergencies and disasters

5. Federal Emergency Management Agency (FEMA) Region X:

- Serves the Pacific Northwest, including Washington, Oregon, Idaho, and Alaska
- Provides federal support and resources to state and local agencies during major disasters
- Administers federal disaster aid programs and grants

In addition to these government organizations, there are also several non-governmental organizations (NGOs) and community groups that contribute to emergency preparedness and response in Federal Way, such as American Red Cross, Salvation Army, Washington Voluntary Organizations Active in Disaster (WAVOAD) and local faith-based organizations and community centers.



Hospitals and Health Care Organizations

Federal Way, Washington, has several hospitals and health care clinics that serve the community. Healthcare facilities in the area include:

1. Virginia Mason Franciscan Health/ St. Francis Hospital:

- Part of the CHI Franciscan Health system
- Full-service acute care hospital with 124 beds
- Multi-specialty clinic offering primary and specialty care services
- Services include family and internal medicine, pediatrics, obstetrics, gynecology, and urgent care
- Offers emergency care, surgery, cardiology, and orthopedics
- Located at 34515 9th Ave S, Federal Way, WA 98003

2. MultiCare Health System/Indigo:

- MultiCare Auburn Medical Center is the nearest hospital, located about 8 miles east of Federal Way
- MultiCare Urgent Care Federal Way offers urgent care services
- Located at 1450 S 348th St, Federal Way, WA 98003

3. Kaiser Permanente Federal Way Medical Center:

- Part of the Kaiser Permanente health system
- Offers primary care, specialty care, and urgent care services
- Services include family medicine, pediatrics, optometry, and pharmacy
- Located at 301 S 320th St, Federal Way, WA 98003

4. HealthPoint Federal Way:

- Community health center providing primary care, dental care, and behavioral health services
- Serves low-income and uninsured patients on a sliding fee scale
- Located at 33431 13th Pl S, Federal Way, WA 98003

5. Sea Mar Community Health Center:

- Federally Qualified Health Center (FQHC) offering comprehensive health services
- Services include primary care, dental care, behavioral health, and pharmacy
- Focuses on serving low-income, uninsured, and underserved populations
- Located at 31405 18th Ave S, Federal Way, WA 98003

6. Seattle Children's South Clinic in Federal Way:

- Specializes in the care of infants, children, teens, and young adults aged 0–21
- Provides access to pediatric specialists in more than 25 practice areas and urgent care
- Located at 34920 Enchanted Pkwy. S, Federal Way, WA 98003

7. Kinwell Primary Care:

- Clinic offering care for Premera Blue Cross and LifeWise Health Plan of Washington members
- Specialize in primary care and behavioral health
- Located at 35105 Enchanted Pkwy S Unit G101, Federal Way, WA 98003



Community Assets

Wild Waves Theme and Water Park

Wild Waves Theme & Water Park is the largest amusement park in the state of Washington and a significant contributor to Federal Way's local economy and tourism industry. It is typically open from May through September, with varying hours depending on the month and day of the week.

Attractions:

- The park features over 40 rides, including roller coasters, water slides, and family-friendly attractions.
- Notable rides include the Timberhawk Ride of Prey (a wooden roller coaster), the Wild Thing (a steel coaster), and the Riptide (a 70-foot tall water slide).
- The park has a variety of water attractions, including wave pools, lazy rivers, and a variety of water play structures for children.

Size and Attendance:

- The park sits on about 70 acres of land.
- It attracts over 600,000 visitors annually, making it one of the most visited attractions in the state.

History:

- The park first opened in 1977 as The Enchanted Village.
- It was sold and renamed Wild Waves Theme Park in 1992.
- In 2000, the water park was added and the park assumed its current name.

Ownership:

- The park was owned by Six Flags from 2000 to 2007.
- It is currently owned and operated by EPR Properties, a real estate investment trust based in Kansas City, Missouri.

Pricing and Accommodations:

- Admission is roughly \$45 for a single-day ticket.
- The park offers season passes and group discounts.
- There is no on-site lodging, but several hotels are located nearby in Federal Way.

Location:

36201 Enchanted Parkway S. Federal Way, WA 98003



The Rhododendron Species Botanical Garden

The Rhododendron Species Botanical Garden is a 22-acre woodland garden located in Federal Way, Washington, dedicated to the conservation, research, and display of Rhododendron species from around the world.

