I. Overview

King County's economy is the largest and most significant economy ((in the Puget Sound Region (King, Kitsap, Pierce, and Snohomish Counties) and)) in Washington State. In ((1998)) 2006, King County's ((had)) economic base included:

- ((1,127,000)) 1,176,600 nonagricultural jobs((-,)). ((er 42.4% of the state's 2,655,000 jobs and 67.9% of the region's 1,660,000 nonagricultural jobs.)) This represents 66.3% of the Central Puget Sound Region's (King, Kitsap, Pierce, and Snohomish Counties) 1,774,100 non-agricultural jobs and 42.4% of the state's 2,858,300 non-agricultural jobs;
- A ((\$52.9)) \$61.5 billion payroll((,)). ((or 52.3% of the state's \$101 billion payroll and 74.5% of the region's \$70.9 billion payroll.)) This represents 72.6% of the region's \$84.7 billion payroll and 50.3% of the state's \$122.3 billion payroll;
- ((Almost 83,900 business firms (excluding sole proprietorships), which is 36.7% of the state's 228,500 firms and 66% of the region's 127,200 firms.)) 69,200 business firms, excluding sole proprietorships. This represents 63.5% of the region's 109,000 firms and 36.1% of the state's 191,700 firms; and
- A population of ((1,774,300 or 29.4% of Washington State's 6,041,700 population and 52.8% of the region's 3,362,000 population.)) 1,835,300. This represents 52.1% of the region's 3,524,000 population and 28.8% of the state's 6,375,600 population.

Non-agricultural employment peaked in 2000 at 1,185,700 jobs, but as recession took hold, declined by 74,500 to 1,111,200 jobs in 2003. Employment began to rise again in 2004, and by 2006 nonagricultural employment had almost returned to 2000 levels, increasing by 65,400 jobs. From recession to recovery, nonagricultural employment shifted among industry sectors. About 84% of 2006 employment (993,600 jobs) was in the Services Providing sector, with the remaining 16% (183,000 jobs) involved in Goods Production. And, the proportion of employment in the Good Producing sector steadily dropped from 2000, falling from 17.2% to 15.6% of total employment, with a corresponding increase in the Service Providing sector.

King County employment in 2006 was comprised in the following sectors:

- <u>Trade, Transportation, and Utilities was the largest sector with 224,300 employees or 19.1% of total employment. This sector includes Retail Trade (113,600), Wholesale Trade (63,900) Transportation (42,600), and Utilities (1,000).</u>
- Professional and Business Services (legal services, architecture, computer designing) was the second largest sector with 182,300 employees (15.5% of total employment), followed by Government (federal, state, and local) with 161,900 (13.8%).
- Three sectors had employment in the 100,000 range: Educational and Health Services (mostly in health) had 124,700 (10.6%), Manufacturing had 112,300 (9.5%), and Leisure and Hospitality had 108,600 (9.2%).
- Three other sectors had employment in the 70,000 range: Financial Activities had 77,500 (6.6%), Information (Software Publishing and Telecommunication) had 72,500 (6.2%), and Construction had 70,100 (6.0%).
- Other Services (repair and maintenance, personal services and religious, professional and civic organizations) was the smallest sector at 41,800 employees, 3.6% of the total.

The rural portion of the county's economic base plays a significant role in helping the county maintain a diversity of economic sectors, thus contributing to the county's overall economic health. Evaluation and discussion of the rural economy includes the Rural Area, Resource Lands, and the Rural Cities of Black Diamond, Carnation, Duvall, Enumclaw, North Bend, Snoqualmie, and Skykomish. Information on the rural economy is as follows:

• In 2006, about 10% (177,655) of the county's total population of 1,835,300 lived in the Rural Area, Resource Lands, and Rural Cities.

