6 Economic Development



What You Will Find in this Chapter

- Information about economic conditions and trends.
- A description of the City's plan for retaining and growing economic opportunities.
- Goals and policies that address economic growth, vitality, and a high quality of life.

Our Economic Development Vision

Burien's economic development landscape is welcoming and inclusive, supporting entrepreneurs and business owners as they start, build, and grow their companies. Burien's diverse businesses provide a well-balanced jobs market (including a full range of wages and skills), ample access to culturally relevant goods and services, and provide a strong revenue base for a growing city.

Introduction

The City of Burien's economic development program actively recruits and retains businesses, attracts new development, promotes the city to visitors, and works with local and regional partners to increase Burien's quality of life. Burien has a history of successful proactive economic development. The city is known for its walkable downtown, events, restaurants with international food, and a new arts and cultural district Downtown and in Boulevard Park.

At the same time, parcelization and ownership patterns and limited redevelopable land supply, height limitations, infrastructure costs, and other factors have made economic development more challenging.

Background

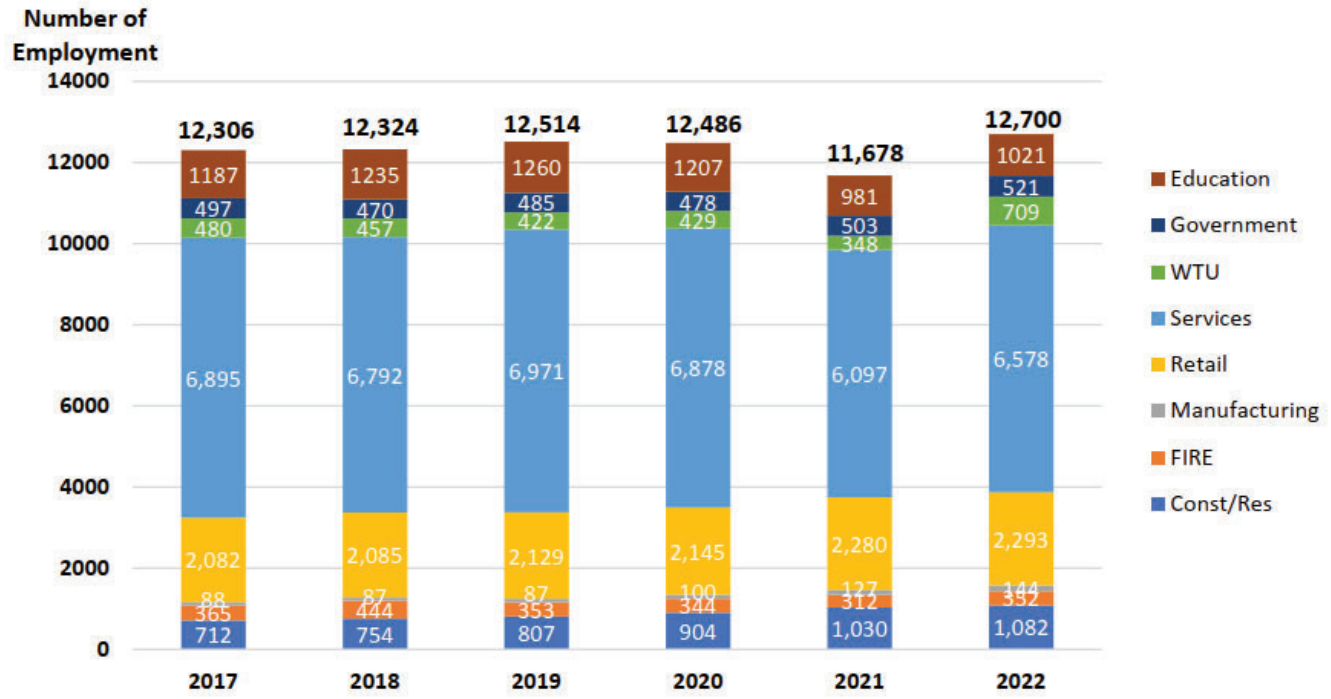
Burien has a total of 11,678 jobs, with the services sector accounting for over half of total employment with 6,097 jobs. Burien employment growth has been steady since 2014, with no significant increase or decrease until 2021 when Burien saw the greatest decrease in employment growth, netting a negative 6.55%. See **Exhibit 6-1**.