Collection Highlights:

- The garden is home to the largest collection of Rhododendron species in the world, with over 700 species represented.
- The collection includes rare and endangered species, as well as species that are not commonly cultivated.
- In addition to Rhododendrons, the garden also features companion plants such as Magnolias, Maples, and Primulas.

Garden Features:

- The garden includes a variety of themed areas, such as the Himalayan Garden, the Sino-Himalayan Garden, and the Victorian Stumpery.
- A centerpiece of the garden is the Rutherford Conservatory, which houses tropical Rhododendron species and a collection of Vireya Rhododendrons.
- The garden also includes the Barlup Education Center, which hosts classes, workshops, and events.

Research and Conservation:

- The garden is a participating institution in the Center for Plant Conservation, a national coalition dedicated to preventing the extinction of U.S. native plants.
- It conducts ongoing research into Rhododendron taxonomy, genetics, and conservation.
- The garden's seed bank contains seeds from over 400 Rhododendron species, serving as a vital resource for conservation efforts.

Visiting Information:

- The garden is typically open to the public from March through November, with varying hours depending on the season.
- Admission is under \$10 for adults, with discounts for seniors, students, and children.
- Guided tours are available for an additional fee and by reservation.

Location:

2525 S. 336th Street, Federal Way, WA 98003



The Pacific Rim Bonsai Collection

The Pacific Rim Bonsai Collection is a notable attraction located within the Weyerhaeuser Company campus in Federal Way, Washington. It is one of the largest and most significant bonsai collections in the United States. The Pacific Rim Bonsai Collection is a unique cultural attraction in Federal Way, drawing visitors from around the region who are interested in this ancient Japanese art form.

Collection Highlights:

- The collection features over 60 bonsai trees from Pacific Rim nations, including Japan, China, Korea, Taiwan, Canada, and the United States.
- The trees represent a variety of species, including pines, maples, hemlocks, and more.
- Some of the trees are over 100 years old and have been trained as bonsai for many decades.
- The collection is particularly known for its premier specimen of a Japanese Lace-Leaf Maple, which is considered one of the finest examples of its kind in the world.

History:

- The collection was started in 1989 as a joint project between the Weyerhaeuser Company and the Pacific Bonsai Museum.
- It was originally housed in the Washington State Convention Center in Seattle before being moved to its current location in Federal Way in 1992.

Facility and Tours:

- The collection is housed in a 2,800-square-foot greenhouse on the Weyerhaeuser campus.
- Guided tours of the collection are available to the public on certain days of the week (typically Saturdays), and reservations are recommended.
- The facility also includes an exhibit hall with educational displays about the art of bonsai and the history of the collection.

Events and Education:

- The Pacific Rim Bonsai Collection hosts various special events throughout the year, including exhibitions, workshops, and demonstrations by bonsai experts.
- It also serves as an educational resource, offering classes and workshops for those interested in learning the art of bonsai.

Location:

2515 S 336th Street, Federal Way, WA 98001



King County Aquatic Center

King County Aquatic Center is a major swimming and diving facility located in Federal Way, Washington, USA. Here are some key points about it:

Purpose:

A world-class aquatic facility that hosts local, regional, national, and international swimming and diving competitions.

Features:

- Olympic-size swimming pool (50 meters)
- Dive tank with platforms and springboards
- Recreational pool
- Seating for approximately 2,500 spectators

History:

Opened in 1990 for the Goodwill Games

Notable Events:

Has hosted numerous high-profile competitions, including:

- U.S. Olympic Diving Trials
- NCAA Swimming and Diving Championships
- Various national and international swimming meets

Community Use:

When not being used for major events, it's open to the public for recreational swimming, fitness classes, and swim lessons.

Location:

650 SW Campus Drive, Federal Way, WA 98023



Celebration Park

Celebration Park offers sports and recreation synergies with other attractions like the Aquatic Center.

Size:

Approximately 84 acres

Features:

- Multiple sports fields for baseball, softball, and soccer
- Two synthetic turf fields with lights
- Basketball courts
- Playground
- Picnic areas with shelters
- Walking/jogging trails
- Skate park
- Restroom facilities

Usage:

- Hosts various local and regional sports tournaments
- Used for recreational leagues and practices
- Popular for community events and family outings

Management:

Operated by the City of Federal Way Parks, Recreation & Cultural Services

History:

Opened in 1999, and has subsequently become a central recreational facility for Federal Way

Accessibility:

The park is designed to be accessible to people with disabilities

Location:

1095 S 324th St, Federal Way, WA 98003



Federal Way Little League Field

Federal Way Little League Field is part of the local youth baseball infrastructure in Federal Way, Washington.