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- However, only 3% (29,500) of the total jobs (1,116,600) in the county are located within the Rural Area, Resource Lands, and Rural Cities.
- About two-thirds of the rural jobs (63%) are located in the rural unincorporated area, with the remaining one-third (37%) located in the Rural Cities.
- The Service Sector, which caters to both rural households and businesses, comprises 35% of rural employment.
- The more traditional Construction and Resources sector, including agriculture, forestry, fishing, hunting, and mining, accounts for 20% of rural jobs.
- Farming in King County is changing in response to increased demand by urban residents to
 purchase locally grown foods. Farms are becoming smaller with increased crop diversity. In
 2002 there were 1,550 farms in the county, with an average farm size of 27 acres. Farm product
 sales totaled over \$120 million in 2002.
- Sales at county farmers markets in 2006 generated over \$25 million in direct sales to Washington farmers.
- The timber industry is also experiencing profound changes as larger companies have left the
 county and, in many cases, sold off timber lands for large acreage residential development.
 Between 2000 and 2002, the county saw a 35% decline in timber harvest to 91,000 by board feet
 processed.
- The equestrian industry plays a role in the rural economy. In 2005, there were about 3,200 persons directly employed in the equestrian industry and 945 persons employed in jobs related to the industry countywide. Additionally, equestrian industry sales totaled \$227 million based on 2005 numbers, which included direct, indirect, and induced sales.

The foundation for a vibrant and sustainable economy consists of several factors including a favorable business climate, a trained workforce, <u>adequate</u> public infrastructure, land supply, predictable regulations, advancing technology, affordable housing, <u>available capital</u>, and a healthy natural environment.

The policies in this chapter are designed to continue King County's long-term commitment to sustainable economic development. They do so by promoting public programs and actions that support a strong stable, and diversified economy, one that is compatible with the environment and contributes to a strong and stable tax base.

The policies also recognize businesses and the workforce as customers of an economic development system; <u>and</u> they support actions and programs that promote the strength and health of both groups.

General King County economic development policies include:

((U-301))	King County has a long-term commitment to sustainable economic development on
ED-101	a countywide basis. Sustainable economic development shall mean economic
	development that does not exceed the ability of the natural or built environments to
	remain healthy while sustaining growth over the long term.

- ((U-302)) King County policies, programs, and strategies shall recognize the importance of, and place special emphasis on, retaining and expanding home-grown firms in basic industries ((which)) that bring income into the county and increase the standard of living of our residents.
- ((U-303)) King County policies, programs, and strategies shall recognize the importance of providing job opportunities for all residents and will place special emphasis on training low-income, low-skill residents for job opportunities with ((livable wages,)) benefits((,)) and wage-progression and retention strategies.
- ((U-304)) King County shall work to ensure that maximum economic benefit accrues to local businesses and workers when public funding is included in the construction or operation of large projects.

((U-305))	King County recognizes the environment as a key economic value ((in the region))
ED-105	that must be protected.

King County's role in economic development is implemented at several levels as described in the following policies:

((U-306)) ED-106	At the multicounty level, King County should partner with other counties, regional entities and the state, as appropriate, to devise and implement economic development policies, programs and strategies for the benefit of the region.
((U-307)) ED-107	At the countywide level, King County should partner with other jurisdictions, economic development organizations, the Port of Seattle, and others, as appropriate, to develop and implement policies, programs, and strategies that set the general framework for economic development within the county for the benefit of the county as a whole.

((U-308)) Within the unincorporated area, King County should partner with local businesses, unincorporated area councils, and others, as appropriate, to develop and implement policies, programs, and strategies that promote appropriate local economic development.

At all three levels, King County seeks to coordinate and partner with private and public organizations to pursue mutually beneficial outcomes.

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II. Business Development - Creation, Retention, Expansion, and Recruitment

<u>Local and national research over the last 25 years has concluded that homegrown, small to medium-size businesses create the majority of new jobs in a local economy.</u> King County's policies, plans, and programs should support a positive and healthy business climate that enables <u>all</u> local firms to stay globally competitive, quality-oriented, technologically advanced, and able to pay good wages.

Industries and firms that export their products and services outside King County bring income into the county and are considered basic, in economic terms. ((About 30% of the county's basic jobs come from the export of manufactured goods; 42% come from the export of business services such as banking, insurance, accounting, legal architectural, engineering, research and development, and computer services; and 28% come from exports associated with wholesale trade, transportation, and public utilities. Jobs in basic industry generally pay better than nonbasic jobs and support the nonbasic or secondary part of the county's economy. In general, nearly one half of the jobs in the county's economy are basic and support the other half such as retail and personal services.)) Jobs in basic industry generally pay better than non-basic jobs and support the non-basic or secondary part of the county's economy.