Prior to the pandemic, the city was experiencing modest employment growth. Burien experienced a significant drop in employment from 2020 to 2021, largely in the services sector and likely directly related to pandemic driven layoffs or shutdowns. Between 2020-2021, sectors such as education and services lost additional employment, 2% and 3% respectively, although retail, construction, and resources sectors have seen growth of over 2%. Monitoring the pace of recovery is important as new job data becomes available.

The drop in employment means it will be difficult for Burien to achieve growth targets. However, it is likely that the jobs could re-occupy existing spaces, or new spaces.

Retail rental rates had been growing steadily since 2017 but have remained relatively level since 2020. The retail vacancy rate in Burien has been in general decline since 2017. The office vacancy rate in Burien has started to increase from 2017 to 2019 but showed a steady decline in 2020.

Exhibit 6-1. Burien Covered Employment Percentage, 2017-2022.

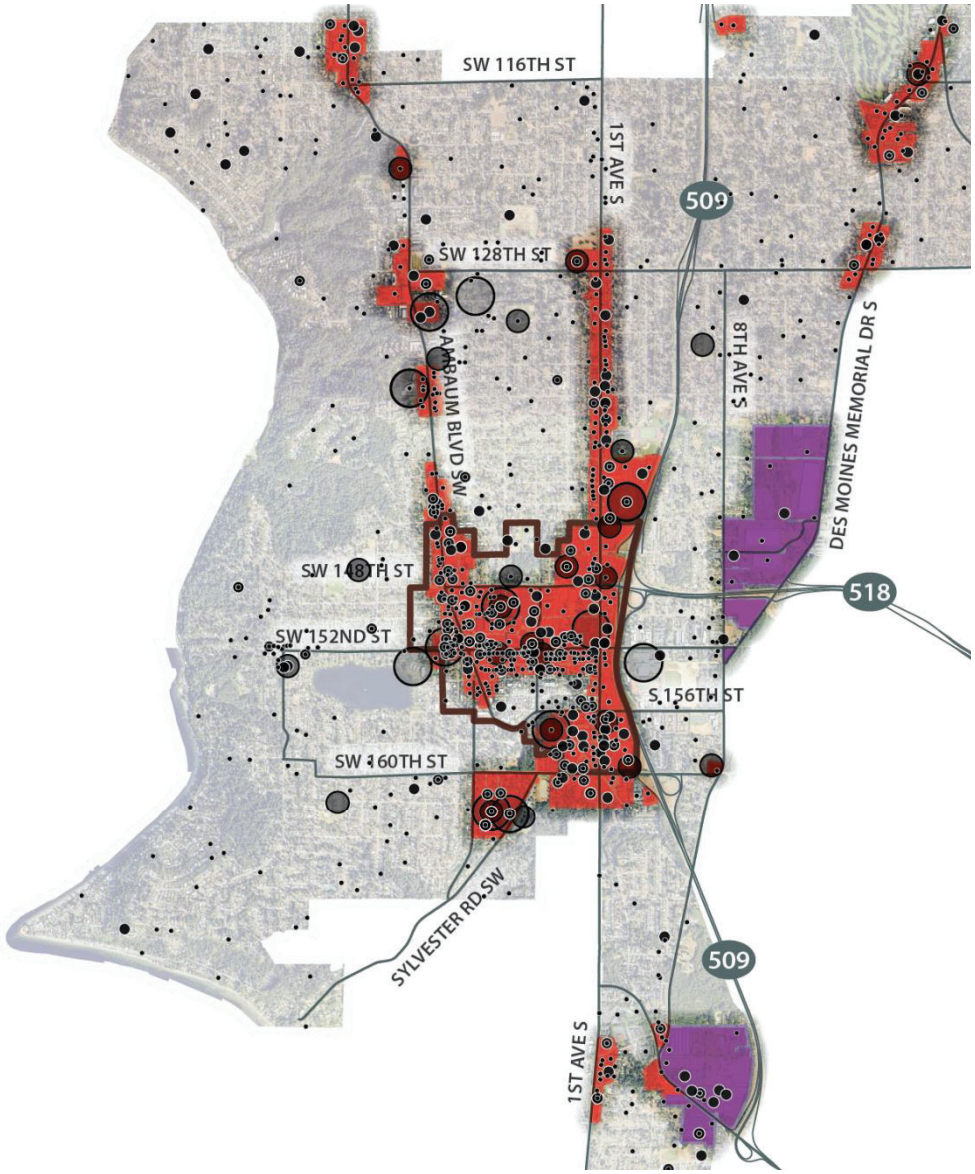


Sources: ACS, 2021; Heartland, 2022.

Burien's economic development is primarily found in the city's commercial and industrial zones. These zones permit a range of commercial and mixed uses over a range of intensities specific to the nature of each zone. **Exhibit 6-2** shows areas in Burien zoned for commercial and industrial zones with employment density.

Most job density is in the Urban Center and along corridors, and less so in industrial areas. Industrial zones are less dense from a business and employment density. In the commercial zones business and employment densities are significantly higher. Jobs in residential areas tend to be education but there are also services and health care such as assisted living and day care. Additionally, construction, professional services, and other services represent a quarter of the employment in residential areas, as many of these businesses can be run out of a person's home.

Exhibit 6-2. Employees and Relationship to Commercial (Red) and Industrial (Purple) Zones



Source: Heartland, 2023.

- Urban Center zones have the highest densities of employment (employees per acre).
- The Office zone supports the most employment and has the second highest employment density of the zones in the study area. Health care, and educational services are among the strongest employment drivers in this zone.
- The Community Commercial zones support the second highest amount of employment, but also represent the largest zone at over two times the area as the office zone.