Purpose:

Primarily used for Little League baseball games and practices.

Primary User Group:

Serves the Federal Way Little League organization, which provides baseball programs for local youth.

Facilities:

- Baseball diamond(s) sized appropriately for youth play
- Dugouts
- Bleachers for spectators
- Concession stand
- Parking area

Management:

Managed by the Federal Way Little League in cooperation with the City of Federal Way Parks Department.

Usage:

Used for regular season games, tournaments, and practice sessions for various age divisions within Little League.

Location:

450 SW Campus Dr, Federal Way, WA 98023



The Federal Way Community Center

The Federal Way Community Center is a public facility located in Federal Way. It serves as a recreational, educational, and community activity amenity—primarily for city residents.

Facilities:

The community center features a fitness center, gymnasium, indoor swimming pool, multipurpose rooms, and a senior lounge.

Recreation:

It offers a variety of recreational programs and activities for all ages, including fitness classes, sports leagues, swimming lessons, and youth camps.

Events:

The center hosts community events, such as workshops, meetings, and cultural celebrations.

Senior Services:

There are specific programs and activities designed for seniors, promoting social engagement and physical well-being.

Rentals:

Some of the center's facilities, like the multipurpose rooms, can be rented for private events, such as birthdays or meetings.

Management:

The center is managed by the City of Federal Way's Parks, Recreation & Cultural Services Department.

Location:

876 S 333rd St, Federal Way, WA 98003.



Community Emergency Management Program

Certainly because of resource, budget, and legislative considerations, The City of Federal Way employs King County's comprehensive Community Emergency Management Program. This program is referenced on the city's website and at www.kingcounty.gov/ready.



This comprehensive plan is presented using the four common disaster elements of *Mitigate, Prepare, Respond, and Recover*.

The *Mitigate* section identifies high probability hazards for the market area such as floods, landslides, earthquakes, and winter storms. The content here is consistently and effectively presented by King County emergency management staff through Vimeo video vignettes.

The *Prepare* section outlines disaster due diligence and relevant information links under the categories of personal, family, kids, and home. **Conspicuously absent here is any reference to, or resources regarding, business or commerce. The Federal Way Chamber would be a normal business conduit for emergency management. They perform outreach to the private-sector and are the natural, globally-recognized communication vehicle during disruptions.**

The *Respond* section is brief but provides necessary subscription links to various King County alerts for floods, deteriorating road conditions, metro transit disruptions, and air service issues. It is noteworthy that alerts are provided in multiple languages that represent the diversity of the area as whole.

The *Recover* section provides boilerplate, but vital, information on disaster recovery resources at the state and federal level. The section also includes many relevant downloadable resources and reference materials such as a Long-Term Recovery Guide from the National Voluntary Organizations Active in Disasters (VOAD).

Strategy Methodology

In addition to plenary due diligence work with the Greater Federal Way Chamber and secondary data research that made up our situational analysis, ExecutivePulse conducted eleven webinar-based interviews and focus groups with relevant Federal Way community stakeholders.

These webinar sessions were conducted via Zoom over a three-day period from May 20th through 22nd. Each session was tailored to unique situation and attributes of the participants. Each session lasted between 60-90 minutes in duration. Most of these sessions were recorded—all with prior knowledge and consent of participants in order to carefully review feedback before it was incorporated into this strategy document.

All participants were instructed to be candid—even to the point of brutal honesty.

Across the board, interviews and focus groups elicited unexpected candor and synergistic feedback from participants—all through the lens of economic resiliency. Equally important, many respondents had professional positions in Federal Way that allowed them to speak for much larger business and citizen groups.

Positive Recurring Themes

Cultural Diversity

Participants from every interview and focus group cited cultural diversity as a market area strength. Respondents felt that cultural diversity supported everything from community identity to workforce availability to restaurant variety. Even in instances where cultural diversity posed challenges (such as language barriers in healthcare and public schools) participants believed that the community had responded in proactive, creative, and ultimately positive ways.