About 37% of the jobs in King County are basic and support the 63% non-basic jobs such as retail and personal services. Roughly one of every four jobs in the Puget Sound Region is dependent on international trade.

The county's leading export sectors are:

- Information Services with 16.4% of all export jobs. Software Publishing is the principal factor in this sector, accounting for over 50% of the sector's basic jobs and 9.3% of total basic employment.
- Manufacturing with 14% of all basic employment, led by aerospace with 9% of total basic jobs.
- <u>Business Services, such as banking, insurance, accounting, legal, architectural, engineering, research and development, and computer services, with 13.8% of export jobs.</u>

On September 27, 2005, the Central Puget Sound Economic Development District (serving King, Kitsap, Pierce, and Snohomish Counties) adopted a "Regional Economic Strategy for the Central Puget Sound Region". The Regional Economic Strategy was developed by the Prosperity Partnership—a coalition of over 200 government, business, labor, nonprofit and community leaders from the four counties—to ensure long-term regional prosperity.

The Regional Economic Strategy identifies five industrial clusters that, based on regional economic analysis, offer the best opportunities for business growth and job creation in the Central Puget Sound Region for the next several years. Clusters are geographically concentrated groups of competing and complementary firms that sell to similar domestic and international markets. Clusters drive regional economies because they export goods and services outside the region, which results in greater income, wealth, and prosperity than would otherwise occur. An industry cluster differs from the classic definition of an industry sector because it represents the entire horizontal and vertical value-added linkages from suppliers to end producers including support services, specialized infrastructure, regional universities' research and development, and other resources. And, clusters are supported by the foundation factors listed in Section 1. The five clusters are Aerospace, Clean Technology, Information Technology, Life Sciences, and Logistics and International Trade. The Regional Economic Strategy identifies specific strategies and actions to help support the growth of each cluster.

((Local and national research over the last 20 years has concluded that homegrown, small businesses create the majority of new jobs in a local economy. Additionally, roughly one of every four jobs in the Puget Sound Region is dependent on international trade.))

((There is recognition, however, that the county's impact on the creation of new businesses is impacted by the amount of available industrial and commercial land in unincorporated King County, which has declined from approximately ten percent in 1994 to approximately 5.6 in 2000.))

((U-309))

King County supports programs and strategies to help create, retain, and expand homegrown businesses in basic industries, particularly ((within the county's manufacturing and industrial areas)) those industrial clusters offering the best opportunities for business growth and job creation as identified in the Regional Economic Strategy.

((U-310)) King County supports programs and strategies, in partnership with the federal, state, and local governments and the private sector, that provide technical and financial assistance to ((homegrown)) businesses including, but not limited to: ((c.)) ((Mentoring, financial management training, and other technical

- a. assistance to disadvantaged businesses, particularly in the construction industry,)) Financial, marketing, expansion, and general operations assistance for small businesses to help them become competitive in the private sector;
- b. Incentives and/or other methods for small businesses to gain greater participation on county-funded public works, consulting, and goods and services contracts;
- ((a-)) ((Pollution prevention and assessments of contamination to enable
- c. manufacturers to remediate contaminated property to continue or expand production;))Assessment and/or remediation of contaminated property (Brownfields) in order to continue or expand operations to help individual small businesses or jurisdictions impacted by Brownfields;
- d. ((Workforce recruitment, training and retention assistance.)) Supporting small businesses to pursue historic building façade improvements or jurisdictions to pursue historic business district revitalization projects; and
- ((b.)) Technological, efficiency, and managerial assessments to ((enable)) help
- e. manufacturers ($(\frac{10}{10})$) reduce costs and use smaller footprints for existing or expanded production($(\frac{1}{10})$).

((U-311)) ED-111

King County supports programs and strategies for the targeted recruitment of firms that will:

- ((b-))a. Export their goods or services and/or have the potential for high levels of growth and wages((-)), particularly those firms within the industrial clusters identified by the Regional Economic Strategy; or
- ((a-))b. Support the county's basic industries by providing services that help keep existing firms globally competitive((, or)).