Conditions and Trends

Today's Conditions and Tomorrow's Projections

Based on an Economic Profile (Heartland 2023), recent economic conditions show modest growth in some job sectors. There is also demand for commercial space though rent growth is low and building space additions limited. Similarly, there is modest growth in housing and population.

- Burien's population is growing at a slower rate than surrounding cities including SeaTac, Des Moines, and Tukwila.
- The availability of land for housing is a potential factor influencing housing supply in recent times. Although Burien is gearing up for the expansion of Bus Rapid Transit (BRT) called RapidRide along the Ambaum Corridor, it has not shown the same developmental impact as seen with the TOD around light rail stations.
- Most jobs are centered around the Urban Center and the Medical Center where there are cluster of retail strips, medical offices, and schools. There have been minor additions to building spaces overall.
- Prior to the pandemic, Burien was experiencing modest employment growth. There was a significant drop in employment from 2020 to 2021, largely in the services sector and likely directly related to pandemic-driven layoffs and shutdowns. Monitoring the pace of recovery is important as new job data becomes available.
- The City has a target to add opportunities to create 4,770 jobs between 2019 and 2044.

Challenges and Opportunities

Locations that show the most opportunity for economic growth include areas already serve as high-density, high-property-tax revenue generating areas and have more development opportunities:

- The zones with the highest employment densities also generate the highest taxable property values for the city. This includes the Urban Center, Gateway with SR 518 and 1st Avenue S, and other Commercial Corridor locations.
- Given their size and the existing taxable asset base, these represent opportunity areas for the City to focus resources to incentivize additional development. The most developable area is found in the Urban Center and 1st Avenue S Corridor. See **Exhibit 6-3**.

Wall of Ideas, Spring 2023

How can we keep the existing buildings south of the main downtown area for now (likely cheaper rent than in a brand new building) but activate the parking lot area to make it more pedestrian friendly, business incubator space, etc.? Some redevelopment will be beneficial and happen but it is important to think about the affordability of retail spaces and what businesses can afford to operate there.