Talent and Workforce

Talent scarcity and related costs are ubiquitous issues across the globe and throughout the United States. This reality was certainly exacerbated by the COVID-19 pandemic. Sessions with business leaders suggested that Federal Way is not experiencing the same workforce dysfunction as many other peer communities. In interviews and focus groups, most businesspeople dismissed workforce as a pervasive challenge. To the contrary, they said labor is abundant and wages are affordable in Federal Way.



Location

Federal Way's proximity to both Seattle and Tacoma was cited as an advantage by many interview and focus group participants. However, unlike other smaller jurisdictions in the market area, Federal Way was not viewed as a "bedroom community" for these larger cities. Instead, respondents who live and/or work in Federal Way felt that they had access to the benefits of the urban center amenities without the inherent costs and difficulty of putting up stakes there. The community's ability to capture residents and commerce from its bigger siblings is, conversely, dubious. A real and growing market opportunity is destination marketing to business travelers and their families who need proximity to Seattle, Tacoma or both.

Cost of Living

The cost of living and doing business was identified as an inherent benefit of Federal Way. Aside from labor costs, housing prices were singled out as being favorable over other neighboring jurisdictions and, not surprisingly, Seattle and Tacoma. However, as will be noted in the following section, housing availability—especially worker accommodations—is another story altogether.

Community and Natural Amenities

Federal Way is surrounded by both natural water and mountain amenities and is home to longstanding community assets such as the bonsai collection, community center, rhododendron garden, and water park. Interview and focus group participants gave the community high marks for these natural and man-made attractions. However, the prevailing sentiment is that more can and should be done to promote these unique attractions through a community lens.

Chamber of Commerce

Admittedly, the Chamber is sponsoring this economic resiliency initiative and helped to coalesce interviews and focus groups for the strategy development. We assumed that many of the perspectives we received from interviews and focus groups would be favorable to the organization. Still, we were amazed by the fever pitch enthusiasm and support for the Chamber, generally, and for its President and CEO, Rebecca Martin. This feedback came not only from their membership but also from the business community at large—many of whom are not members. Here, our roughly 30 years of international experience and perspective in the economic development industry matter. As an economic development consulting, technology, and training provider, we can't recall seeing this level of enthusiasm and support for an organization and its leadership during our tenure working with hundreds of analogous clients.

The Chamber's focus on business assistance vs. "fluff" was cited over and over again by participants. This factor will be key to our primary strategy recommendations later in this plan.

The Chamber's focus on economic development is logical to us. Rebecca Martin has been directly involved with economic development in many diverse markets across the United States before making Federal Way her home. In addition to IOM (Institute for Organizational Management) and other designations through Association of Chamber of Commerce Executives (ACCE), she has earned her CEcD (Certified Economic Development Professional) accreditation through the International Economic Development Council (IEDC) of Washington, DC. It is important to note that Rebecca is in a 4% minority of chamber officials across the US who have earned this designation.

Negative Recurring Themes

Crime and Public Safety

Crime and public safety were negative common denominators of all interviews and focus groups. Many participants—especially representatives from the business community—had personal anecdotes that underscored this problem and how it impacted their operations and bottom line. Most troubling, respondents characterized the police department as “passive observers” who—instead of addressing public safety—chronically downplayed and even justified criminal acts and activity. Even members of interviews and focus groups who had not directly been impacted by crime thought that Federal Way was perceived as a high crime community and that this prevailing perception was detrimental to long term community and economic aspirations. Throughout our discussions, we learned about various derogatory community nicknames that reinforce this negative perception.

City Council Government

City Council Government was cited negatively in interviews and focus groups almost as frequently as crime and public safety. Influential members of that governing body are characterized as recalcitrant, intolerant, and inert. Interview and focus group participants of color had particularly scathing assessments of city leadership. From a strategy and operational standpoint, many respondents viewed City Council as actively impeding progressive community and economic development. Many business leaders provided personal stories about their longstanding problems with permitting, zoning, etc. This contributes to the narrative that Federal Way is not a friction-free place to operate a business. As the face of the community, they reinforce negative internal and external views and attitudes about Federal Way. The contentious undercurrent between some members of City Council and the Chamber is also viewed by participants as counterproductive to long range community change and ultimate self-actualization.