((U-312))

ED-112 King County supports programs and strategies to expand international trade including those that:

- a. Promote, market, and position the county for increased export, import, and foreign investment opportunities; and
- b. Provide technical assistance, training, and opportunities for local firms wishing to export.

((U-313))

ED-113 King County supports programs and strategies to preserve and plan for an adequate supply of industrial and commercial land including but not limited to:

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- a. ((In-c))Compliance with the State of Washington Buildable Lands legislation RCW 36.70A.215 – and in cooperation with the cities, inventory and monitor the use of industrial, commercial, and residential lands every 5 years((. The first 5year report is due to the state in 2002));
- b. ((In p))Partnership with other jurisdictions and the private sector, advocate for development and maintenance of a regional Geographic Information System to track the supply of ((industrial and commercial)) land;
- Actively apply for federal, state, and other resources to help defray the costs of assessment, remediation, and redevelopment of private and/or public brownfields. Brownfields are defined as vacant or underdeveloped industrial/commercial sites with real or perceived contamination;
- d. Sell county-owned surplus industrial and commercial lands for development by the private sector;
- e. Promote the redevelopment and infill of industrial and commercial areas and explore the feasibility of using incentives to achieve this goal;
- f. Prevent the encroachment of non-industrial uses on industrially-zoned land and the rezoning of industrial land to other uses.

((U-314)) ED-114

King County recognizes that adequate infrastructure is essential to support existing economic activity and to attract new industry and development. The county therefore supports programs and strategies to maintain existing infrastructure and construct new facilities (transportation, utilities, ((schools,)) information, communications)((, including an adequate supply of housing,)) necessary to accommodate current and future economic demand.

((The county recognizes the importance of traditional economic activities which may occur in conjunction with or as a byproduct of other business activities in the rural area. Such examples could include residents operating farms, ranches, logging operations or other small businesses and who use their equipment to perform excavation services for others. While it is not the intent of the county to develop these areas for commercial purposes, there is recognition that some proportion of landowners may undertake complementary, small-scale commercial activities. The county values and supports these types of economic activities in the rural area and does not wish to artificially limit them.))

((U-315)) ((King County recognizes the importance of traditional economic activities that support a rural lifestyle. While it is not the intent of the county to develop the unincorporated rural areas for commercial activities, county policy, regulations and programs should support the preservation of traditional rural economic activities and lifestyles.))

III. Workforce Development - Skilled Workers, Employer Involvement, and Economic Opportunities

King County should address the ongoing workforce challenges of the Puget Sound region. The robust economy of today and the last ((several)) few years ((makes it very difficult for employers to find and retain both skilled and entry level workers)) provides greater employment opportunities for county residents. At the same time, however, many ((disadvantaged county residents)) low-income people have difficulties gaining access to quality education, training, and support services needed to prepare them for the world of work. Meeting these challenges successfully will depend on better strategies and working relationships between business, government, labor, advocacy organizations, education and training institutions, and human service providers.

Jobs that pay wages sufficient to support families are vital to the quality of life. However, training, education, skill levels, and abilities vary from person to person. As such, it is important for King County to support job opportunities for all residents with entry level jobs being essential to helping low-income, low-skilled individuals enter the workforce, reduce their dependence on public resources, and move ((up and)) out of poverty.

A family wage, or sometimes referred to as livable wage, is a wage that allows a family to meet its basic needs without resorting to public assistance and provides it some ability to deal with emergencies and plan ahead. This definition is taken from the "2006 Northwest Job Gaps Study"((¬)) produced by the Northwest ((Policy Center¬,)) Federation of Community Organizations. ((although the study uses the term livable wage instead of family wage. According to this study, the 1996 family (livable) wage for 11 urban counties was \$16.86 an hour or \$35,079 a year for a single adult with two children.)) According to this study, the 2006 family (livable) wage for a single adult with two children in King County was \$25.99 per hour or \$54,059 per year. For each job opening at this level, there are at least nine job-seekers.

