

City of Sammamish **Economic Development Strategy**

2017 DEMOGRAPHIC AND ECONOMIC PROFILE

May 15, 2017

Presented by Community Attributes to the City of Sammamish





*Community Attributes tells data rich stories about communities
that are important to decision-makers.*

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- 1 INTRODUCTION**
- 2 WHO WE ARE**
- 3 HOW WE WORK**
- 4 WHERE WE WORK**

Background

The City of Sammamish was recently awarded an economic development grant from the Port of Seattle through the Economic Development Partnership Program. The Port's primary goal with the grant program is to facilitate growth in business, jobs and economic activity in participating municipalities. The City and Port have collaborated to develop a project focused on improving the City's ability to attract and retain business while simultaneously preparing for future growth.

In 2013 Community Attributers worked with the City to prepare an economic development strategy. The work included a detailed analysis of the City's demographics and local economy. Community Attributes joined the City again in 2017 to develop an updated economic development profile along with strategic recommendations. Key components of the project include an update of the City's economic and demographic data, development of online business communication tools, and outreach with local businesses and community stakeholders. The aforementioned analysis and work is in support of strategic recommendations from CAI that will provide an economic development roadmap for the City over the coming years.

Key Tasks

- > Produce an updated demographic and economic profile of the City and leverage for new business communication materials
- > Help the City establish a new business web portal
- > Provide opportunities for outreach with the public and local business stakeholders
- > Develop recommendations for the City to guide future economic development efforts

About the Demographic and Economic Profile

This profile consists of demographic and economic data essential to understanding Sammamish's relative position within the region. In addition to providing details on the City's residents and business, the profile offers a comparison where possible to other regional communities, providing valuable context. The analysis has been leveraged to implement new communication materials oriented toward new and existing businesses. In addition, the analysis is a component of strategic recommendations for the City to consider as part of future economic development efforts.

The analysis relies on the following data sources:

- > 2010-2015 American Community Survey
- > CoStar Real Estate
- > Washington Department of Revenue
- > Puget Sound Regional Council
- > United States Bureau of Labor Statistics

2 WHO WE ARE

unique demographic & human assets

unique demographic & human assets

What we learned in 2013:

- > Sammamish residents in general have higher incomes and are well-educated
- > Sammamish is an exceptionally family-oriented town
- > 'Millennials' are underrepresented
- > Sammamish will remain a bedroom community as economic growth occurs

What we learned in 2017:

- > Sammamish continues to be a family-oriented community
- > Sammamish continues to expand in terms of regional assets and draw
- > The City's housing stock largely consist of single family homes (both attached and detached)
- > A majority of local households are families living in single family homes with incomes over \$100,000