Near term opportunities for development, based on developer interest include:

- Urban Center, west of Town Center
- 1st Avenue S at S 128th Street and S 136th St
- 1st Ave S between S 140th St and S 144th St

Mid- or long-term redevelopment opportunities could include the following:

- Gateway area, which is not likely to change in the near term due to existing uses and leases.
- Retail south side of SW 152nd St with walkable retail uses with ongoing value, though zoning allows intensification and buildings appear past their economic life.
- Five Corners, which includes largely built out road frontages, but has lack of public amenities and walkability.

Exhibit 6-3. Development Propensity in Urban Center and First Avenue Corridor



Source: Heartland, 2023.

The City desires to attract mixed use and commercial development, e.g., hotel, to meet community needs in the near and long-term areas. Based on developer interviews, some barriers and strategies to improve feasibility are noted in Exhibit 6-4.

Exhibit 6-4. Mixed Use and Hotel Attraction Strategies

Mixed Use and Multifamily	Hotel
▶ Infrastructure Investments: City could help expedite utility processes (e.g., power) ▶ Adjusted Development Standards: Increased height limits. Careful ground-floor retail requirements. ▶ Incentives: Retain and extend Multifamily Tax Exemption program.	▶ Target Sites: Identify specific development sites to generate interest. ▶ Target hotel brands: Target hotel franchise marketing departments ▶ Expedite permitting. ▶ Infrastructure and off-site utilities, such as stormwater and sidewalks: City can facilitate solutions.

Source: Heartland 2023.

Burien's greatest opportunities for employment and economic activity are in the commercial areas as noted above.

There is also a desire for living wage jobs in the Northeast Industrial Area (NERA) though it has produced a low density of jobs to date. Burien's industrial zones have sizeable non-industrial uses such as mini-storage. Some opportunities for light industrial and makers spaces could include areas north of NERA studied in the 1990s. Depending on business mix, this area could produce a higher employment density than observed in the past.

Exhibit 6-5. Economic Development Notes – December 2023 Open House



Our Economic Development Plan

The City's Economic Development Action Plan adopted in June 2024 identified four primary goals to pursue economic actions in its updated plan. These four goals include:

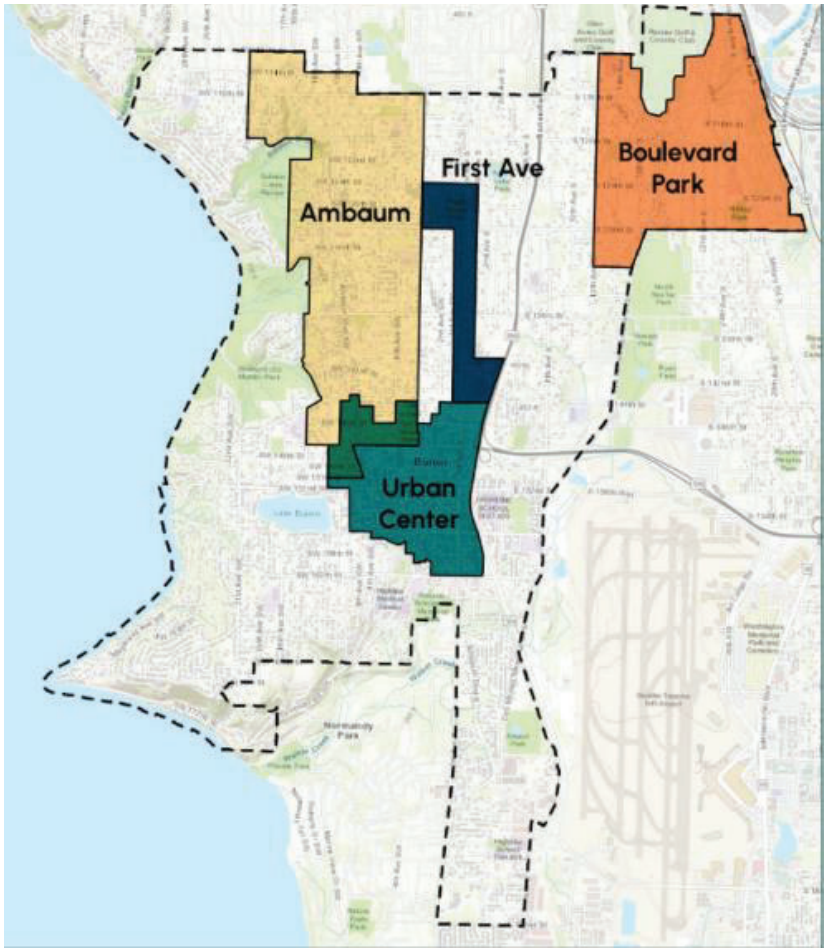
- **Solidify Burien's position as an arts and tourism destination:** Established as a Creative District by the Washington State Arts Commission, Burien has a strong arts and culture community, with