Homeless Population

Mass closures of mental institutions across the county in the 1980's seeded our nation's homeless epidemic. This Ronald Reagan-era policy resulted in the displacement of tens of thousands of mentally ill patients from controlled and sequestered hospital spaces directly on to our city streets. Like many other societal and economic issues, the recent COVID-19 pandemic exacerbated this crisis. Federal Way's homeless problem was a principal discussion point during interviews and focus groups.

While a minority of participants viewed the current situation as benign, most felt it eroded quality of place and contributed to crime in the downtown area. Certainly, this dynamic is not unique to Federal Way. Innovative work being done in other cities like Cleveland, Ohio could be incorporated here to stem to the homeless tide and recast this negative community narrative.

Housing

While interview and focus group respondents gave Federal Way high marks for affordability, this has been a double-edged sword—resulting in a demand-driven lack of housing options for low to moderate income families in the area. Participants also cited age, quality, and neighborhood location as negative factors in the current Federal Way real estate market. Like many other analogous communities across the country, private-sector real estate developers are reluctant to invest in what they deem as speculative deals in marginal markets—despite obvious current and future demand. It should be noted that a majority of interview and focus group respondents don't actually live in Federal Way proper. This is certainly emblematic of the overarching housing issue. We acknowledge that a in depth housing plan has been conducted for the community. The Chamber must use its influence with membership, stakeholders, and supporters to keep the focus here.

Internet Services

Universal access to affordable, reliable, and robust internet was mentioned as a Federal Way deficit by many participants. We understand that other studies and initiatives have been completed—primarily for residential internet. The focus of an economic resiliency strategy would have to take into consideration business and commerce. Today, internet access is viewed as a basic “have/have not” business amenity that supports or detracts from all economic development initiatives within a market area such as Federal Way.

Community Identity/Sense of Place

Another recurring theme of interviews and focus groups was Federal Way’s lack of community identity and a sense of place. Participants characterized the community as lacking downtown focal points of interest and, instead, being dotted by a series of aging, non-descript shopping plazas. Sprawl was another descriptor of the downtown. Even with the many community assets and natural amenities within Federal Way, respondents felt that the community felt disjointed and non-welcoming. Participants also indicated that not enough was being done to promote natural and man-made attractions to the community or, more importantly, the outside world. As an exclamation point to this issue, some professional business respondents made a concerted effort to avoid the city when entertaining out of town customers or friends. They reported no compelling reason to include Federal Way in their itinerary—instead opting to visit other small jurisdictions in the market area.

Resiliency Strategy Recommendations

1. Expand the Current Business Retention & Expansion Program

Under Rebecca Martin, the Greater Federal Way Chamber of Commerce has placed substance over style. Instead of a focus on membership development and social events, the organization has prioritized and spearheaded a number of serious business-based and data-driven programs and initiatives—including formation of a business retention and expansion program. This emphasis on value-added economic development is both acknowledged and appreciated by the Chamber board, committees, and general membership.

Our interviews and focus groups corroborate that Chamber and community stakeholders believe that the Greater Federal Way Chamber must continue with current initiatives while taking on an expanded leadership role in economic development. This would include heightened emphasis on keeping and growing existing, resident businesses.

Primary economic development can be viewed as a three-legged stool. The first leg is entrepreneurial development—working to start and nurture the businesses of tomorrow. The second leg is business retention & expansion—working to keep and grow the established businesses already in the market. The third leg is business recruitment—working to bring external established businesses prospects into the market.

Business retention & expansion has many merits over other primary economic development catalysts—entrepreneurial development and business recruitment.

- First, it is only tactic that allows a locality to interact directly with their business constituents. These are the job and investment generators in any community. Entrepreneurs represent businesses of tomorrow and have no meaningful experience in running a business in the immediate trading area. External business recruitment targets—while established businesses in their own right—are operating in other communities and can't offer meaningful insight into the local area or doing business in it.
- Second, working with resident businesses is the most cost-effective economic development strategy. For example, it is up to ten times cheaper to work with existing firms versus business prospects. Entrepreneurial development is both resource and cost intensive work with anemic return on investment.
- Third, up to 80% of jobs and investment come from the businesses in your community. While important, entrepreneurial development efforts are vital, most new business ventures fail within three years of inception. Business recruitment is expensive and most viable in metro talent-laden markets.
- Fourth, business retention & expansion provides a fulcrum to smarter entrepreneurial, business recruitment, community and workforce development. The communities across North America who are actively engaged in business retention & expansion are typically strong in many other areas of economic development.
- Fifth, intensive and systematic work with resident businesses will give Federal Way a roadmap for the creation of meaningful, forward-facing programs, policies, and strategies that will fortify its business base and community as whole. **This program is underpinning of the community's economic resiliency strategy.**