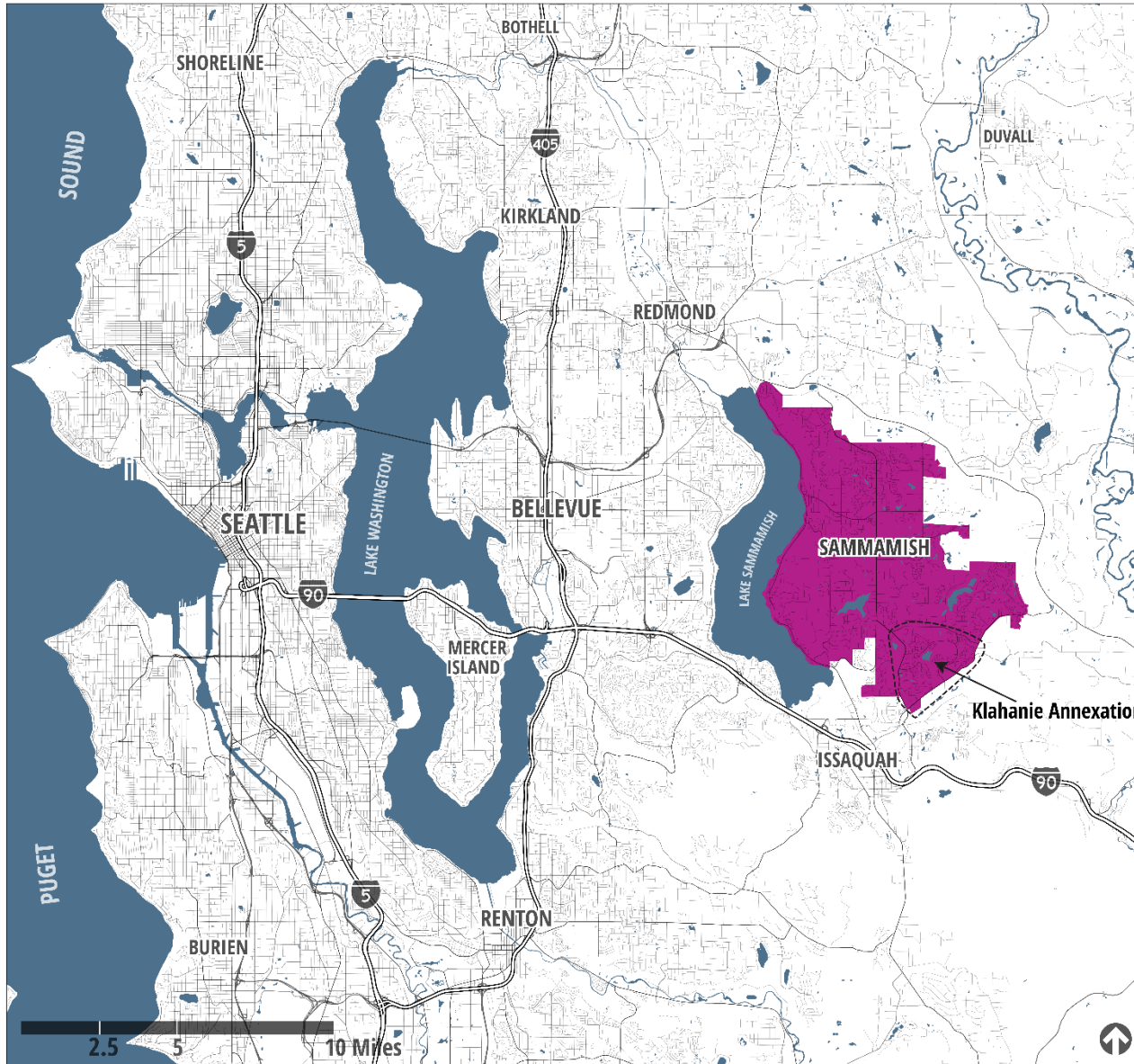




Exhibit 1. City of Sammamish in regional context with Klahanie annexation, 2016

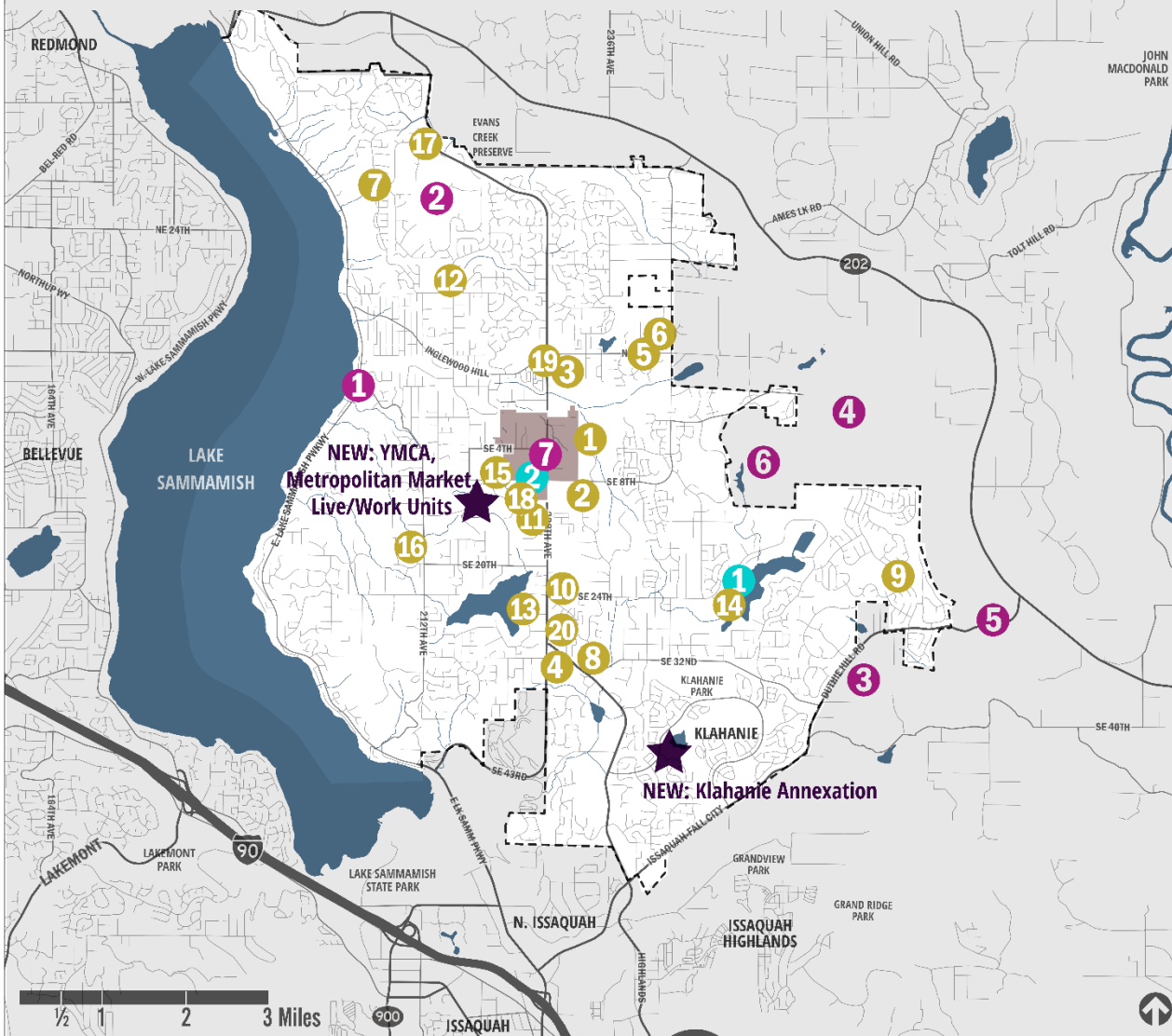
The City's population grew by more than 20% with the annexation of Klahanie on January 1, 2016.

2015 ACS data does not include the Klahanie annexation.

-  City of Sammamish
-  Lakes, Rivers & Streams

SOURCE PSRC, King County, CAI

Exhibit 2. Sammamish Assets for Economic Development



REGIONAL DRAWS

- 1 East Lake Sammamish Trail
- 2 Sahalee Country Club
- 3 Duthie Hill Park (Mtn Biking)*
- 4 Soaring Eagle Regional Park*
- 5 Aldarra Golf Club*
- 6 Plateau Club*
- 7 Sammamish Town Center