numerous opportunities and groups involved in the visual and performing arts. Specific polices should focus on development of its creative economy and coordinated efforts among the City's arts and cultural groups, community-led Burien Creative Arts District, and the Burien's Film Office. These efforts, combined with its close proximity to the Seattle-Tacoma International Airport, could help the City reach its full potential as an arts and tourism destination.

- **Support vitality and redevelopment of Burien's commercial corridors:** To build on recent work for place-based strategies, the City should create a distinct vision for commercial district like Ambaum and Boulevard Park, as well as its central Downtown business area and 1st Avenue South. Methods include nurturing entrepreneurship, strategic investment to attract businesses, applying new tools and approaches to attract investment, and enhancing the quality of public spaces to promote distinct commercial districts.
- **Build upon existing small business assistance programs to support Burien's diverse business base:** The City has a strong sense of entrepreneurship and supportive small business community. Policies should focus on supporting businesses at all stages and increasing access to opportunities for collaboration. Actions include facilitating access to resources, providing multilingual support, expanding existing programs, actively promoting local businesses, and pursuing targeted commercial anti-displacement work.
- **Support the community's workforce by acting as a convener:** The City can take an intentional approach to support the growth of local businesses and create more equitable pathways to economic stability by connecting partners with resources, advocating for state and federal initiatives, attracting new employers who offer living-wage jobs, amplifying existing apprenticeship programs, and identifying a comprehensive vision for the City's workforce.

The City has four subareas – Urban Center, Ambaum Corridor, Boulevard Park, and First Avenue – identified as vibrant neighborhoods and commercial districts. See **Exhibit 6-6**. With consideration of unique characteristics and conditions of each subarea, Burien can apply specific visions and place-based strategies to celebrate and strengthen these areas for economic growth.

Exhibit 6-6. Burien Subareas



Source: City of Burien Economic Development Action Plan, 2024.

Roles for the City to achieve desired areas of redevelopment and economic opportunity include:

- **Align residential zoning regulations with market demand.** Policies supporting residential growth and that make Burien an attractive place for residents, creates growth in the population base, and will likely increase demand for employment.
- Given the downward trend in inventory for single-family homes and townhouses, it is important for the City to **align existing and proposed zoning regulations with housing product types** that are in line with current and projected market demand. This will help ensure that the housing supply meets the needs of potential buyers and developers.
- **Assess job recovery rate and plan for future growth:** Burien has experienced significant job losses during the pandemic while also having a significant job growth target. It is crucial to understand the current rate of job recovery and allocate capacity for future job growth.
- **Focus on commercial development in strategic zones:** Although the vacancy rate for office and retail sectors has decreased, commercial rent growth has been stagnant. The City should concentrate its policy efforts in zones that are better positioned to attract additional commercial development. **Prioritize development in zones with existing assets:** Focus policies that

support development in areas with existing assets, such as the Downtown Commercial, Community Commercial, and Commercial Residential zones. *(See Land Use Element where these zones would likely change names but continue to be mixed use.)* These zones offer the highest proportion of development opportunities in the study area.

- Consider increasing the maximum allowable building height in these zones, particularly for mixed-use developments, as this can help maximize their potential and facilitate denser urban growth.
- **Utilize City owned land assets as development incentives:** Explore ways in which the City can utilize its existing land assets, particularly vacant or underutilized land, as incentives for development. By leveraging its land holdings, the City can encourage private developers to invest in these areas, stimulating economic activity and addressing the need for additional housing and commercial spaces.