For context, the ((1998)) 2006 King County average annual wage, excluding software workers, was ((\$35,900)) \$50,443 or \$24.25 per hour. Adding the average annual wage for software workers – ((\$291,000)) \$121,000 – increases the ((1998)) 2006 King County average annual wage to ((\$41,300)) \$53,483 or \$25.71 per hour. ((Adjusting the Northwest Job Gaps Study for inflation and costs specific to King County, the 2000 family wage is \$19.30 an hour or \$38,740 for a single adult with two children.))

As defined for this comprehensive plan, an acceptable entry-level wage pays a minimum of ((\$8.00)) \$9.00 per hour (to be reviewed annually and adjusted as appropriate), provides benefits, and offers workers wage progression opportunities. ((\text{While})) Although an entry-level wage is a wage that provides workers greater economic incentive than does being on welfare, it is not a family-wage. Depending upon household size and income, persons making entry-level wages in King County most likely require public subsidies in the form of childcare, housing, food stamps, and/or Medicaid. As skill levels and wages increase, workers become less dependent upon public subsidies as they approach a family-wage level defined above.

((U-316)) ED-115

King County supports ((assuming a leadership role in workforce development as a member of)) the King County Workforce Development Council, established by the federal Workforce Investment Act of 1998, composed of high-level representatives from business, local government, labor, education and training institutions, advocacy organizations, and human service providers. The purpose of the council is to coordinate and improve employment, training, literacy, and vocational rehabilitation programs to meet the needs of the workforce system's two customers—workers and employers((and workers)).

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((U-317))

ED-116

King County supports programs and strategies to provide employment and training opportunities to low-income and low-skilled residents including:

- a. Programs that facilitate employer involvement in hiring ((low-income and low-skilled)) workers with limited experience and skills, and provide successful strategies for skills training, job placement, and retention for workers;
- b. Training for and placement ((of low-income and low-skilled workers)) in jobs in growing industries that pay an ((entry-level)) average wage rate of ((at least \$8.00)) \$13.66 per hour (((in year 2000 dollars))), provide benefits, and offer workers wage progression opportunities((. This hourly figure is to be evaluated during each update of this plan and adjusted to reflect changes in cost-of-living or other similar indices and consideration of market conditions));
- c. Programs that reduce recidivism by helping residents involved in the criminal justice system gain access to employment and training services in lieu of jail sentencing;
- ((c-))d. School-to-work programs and effective alternatives for out-of-school youth; and
- ((d₋)) e. ((Services to enable unemployed, underemployed and dislocated workers to obtain employment at a wage that enables them to be self-sufficient.)) Summer youth employment programs for at-risk youth.

((U-318))

ED-117

King County supports programs and strategies to address the barriers to entry-level wage employment including:

- a. Access to transportation by providing transportation information and services to jobseekers and workers; and
- Access to childcare by increasing the availability and affordability of quality childcare for low-income families.

((U-319))

ED-118

King County supports apprenticeship opportunities for ((disadvantaged)) low-income populations on county public works projects in order to address the ((forecasted))on-going shortage of qualified construction trades workers and to encourage family-wage job opportunities.

((U-320))

ED-119

King County supports workforce development programs that are integrated with the county's economic development strategies, such as training and employment as environmental clean-up technicians for low-income residents of brownfields communities.

ED-119a

King County supports programs, strategies, and partnerships to promote the development and growth of green jobs. Green jobs—particularly in the Clean Technology cluster but also across all industry clusters—are jobs that are linked to the preservation and sustainability of the natural environment.

IV. Regional Plans, Regional Projects, and Public-Private Partnerships

King County will consider participation in (1) regional economic development plans and projects that provide benefits to multiple jurisdictions or (2) require a partnership between the public and the private sector to be feasible. For either regional plans and projects or public-private partnerships, the county will base its investment decision upon a full and thorough analysis of the public costs and public benefits of proposed projects.

((U-321)) ED-120

King County shall partner, where feasible, with jurisdictions and other stakeholders to develop subarea economic development strategies to promote development and redevelopment in areas that can accommodate growth.

((U-322))

<u>ED-121</u> King County shall cooperate in efforts to establish and maintain county and regional economic development strategies to provide for orderly, sustainable, and equitable economic growth throughout the Puget Sound Region.