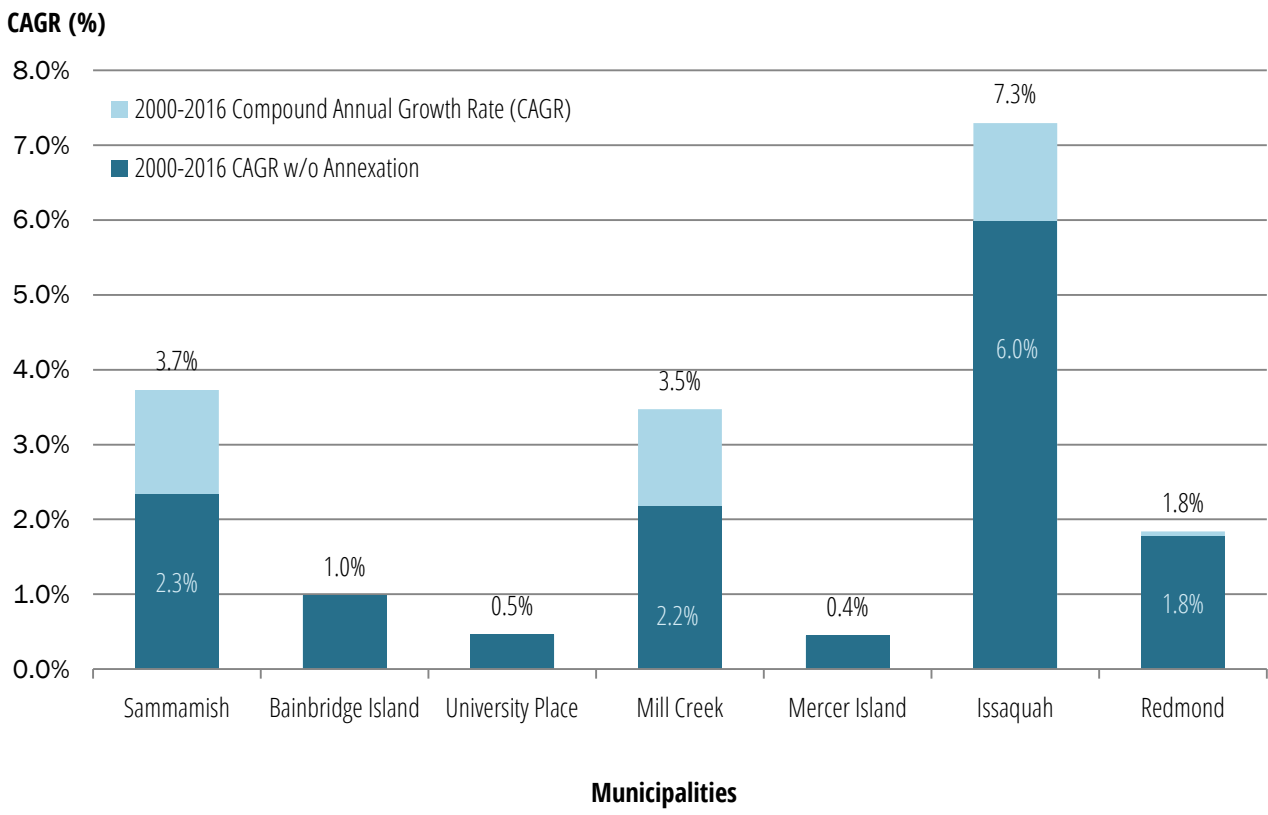
EVENTS

- 1 Beaver Lake Triathlon
- 2 Sammamish Farmer's Market

LOCAL ASSETS

- 1 Eastside Catholic Middle & High School
- 2 Skyline High School
- 3 Eastlake High School
- 4 Pine Lake Middle School
- 5 Inglewood Middle School
- 6 Rachel Carson Elementary School
- 7 Elizabeth Blackwell Elementary School
- 8 Sunny Hills Elementary School
- 9 Cascade Ridge Elementary School
- 10 Discovery Elementary School
- 11 Arbor Elementary School
- 12 Margeret Mead Elementary School
- 13 Pine Lake Park
- 14 Beaver Lake Park
- 15 Sammamish Commons
- 16 Ebright Creek Park
- 17 Northeast Sammamish Park
- 18 Sammamish Library
- 19 Highlands Center & Inglewood Plaza
- 20 Pine Lake Village