Goals and Policies

Goal 6.1 Adopt and maintain a forward-looking economic development strategy.

Policy 6.1-1 Sponsor an ongoing community dialogue that focuses on the future of Burien's economic and business vitality, longevity, and a shared responsibility for attaining the community's vision and the city's place in the broader region

Policy 6.1-2 Adopt an ambitious and courageous vision centered on community values and pursue it to completion.

Policy 6.1-3 Stimulate and secure investment in key economic development projects. The City should explore use of real estate excise tax or explore suitable locations for Tax Increment Financing (TIF) Districtsas a financing mechanism.

Policy 6.1-4 Employ proactive measures to attract development such as land assembly, incentives, and outreach to developers and landowners.

Policy 6.1-5 Implement and build upon the Burien brand. Use a variety of media to market Burien's strengths and competitive advantages as a business location to attract private investment and entrepreneurship.

Policy 6.1-6 Prepare for technological and sustainability innovations that affect Burien's urban design and economy including but not limited to:

(1) Transportation: Providing an electric vehicle charging station and parking strategy consistent with the Climate Action Plan. Anticipating advances in transportation such as driverless cars, as well as information and communication technology to improve transportation and emegency management.

(2) Residences: Aging in place strategies for Burien residents where technology in homes can lengthen independence.

(3) Businesses and Education: Supporting skill building and training to address digital transformation in businesses and employment in Burien.

(4) Power: Promoting reliable and resilient energy sources such as distributed and renewable power (see also the Climate and Resilience element).

Goal 6.2 Maintain and cultivate Burien's unique "livability," where everyone wants to live, work, and play.

Policy 6.2-1 Favor development projects that support diverse housing options, quality transportation, increased office space, and general business growth.

Policy 6.2-2 Support a high quality transportation system by making it convenient to travel from, to and through Burien.

Policy 6.2-3 Engage and plan for an inclusive mix of people and activities.

Policy 6.2-4 Explore creative solutions to increasing housing supply that offers a mix of housing products at a range of costs that encourages mixed income neighborhoods.

Policy 6.2-5 Prioritize public safety and police services. Examine ways to increase public safety and perceptions of public safety in Burien.

Policy 6.2-6 Plan for inclusive amenities and services to meet the needs of new and current residents such as business and human services, multimodal transportation connections, parks and recreation, cultural events, and others. Expand family-friendly amenities across Burien's commercial corridors, and advocate for affordable and available childcare businesses in Burien.

Policy 6.2-7 Increase mobility by supporting public transport, bicycle and pedestrian infrastructure, parking, and wayfinding. Prioritize communities most at risk for mobility-related deaths and serious injuries.

Policy 6.2-8 Support programs that increase community health such as public safety, wellness, infrastructure, sanitation, cooling and heating centers, parks, and other infrastructure.

Goal 6.3 Diversify the economy and promote economic vitality and employment throughout the city.

Policy 6.3-1 Continue to promote the development of downtown Burien as a dynamic commercial core for the Highline area and other downtown related policies.

Policy 6.3-2 Develop the Northeast Redevelopment Area as an industrial, office, and retail area.

Policy 6.3-3 Place a high priority on business retention and new business recruitment. Explore options to create an anti-displacement strategy for local businesses.

Policy 6.3-4 Encourage a pedestrian-oriented, mixed-use downtown of restaurants, retail shops, artisan crafts, and cultural amenities that celebrate Burien's cultural communities.

Policy 6.3-5 Encourage and support locally owned businesses that complement the integrity and character of Burien and serve the community's needs.

Policy 6.3-6 Solidify Burien's position as an arts and tourism destination by supporting tourism, hotels, conference space, a performing arts center, bed and breakfast businesses, and cultural events to attract visitors to all parts of Burien.

Policy 6.3-7 Prioritize development in zones with existing amenities and assets. Prioritize locations in commercial and mixed-use areas. Provide targeted support for corridor retail and incentivize commercial development. Provide quality and flexible development standards, surplus sites, shared infrastructure improvements, or incentives.

