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Employment in Regional Growth Centers, 2000–2008

The regional growth centers were established in VISION 2040 by regional leaders as strategic areas where future compact residential and commercial development will be encouraged. This *Trend* examines employment levels in these centers compared to each other as well as the rest of the region. The period of analysis is divided into two phases: 1) recession, lasting from 2001 through 2003, and 2) rebound, lasting through March 2008. (Note: As of March 2008, the current recession had not yet been broadly felt across our region, with the exception of job losses in the construction sector.)

The 2001 recession disproportionately impacted the region's signature export industries: aerospace and information technology.[1] The local economy rebounded in those sectors, and saw strong growth in construction, restaurants and drinking establishments, professional services, healthcare and social assistance, and the public sector.

Employment in regional growth centers has increased since 2000, but less rapidly than employment outside centers. The recession appears to have affected centers similarly to the rest of the region; however, centers recovered more gradually (see Figure 2). Centers have strongly attracted jobs in most growing industries mentioned previously: restaurants and drinking places, healthcare, and especially software. However, they have continued to lose jobs in a wide variety of other industries, including construction, administrative services, telecommunications, wholesale, warehousing, and truck transportation. From 2000 to 2008, centers captured one quarter of the job increase among industries that were growing in the region. However, half of the jobs lost in the region's shrinking industries were from centers. In total, centers had a 15% share of net regional employment growth — much smaller than the 31% share of regional jobs they contained in 2000.

Among the various centers, a majority exhibit the recessional pattern of decline and recovery (see Table 1). In the centers that experienced job losses over the period — particularly in Downtown Seattle and Downtown Redmond — the sale and relocation of one or more corporate headquarters was a large contributing factor. Employment remained stable over time in several centers anchored by shopping malls — South Hill, Northgate, and the Tacoma Mall. Centers with strong increases were of various types: Redmond-Overlake and Canyon Park, characterized by office complexes, grew primarily due to large employers. Small business was responsible for most growth in Silverdale and Kent. In Lakewood and, especially, Bellevue, employment increased substantially among both large and small firms.

For more information about this *Trend*, please contact Michael Jensen at mjensen@psrc.org or 206-464-7538.

[1] *See Puget Sound Trends, No. E5, November 2007.*

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Figure 1. Designated Regional Growth Centers