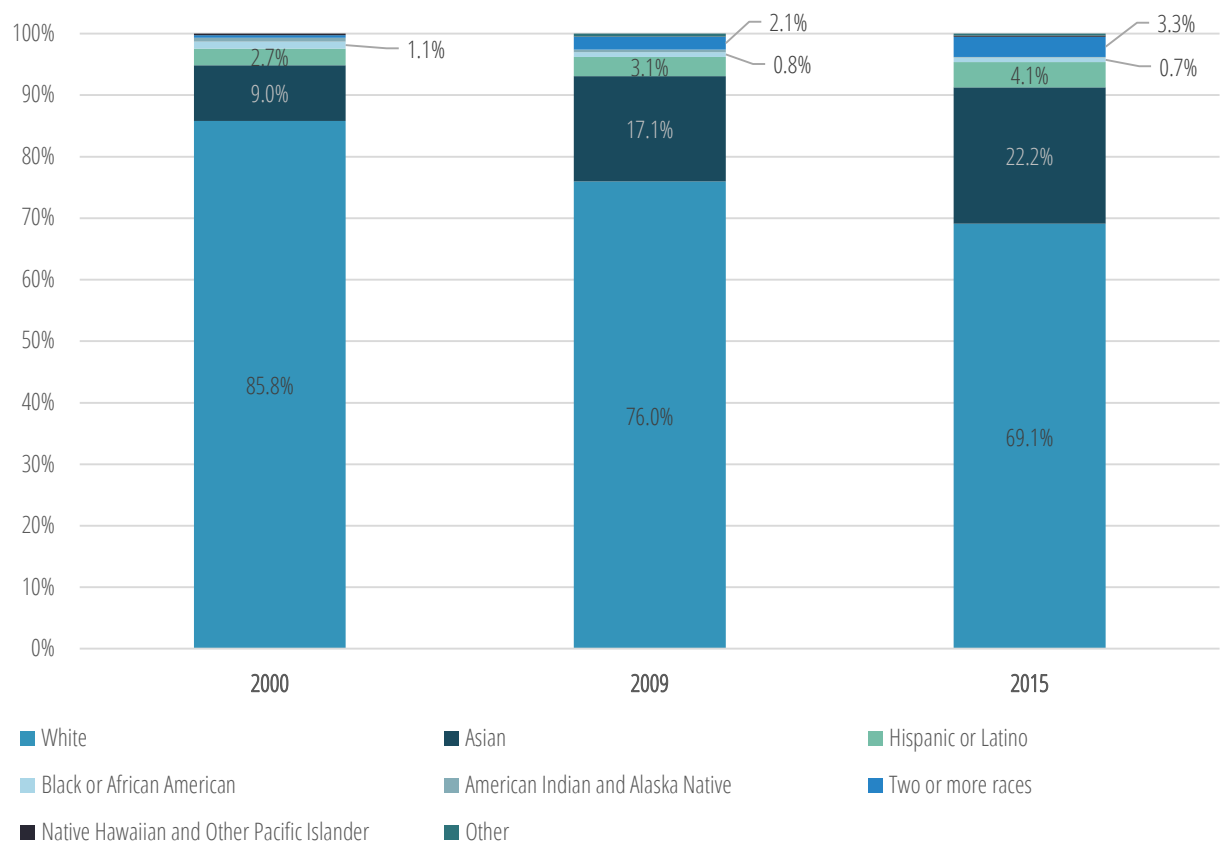
Exhibit 3. Population Growth, Sammamish and Comparison Cities, 2000-2016



Sammamish has grown both through new residents moving to the City as well as through annexation.

Source: Washington State Office of Financial Management, 2017

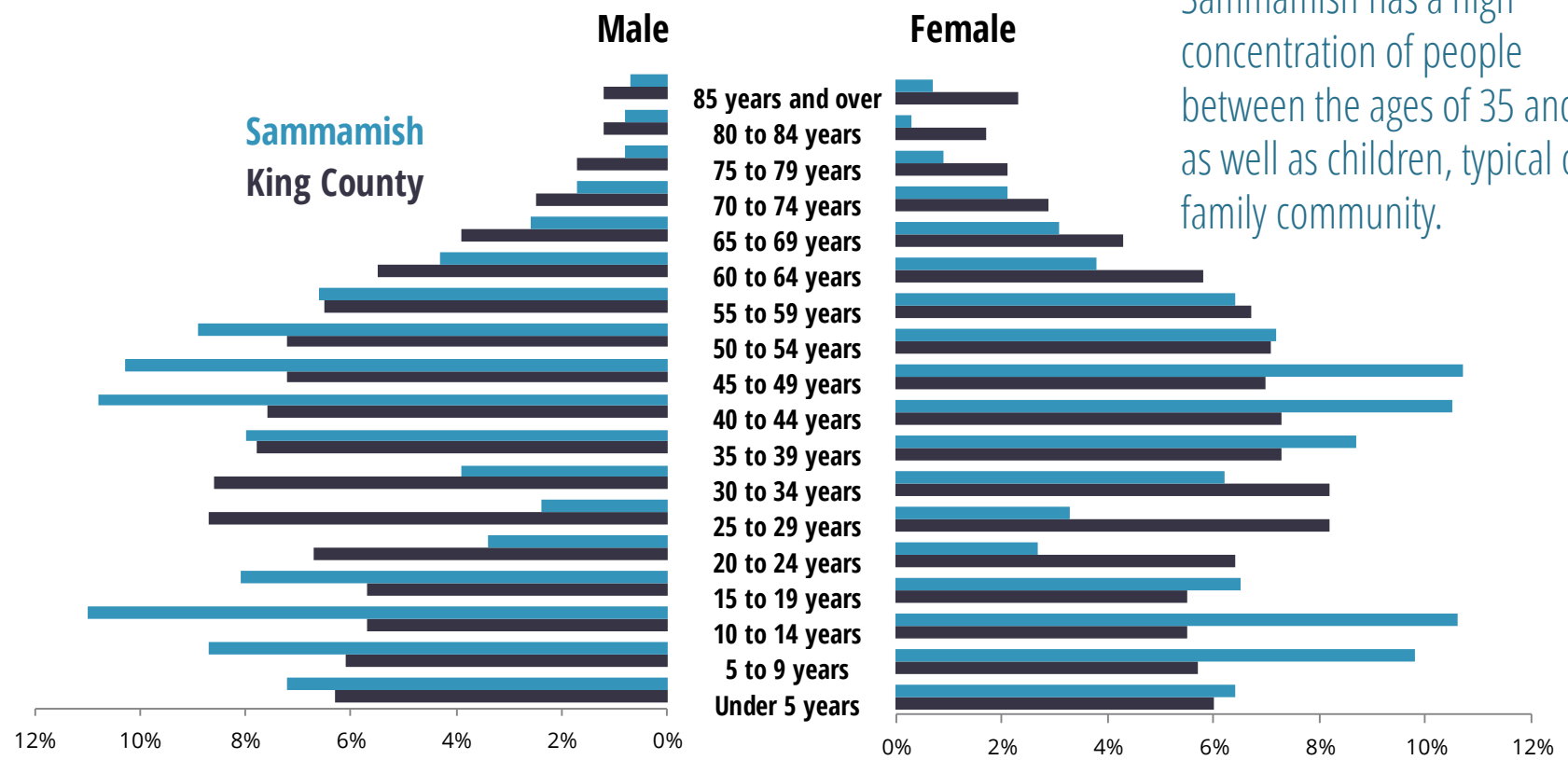
Exhibit 4. Racial and Ethnic Composition, Sammamish, 1999-2015