((U-323)) ED-122

King County should consider participation in the funding of regional economic development projects when the project meets the following guidelines:

- a. The project should support a firm in basic industry;
- b. At least 75% of the jobs created by a firm, excluding management positions, should pay a family wage;
- c. The project is located within (1) an urban center or manufacturing industrial center as designated in the Countywide Planning Policies, (2) other industrial areas, or (3) business/office parks within activity areas which can be supported by and promote transit, pedestrian, and bicycle uses;
- d. The firm or project will generate sufficient new tax revenue to repay the debt the county incurs to support the project. The preferred average coverage ratio over the life of county financing is two dollars of new revenue for every one dollar of incurred debt:
- e. Other jurisdictions benefiting from a project must commit financial support based on a mutually agreeable pro rata funding formula. The funding formula will be established on a project-by-project basis;
- f. The firm or project must create ((4)) one new, permanent full-time, family-wage job for each \$35,000 of aggregate public investment; and
- g. The firm or project should create all jobs within 3-5 years from project completion.

((U-324)) ED-123

King County shall foster the development and use of public/private partnerships to implement economic development projects and programs. At a minimum, these projects must demonstrate that they:

- a. Cannot be accomplished solely by either sector;
- b. Have an experienced and proven private partner(s);
- c. Do not unduly enrich the private partner(s);
- d. Provide tangible and measurable public benefits in terms of tax and other revenue, construction and permanent jobs, livable-wages with benefits and a wage-progression strategy, and public amenities; and

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e. Will use the King County Jobs Initiative, or other entities with similar programs, as their first source of referral for training and employing low-income, low-skill residents in entry-level and semi-skilled jobs.

((U-325)) ED-124

Through local subarea planning and coordination with other agencies and organizations, King County should use zoning, incentives or other measures to ensure that an appropriate proportion of the land adjacent or near to major public infrastructure facilities is used to capitalize on the economic benefit of that infrastructure. The surrounding land uses should be buffered or compatible with economic development uses.

V. The Rural Economy

((An economic development strategy for the Rural Area can support and advance the unique characteristics of rural King County. It is critically important for the Rural Area to sustain the farming and forestry industries. The strategy needs to recognize the role of home businesses and industries as well as a range of other businesses and economic clusters that can be compatible with rural lifestyles and the rural character of the area. Rural economic development means maintaining and, where possible, increasing the flow of income to rural households and revenues to rural businesses and families.))

King County values its entire Rural Area and recognizes the traditional economic activities that support a rural lifestyle. A healthy and sustainable rural economy is necessary to ensure rural residents can continue to both live and work in the Rural Area. The farm, livestock, and forestry operations, the many entrepreneurial home-based businesses, the Rural Towns, Rural Neighborhood Commercial Centers, and the rural cities all provide rural residents with goods, services, and employment.

Within the Rural Area, economic activities include farming, livestock raising, equestrian uses, forestry, resource value-added businesses, and home-based business. The Rural Neighborhood Commercial Centers are designed to provide a limited array of goods and services to local rural residents on a small scale. The Rural Towns provide a wider range of goods, services, and jobs for rural residents, including retail, restaurants, and services. The designated Resource Lands support the long term-commercial aspects of agriculture and forestry and potential resource valued-added products.

The county also recognizes that the Rural Area and Resource Lands benefit all county residents. The agriculture sector provides a safe and reliable local food source—keeping costs low and quality high—to restaurants and households, the majority of which are in urban areas, and regionally to farmer's markets and specialty stores. Rural King County provides many diverse recreation and tourism opportunities including scenic vistas; trails for hiking, bicycling, off-road, and equestrian use; harvest festivals; open space, and wildlife habitat; and working farms and forest lands, all within a short distance from the urban centers.

A vibrant and sustainable rural economy depends on several factors including, but not limited to, preserving and enhancing the businesses within traditional rural economic clusters, ensuring that new commercial enterprises are of a size and scale that is consistent with and retains the rural character of the surrounding area, and changes in regulations to reflect and respond to the differing needs and emerging trends of rural economic activity while protecting the natural environment.

In 2004, the King County Comprehensive Plan was amended to include a policy that directed the county to develop and implement a rural economic development strategy. To comply with this policy, the county developed the Rural Economic Strategies Report in 2005 and began implementing the identified strategies and actions in 2006.