Important: Some chamber and membership organizations fall into the trap of making their business retention & expansion program a confluent for new membership. The Greater Federal Way Chamber understands that a true, holistic business retention & expansion program would need to envelope all businesses in Federal Way and not favor or focus on Chamber members. Along the same lines, the initiative should not be viewed as a thinly veiled membership drive. The intent of the program needs to be on the businesses in the market and not an organizational agenda.

The balance of our recommendations will be validated or augmented based active and ongoing feedback from Federal Way's business community through a business retention & expansion initiative.



2. Reconvene The Destination Management Council

This effort should not be confused with general tourism. It is an initiative squarely focused on the business traveler and their experience, productivity, and prosperity while visiting the Federal Way market. The Chamber had initiated this Council but, for sensible reasons, it has largely been on hold since the pandemic.

During our interviews and focus groups, we learned that Federal Way's proximity to the larger cities of Seattle and Tacoma make it a convenient location for business travelers who want access to one or both markets but may want to avoid the hassle and costs of staying in those communities.

In a best case-scenario, these travelers are future, potential business owners and, along with their families, residents of Federal Way. In a worst-case scenario, business travelers should be evangelists for Federal Way as they return to their homebase or next destination. These dynamics are attainable by curating a good-to-excellent business traveler experience through communication with, and coordination of, many community stakeholders. Think of this taskforce as multi-faceted and pronged community concierge service.

Work of the Destination Management Taskforce would include, but not be limited to the following:

- B-2-B connections between travelers and resident businesses
- Collateral materials such as real estate and relocation guides
- Community arts, culture, and entertainment
- Front line staff orientation and coordination (seamless referrals)
- General business supplies and travel amenities
- Hotels, lodging, and short-term rental options
- Meeting, co-working, and other workspace amenities
- Ride share and mass transportation services—including light rail
- Talent orientation, recruitment, and welcome initiatives

There are overt synergies between this and the business retention & expansion program. This initiative also dovetails with the growing commerce emphasis of the Greater Federal Way Chamber of Commerce. Like the business retention & expansion program, the Chamber is the natural sponsor and coordinator of this initiative.

3. Explore a “Wiring Federal Way” Business Initiative

We acknowledge and support the existing connectivity effort that is underway in the community. However, this initiative is aimed squarely at residential and educational needs and leaves a significant gap in affordable and ubiquitous service for commerce.

A business-focused program would significantly improve Federal Way’s business retention & expansion efforts as well as tangential business recruitment and entrepreneurial pursuits. The Chamber would be the leading community advocate for providing affordable internet access *to businesses* in Federal Way. Convening business leaders, existing internet providers, and general community stakeholders the Chamber would explore feasibility of universal and robust internet access throughout Federal Way. Once a viable framework is in place, potential “stacked” national, state, and local funding sources would be investigated. This work can and should be modeled after Chattanooga, Tennessee “Gig” initiative.

Like the Destination Management Taskforce, the Wiring Federal Way Taskforce would have natural synergies with the business retention & expansion program. Business interviews will, undoubtedly, corroborate the pressing need for better and more affordable internet options in Federal Way. Aggregate-level data from these business interviews should be used with potential funding sources to underscore the business case for priority and funding. According to the Congressional Research Service, there are over 100 post pandemic national appropriations and departmental sources that can be tapped for broadband deployment in Federal Way.

The mainstay options include:

- Infrastructure Investment and Jobs Act
- Consolidated Appropriations Act
- Federal Communications Commission (FCC)
- National Telecommunications and Information Administration (NTIA)
- US Department of Agriculture (USDA)

4. Provide Active, Ongoing Support for Affordable Housing

As indicated earlier in this strategy document, Federal Way is a logical bedroom community for both Seattle and Tacoma and should be a viable option for interjurisdictional residential and business movement from these cities as well as other, smaller satellite communities in the region. This opportunity has not been realized and housing availability was cited as a primary culprit during our interviews and focus groups.