Sammamish is steadily becoming more diverse.

Source: Washington State Office of Financial Management, 2017

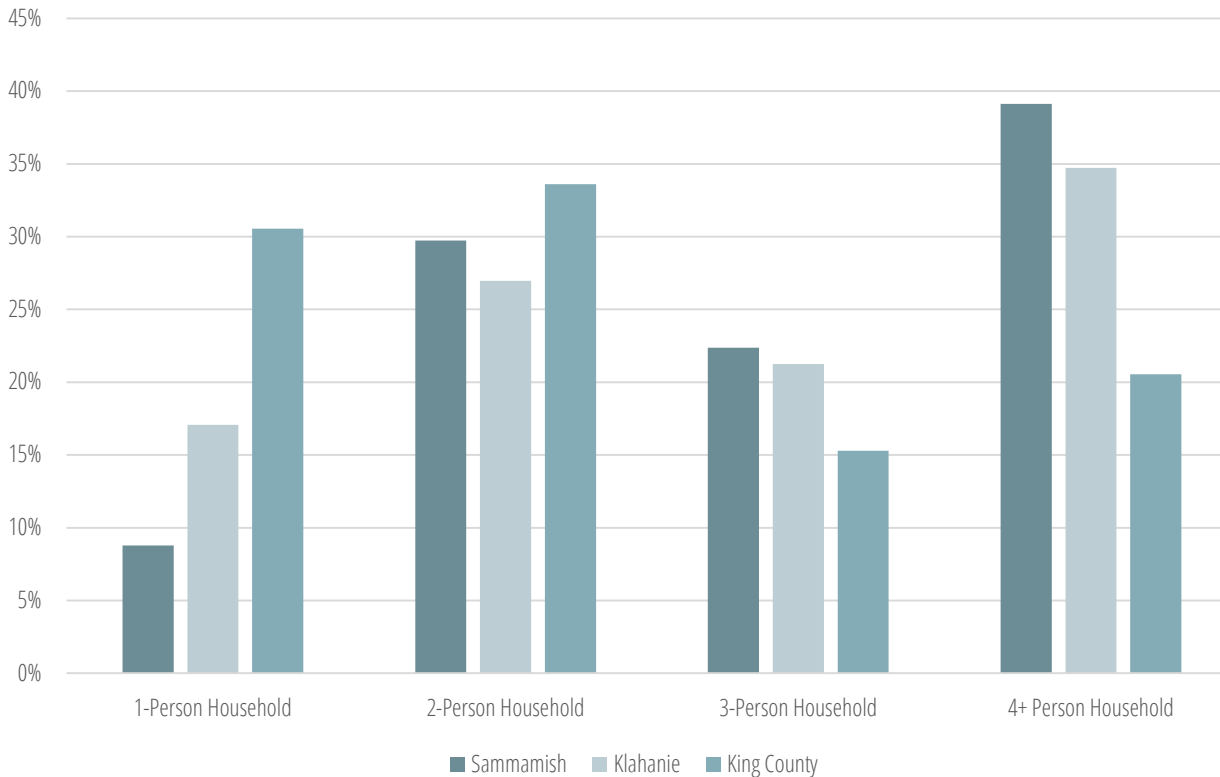
Exhibit 5. Population Pyramid, Sammamish and King County, 2015