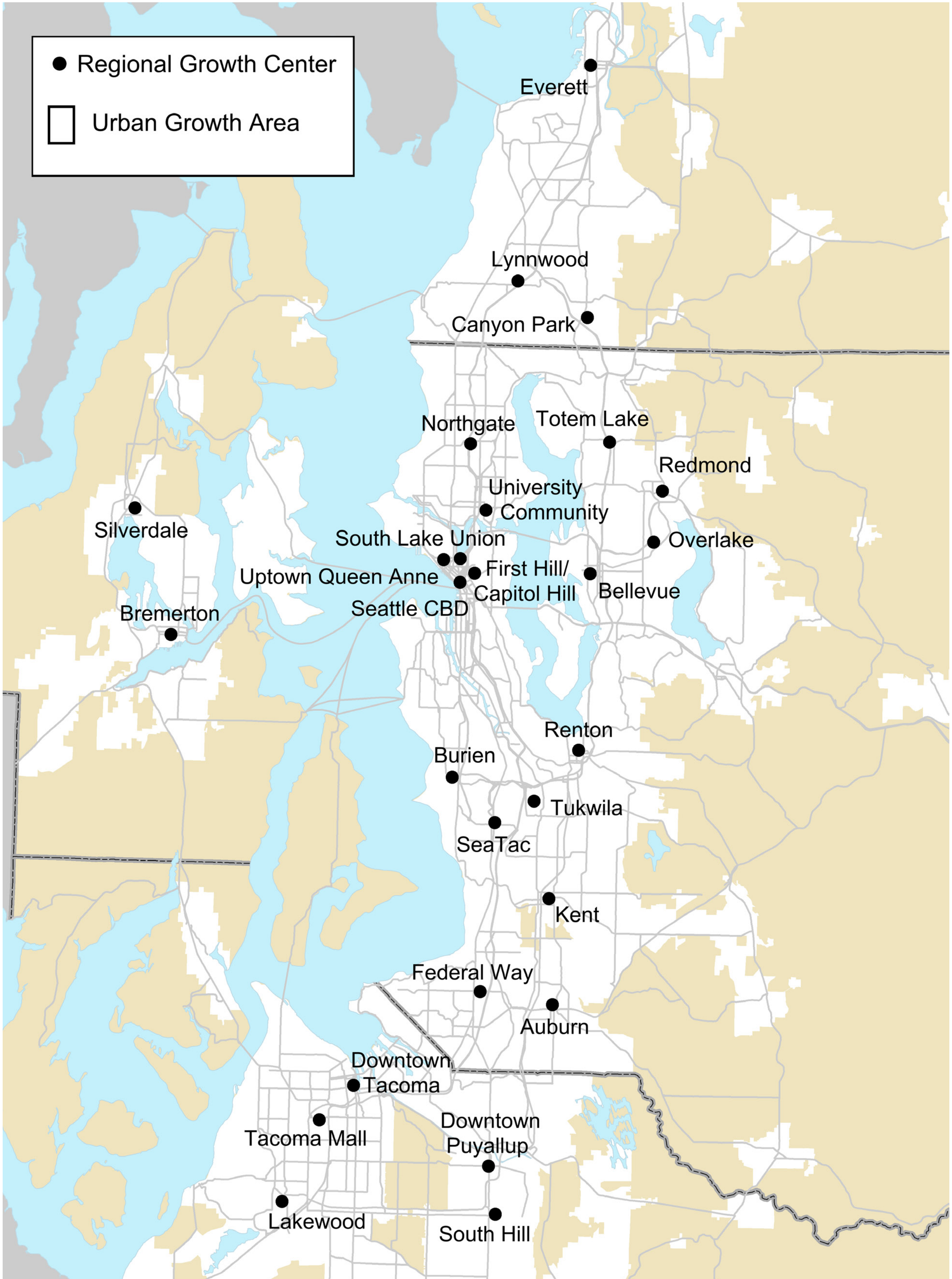

Figure 2. Annual Percent Covered Employment Change, 2000–2008

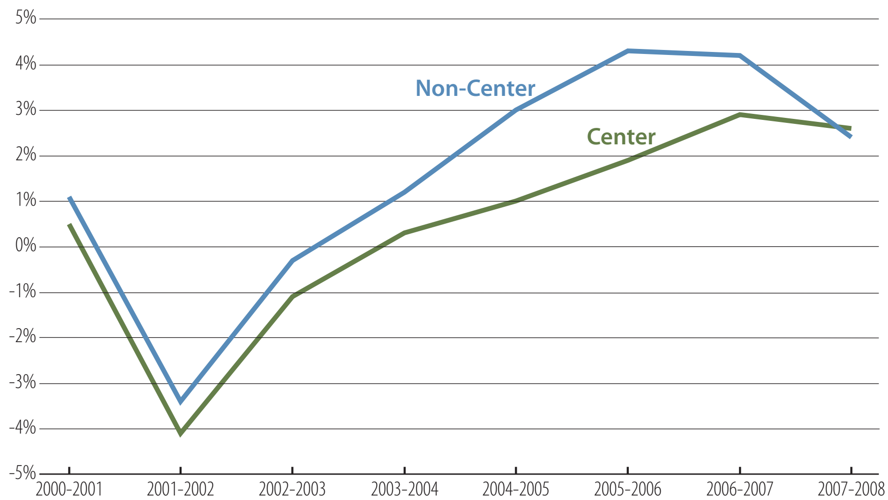

Table 1. Change in Regional Growth Center Employment Levels, 2000–2008

Center	Jobs 2000	Jobs 2001	Jobs 2003	Jobs 2008	Change 2001-03	Change 2003-08	Change 2000-08	Annualized Change
Auburn	2,710	2,734	2,473	2,928	(261)	455	218	1.0%
Bellevue	27,279	28,186	24,866	32,365	(3,320)	7,499	5,086	2.2%
Bremerton	15,096	14,805	15,347	15,031	542	(316)	(65)	-0.1%
Burien	4,017	4,072	4,132	3,541	60	(591)	(476)	-1.6%
Canyon Park	6,882	6,946	7,353	8,566	407	1,213	1,684	2.8%
Everett	11,025	10,905	10,556	12,305	(349)	1,749	1,280	1.4%
Federal Way	3,617	3,628	3,489	2,906	(139)	(583)	(711)	-2.7%
First Hill/Capitol Hill	34,268	36,573	36,679	38,723	106	2,044	4,455	1.5%
Kent Downtown	3,819	3,709	3,552	4,405	(157)	853	586	1.8%
Lakewood	5,091	5,205	5,311	6,133	106	822	1,042	2.4%
Lynnwood	10,809	10,259	10,494	12,526	235	2,032	1,717	1.9%
Northgate	9,970	10,450	10,078	10,380	(372)	302	410	0.5%
Puyallup Downtown	2,266	2,048	1,978	2,973	(70)	995	707	3.5%
Redmond	8,339	9,018	12,113	8,007	3,095	(4,106)	(332)	-0.5%
Redmond-Overlake	23,444	28,409	28,808	43,157	399	14,349	19,713	7.9%
Renton	16,378	15,385	11,057	13,567	(4,328)	2,510	(2,811)	-2.3%
SeaTac	7,466	7,891	7,220	8,580	(671)	1,360	1,114	1.8%
Seattle CBD	152,327	147,575	134,004	140,417	(13,571)	6,413	(11,910)	-1.0%
Silverdale	7,264	7,876	8,396	8,746	520	350	1,482	2.3%
South Hill	4,718	3,902	3,994	5,265	92	1,271	547	1.4%
South Lake Union	21,129	19,669	17,685	21,311	(1,984)	3,626	182	0.1%
Tacoma Downtown	30,480	29,261	29,759	31,473	498	1,714	993	0.4%
Tacoma Mall	9,428	9,375	9,678	10,109	303	431	681	0.9%
Totem Lake	12,461	12,962	11,306	11,627	(1,656)	321	(834)	-0.9%
Tukwila	18,407	17,780	16,528	18,195	(1,252)	1,667	(212)	-0.1%
University Community	32,330	33,389	32,661	32,647	(728)	(14)	317	0.1%
Uptown Queen Anne	14,782	14,639	13,110	14,205	(1,529)	1,095	(577)	-0.5%
Centers Total	**495,802**	**496,651**	**472,627**	**520,088**	**(24,024)**	**47,461**	**24,286**	**0.6%**
Remainder of Region	**1,076,108**	**1,096,133**	**1,055,024**	**1,209,745**	**(41,109)**	**154,721**	**133,637**	**1.5%**
Regional Total	**1,571,910**	**1,592,784**	**1,527,651**	**1,729,833**	**(65,133)**	**202,182**	**157,923**	**1.2%**

Note: Values represent located employment, not adjusted to match Employment Security Department totals. Redmond center is adjusted to compensate for known payroll reporting.