The mission of the Rural Economic Strategies is to advance the long-term economic viability of the Rural Area, with an emphasis on farming, forestry, and other rural businesses consistent with the unique character of rural King County. The mission is accomplished by initiating and implementing specific strategies and actions to support and enhance rural economic viability. Rural businesses generally fall into six rural economic clusters and each cluster is supported by specific strategies and actions to strengthen and/or enhance it. The clusters are Agriculture, Forestry, Home-Based Businesses, Recreation and Tourism, Rural Neighborhood Commercial Centers and Towns, and rural cities.

The specific strategies and actions are intended to be flexible in order to respond to evolving rural business needs and changes within any of the economic clusters. The county prepares a Rural

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Economic Strategies annual report to present the actions accomplished in the previous year, introduce new actions initiated, and discuss proposed actions for the following year. This ensures the process stays flexible and is current with evolving trends in the rural economy.

The rural economic policies are designed to establish and maintain a long-term commitment to a sustainable and vibrant rural economy. They support implementation of the Rural Economic Strategies; continued evaluation of county codes to support the evolving agriculture, forestry, and other rural economic clusters; and support for programs and strategies that foster a diversified rural economy, compatible with existing rural character, while maintaining the natural environment.

((R-106)) ED-125

((King County recognizes and supports home occupations, home industries, and other_small businesses that provide services to rural residents and are part of traditional rural economic activities and lifestyles found in King County's Rural Area. The county shall review its regulations and programs to preserve this component of the County's Rural Area. The Executive shall provide this analysis of the regulations and programs, along with any recommended code changes, for review by the King County Council by December 31, 2005.))

King County is committed to a sustainable and vibrant rural economy. County policy, regulations, and programs should support the preservation and enhancement of traditional rural economic activities and lifestyles, while supporting evolving compatible commercial uses and job opportunities.

ED-126

All economic development within the Rural Area and on resource lands shall be compatible with the surrounding rural character, be of an appropriate size and scale, and protect the natural environment.

((R-107)) ED-127

((King County shall develop and implement a rural economic development strategy, which shall be consistent with the character and service levels of the Rural Area. The strategy shall be developed in coordination with the Rural Forest Commission, the Agricultural Commission, interested rural citizens, and other stakeholders. This strategy shall be transmitted to the King County Council by December 31, 2005, and shall include the following components:

- a. Identification of rural economic development policies, goals, objectives and implementation tools necessary to bring income to the businesses and residents of rural King County within the strictures of GMA;
- b. Establishment of an action plan that will identify roles, expected outcomes, milestones and schedules:
- Assessment of the strengths, weaknesses, challenges and opportunities faced by the King County rural economy;
- d. Inventory of the existing supply of commercial and industrial lands in the Rural Area and an assessment of its sufficiency over the 20-year planning horizon;
- e, Identification of the types of businesses that should be encouraged and supported in rural areas;
- f. Identification of current obstacles to overall rural economic development as well as impediments to the location or expansion of favored industries that are consistent with rural character;
- g. Identification of the implementation tools capable of supporting and encouraging the retention, expansion and relocation of favored businesses; and
- h. Consistency with and in support of the APD and the FPD.))
 King County shall use the Rural Economic Strategies to guide future rural economic development and will modify and add strategies as needed to reflect the evolving nature of the rural economy.
- a. King County supports programs and strategies to help preserve and enhance rural businesses focusing on the rural economic clusters of agriculture

- (including livestock), forestry, home-based business, small-scale tourism, and other compatible rural businesses.
- b. King County should continue to review existing and proposed regulations to ensure they are relevant and effective in accommodating the differing needs and emerging trends of rural economic activity.
- c. ((Within the unincorporated area,)) King County should partner with rural businesses, unincorporated area councils, and others to develop and implement policies, programs, and strategies ((that promote local economic development)) to preserve and enhance the traditional rural economic base.
- d. King County should partner with other Puget Sound counties and businesses to analyze the need and possible sites for regional agricultural (including beef and poultry) and forest product processing facilities that may require regional demand to make them economically feasible. The county should also explore options and incentives to encourage entrepreneurs to invest in mobile forest and food production processing facilities that can serve the region.

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