Policy 6.3-8 Create opportunities for low-cost retail space. Consider reducing business space requirements in commercial and mixed use developments and reducing parking requirements to provide locations for business relocation and business attraction. Setting average or maximum sizes of new ground floor spaces can provide sizes of spaces more affordable for small businesses. Reducing parking standards for businesses smaller than 3,000 square feet can also reduce the construction costs for new development.

Policy 6.3-9 Consider the formation of a public development authorities or other mechanism for supporting businesses (RCW 35.21.730-.759).

Goal 6.4 Use Economic Clusters as a strategy for focused economic growth.

Policy 6.4-1 Promote Burien as a medical service and wellness center through the Burien Wellness Cluster events, and other marketing in order to help grow this important Burien employment sector.

Policy 6.4-2 Work with the private sector and educational system to identify the educational skills needed to fill locally created well-paying jobs in health care. Engage local high school students to pursue a healthcare education and career.

Policy 6.4-3 Identify and work with other economic clusters to attract living and thriving wage jobs to Burien. These could include airport-related industries or businesses that rely on airport travel for the operation of their business. Attract new employers offering living-wage jobs by facilitating development opportunities.

Policy 6.4-4 Partner with the Highline School District (especially Puget Sound Skills Center) and local private schools on funding measures (including potential development impact fees), capital facilities, and programs to encourage the best possible education for Burien residents. Ensure that the funding measures are equitably distributed across the different

schools in Burien. Work with the State and other Partners to create generational wealth-building opportunities.

Policy 6.4-5 Increase resident and employee participation in programs offered by Highline College and other area higher education and skill training opportunities. Increase awareness on the Running Start program with Burien's youth. Convene local and regional workforce programs.

Goal 6.5 Maximize Burien's advantages from its proximity to the airport.

Policy 6.5-1 Attract travelers through partnerships to Burien businesses. Increase transportation to and from the Airport.

Policy 6.5-2 Work with the Port of Seattle to ensure Port-owned assets within Burien provide direct economic and community benefits and that property is developed to the highest and best use for that property. (For example, land in the Northeast Redevelopment Area.)

Policy 6.5-3 Take advantage of Port funding opportunities to support community programs and capitalize on Port networks and related industries for business and development attraction.

Goal 6.6 Promote clean, sustainable, environmentally friendly businesses and jobs.

Policy 6.6-1 Adopt an environmental sustainability standard with an identifiable set of metrics.

Policy 6.6-2 In the City's branding, marketing, and communication efforts, leverage and build on the City's support of sustainability and a healthy environment.

Policy 6.6-3 Incentivize green building, transit-oriented development, and low impact development techniques.

Goal 6.7 Promote art, aesthetic design, and cultural events as central to businesses and job retention, job creation, and quality of life.

Policy 6.7-1 Establish and maintain a "creative district" near the City's downtown core while maintaining and highlighting arts and culture throughout the City's broad range of neighborhoods. Incentivize art that reflects Burien's many diverse communities. A culture/art district should incorporate permitting, property tax, and temporary concessions to encourage the activation of vacant or underused spaces. (For example: flexibility for permitting pop up art, or working with property owners to encourage temporary art exhibit space).

Policy 6.7-2 Pursue the feasibility of the establishment of a performing arts center that meets the needs of the arts organizations and community and solidifies Burien's position as an arts and tourism destination.

Policy 6.7-3 Locate and develop relationships with local and regional partners to enhance Burien's arts and culture.

Policy 6.7-4 Expand opportunities to increase funding for the arts. Increase awareness of the existing Arts and Culture Grants provided by the City.

Policy 6.7-5 Establish a funding mechanism that ensures arts funding grows as the city grows. Organize and support artistic and cultural events. Broaden and continue to work with partners to examine ways to increase resident and business participation and support for events.

Policy 6.7-6 Encourage community events and celebrations by establishing flexible guidelines for event producers that are easy to implement. Changes to the special event process should remove barriers and make it easier for community groups to produce events in Burien. Regularly review and update special event permitting and related ordinances for community and City events. Ensure flexibility to encourage creative events.