Using future primary data from the business retention & expansion program as well as the secondary data sources at their disposal, the Greater Federal Way Chamber of Commerce should corroborate this housing issue. Concurrently, they should work within existing channels and initiatives to craft longer term remedies.

While housing is not directly in the Chamber wheelhouse, the support for housing availability and affordability certainly is. The development of affordable workforce housing to scale—complete with integrated amenities such as childcare facilities, culture and recreational amenities, and critical services—is necessary for successful economic development. Moreover, a prerequisite for talent attraction is plentiful and affordable housing options.

5. Support Local and Regional Transportation Projects

Interview and focus group respondents had strong interest in current and proposed transportation assets serving Federal Way—including interstate highways, commuter light rail, bus service, and two working ports within the trading area. Correctly, they identified transportation as an essential ingredient for economic development and sustained prosperity in the community.

We recommend that Chamber continue their focus on transportation. This would logically include the methods and movement of talent within the regional market and the ramifications for the Federal Way economy—today and tomorrow. Their active support would include development of program, policy, and strategy positions that, ultimately, capitalize on transportation opportunities while mitigating potential obstacles. An example of this would be the current Certificate of Origin Program.

Transportation also has connective tissue with the business retention & expansion program and other recommendations after it in this strategy section.

6. Expand Cultural, Minority and Special Focus Engagement

The Greater Federal Way Chamber of Commerce has a Latino Council and, in the coming months, plans to relaunch a Women’s Council. We recommend that they lean into this by exploring opportunities for programmatic support to underserved communities as well as:

- Businesses by predominate sectors
- Businesses by geographic districts
- Businesses by language
- Businesses by size (largest and/or early stage)

There are natural connections between the Chamber and future B-2-B mentoring needs that will result from the business retention & expansion program. These programs will also be invaluable for cultural and minority advocacy—as the Chamber addresses prevalent community issues and opportunities.

Summary and Conclusions

While not highly susceptible to natural disasters, Federal Way is confronting a number of pressing resiliency issues that have the potential to adversely impact the community and its economic well-being—today and well into the future. In short, there is no shortage of work to be undertaken by key community stakeholders—including the sponsor of this Economic Resiliency Plan, the Greater Federal Way Chamber of Commerce.

It would be easy to itemize the negative recurring themes outlined earlier in this document and load them into a work plan for the Chamber. However, that would be unfair to the Chamber and, more importantly, Federal Way.

This Economic Resiliency Plan has been formulated looking through the lens of the community but is cognizant of the Greater Federal Way Chamber of Commerce—its constituencies, resources, core competencies, and ultimately, limitations. To that end, we have made a concerted effort to steer clear of tackling pervasive issues (like crime) that don't align with the organization's capacity or influence. While crime is arguably one of the main issues facing Federal Way, it doesn't track with the Chamber's strengths.

To quote management guru, Peter Drucker, *“Management is doing things right; leadership is doing the right things.”* For Rebecca Martin and the Greater Federal Way Chamber of Commerce, doing the right things means adherence to a nexus around economic development and commerce. This has been the organization's primary focus and what their main constituents emphatically told us they want and need from the Chamber during our interviews and focus groups.

By far, the most important recommendation in this strategy is formation of a “best-practice” business retention & expansion program. As indicated, this core recommendation checks several essential boxes for the community and Chamber. More importantly, if executed correctly, it will fuel and provide synergist support to all other recommendations contained herein.

Certainly, tasking the Greater Federal Way Chamber with these additional resiliency initiatives will necessitate a fundamental change in how the organization operates and the baseline resources it requires to meet these new community challenges and opportunities. Historically, this organization has operated within a modest budget and with a lean staff complement. This will have to change—even just for the business retention and expansion program component of this strategy plan.



We are confident that the organization will be able to meet these new demands because they have demonstrated an ability to encumber federal and state funds for many of their prior initiatives and studies.

Federal Way is competing every day with other communities across the globe for finite job, investment, and talent opportunities. Successful businesses operate in a transactional paradigm of speed, risk, and cost. To seize opportunities, they require speed in transactions with mitigated risk and within a low-cost structure. This is only feasible in markets that have done holistic work on economic resiliency.

The Chamber and its constituencies need to be highly focused and zealous here to create long-term economic prosperity. As Greater Federal Way Chamber President & CEO, Rebecca Martin points out: “We’ve done the research, the time for action is now.”

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