Policy 6.7-7 Promote Burien's strong cultural identity through inclusive and diverse arts activities and events. Support different types of parks and activities in parks to meet the needs of our diverse and multi-generational community.

Policy 6.7-8 Establish incentives for developers to encourage the integration and development of art within new construction projects. Recommend to developers to integrate art that best reflects Burien's diverse communities.

Policy 6.7-9 Integrate art and cultural activities as a way to enhance public safety, by the activation of spaces.

Policy 6.7-10 Pursue establishment of a community recreation center that meets the needs of all ages in our community.

Policy 6.7-11 Improve social connections through the development and programming of parks and recreation facilities.

Discussion: To implement the goal and relevant policies, strategies could include an interdepartmental effort to develop a comprehensive branding approach to city offerings.

Goal 6.8 Balance regulation and service programs to ensure economic growth and a high quality of life.

Policy 6.8-1 Provide high quality customer service and an equitable and efficient development review and land use permitting process.

Policy 6.8-2 Support programs for reducing and cleaning up litter and illegal disposal of materials for clean and safe streets. Enforce private property upkeep standards to enhance public perceptions.

Policy 6.8-3 Prioritize providing staff to code enforcement to maintain and safeguard public safety.

Policy 6.8-4 Support small businesses by considering tax burdens. Before enacting new regulations or increasing taxes and fees, communicate financial impacts to businesses and residents.

Policy 6.8-5 Encourage redevelopment to ensure Burien land is developed in the highest and best use for the community. Ensure regulations and processes that support redevelopment that fits in with surrounding areas and use design standards to implement a quality aesthetic. Pursue beautification efforts in the public realm to enhance curb appeal.

Goal 6.9 Enhance partnerships with the business community.

Policy 6.9-1 Solicit information from the business community on how to best retain, grow, and thrive businesses.

Policy 6.9-2 Continue to look for ways to interact and establish relationships in the business community, including the Business and Economic Development Partnership (BEDP). Particularly foster relationships with Burien's multicultural business owners and entrepreneurs. Support culturally specific training and mentorship programs.

Goal 6.10 Communicate openly and often with the public on economic issues.

Policy 6.10-1 Provide periodic reports to the City Council on economic development progress. Translate the periodic reports in languages most commonly used in Burien.

Policy 6.10-2 Use the City website and various forms of media (magazine, social media, press, etc.) to communicate regularly with businesses and residents and to gather their feedback in Burien's most commonly used languages.

Policy 6.10-3 Annually report to the City Council on the following key economic development indicators;

- Unemployment
- Retail sales
- Business displacement
- New business licenses
- Graduation rates
- Infrastructure investments

Goal 6.11 Provide essential infrastructure for business growth and attraction.

Policy 6.11-1 Acquire grant funding and public-private partnerships to fund technical and physical infrastructure.

Policy 6.11-2 Work with utility partners such as Seattle City Light, Puget Sound Energy, and the water and sewer districts to provide a high quality of service and adequate infrastructure to support Burien's plans for growth. Establish metrics to determine high quality of service.

Implementation

This Element can be implemented by the City's Economic Development Action Plan (June 2024), as well as the City's Zoning Code, Capital Facilities Plan, and Business Programs.

As part of the Comprehensive Plan Update the following outcomes and metrics (**Exhibit 6-7**) have been developed to include in a five-year monitoring report.

Exhibit 6-7. Economic Development Element Equity and Climate Change Metrics

Outcomes	Metrics
▶ Retain and attract investment. ▶ Reduce commercial displacement, especially in high displacement risk areas.	▶ Density of 25-30 jobs per acre in Urban Center and First Avenue Corridor Areas. ▶ Effect of plan and zoning on cost of commercial space. Alternatively address value of incentives or infrastructure and space or jobs created. At least two of the following based on available information: ▶ Share of affordable commercial space. ▶ City resources applied to anti-displacement programs. ▶ Number of local owned versus franchise businesses. ▶ Percentage of small business owners that have control with long-term leases or ownership.