Sammamish has a high concentration of people between the ages of 35 and 55 as well as children, typical of a family community.

Source: US Census Bureau; American Community Survey, 2011-2015

Exhibit 6. Household Composition; Sammamish, Klahanie and King County, 2015

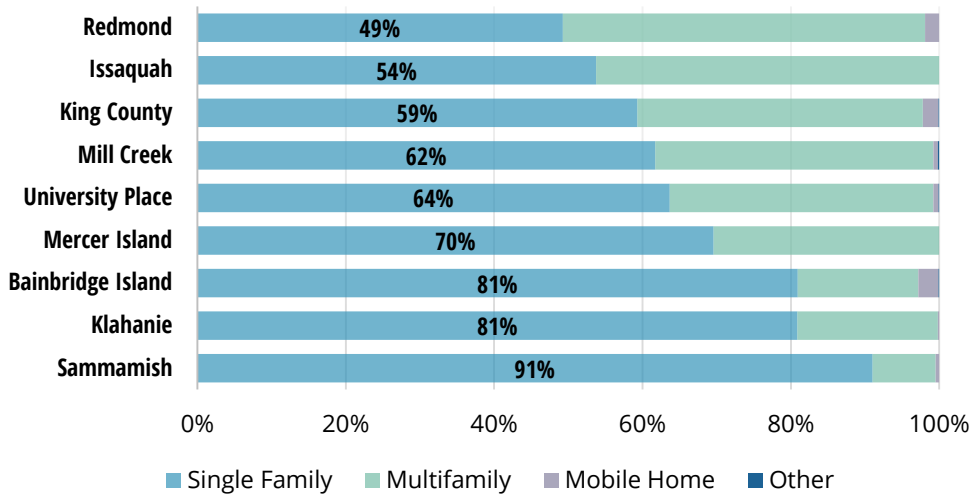


The City has higher share of larger households, reflecting other demographic indicators related to household composition and type.

Klahanie has a higher share of single person households, and a lower share of large families compared to the rest of Sammamish.

Source: US Census Bureau, American Community Survey, 2010-2015

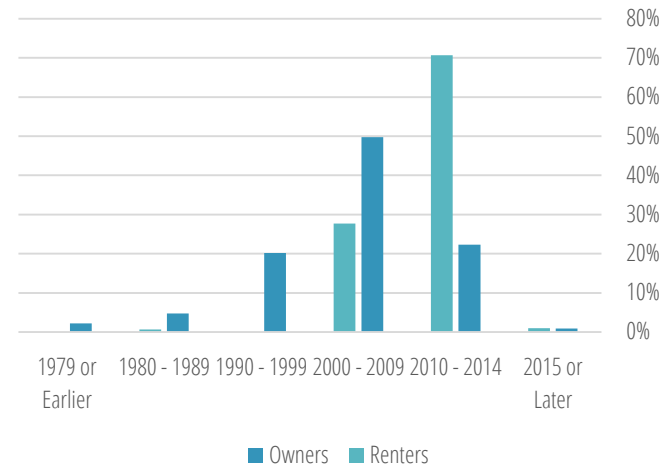
Exhibit 7. Housing Units by Type, Sammamish and Comparison Jurisdictions, 2015



Sammamish has few multifamily housing units relative to comparable communities in the region. The share in Klahanie is not high in regional terms, but it is higher than in the rest of Sammamish.

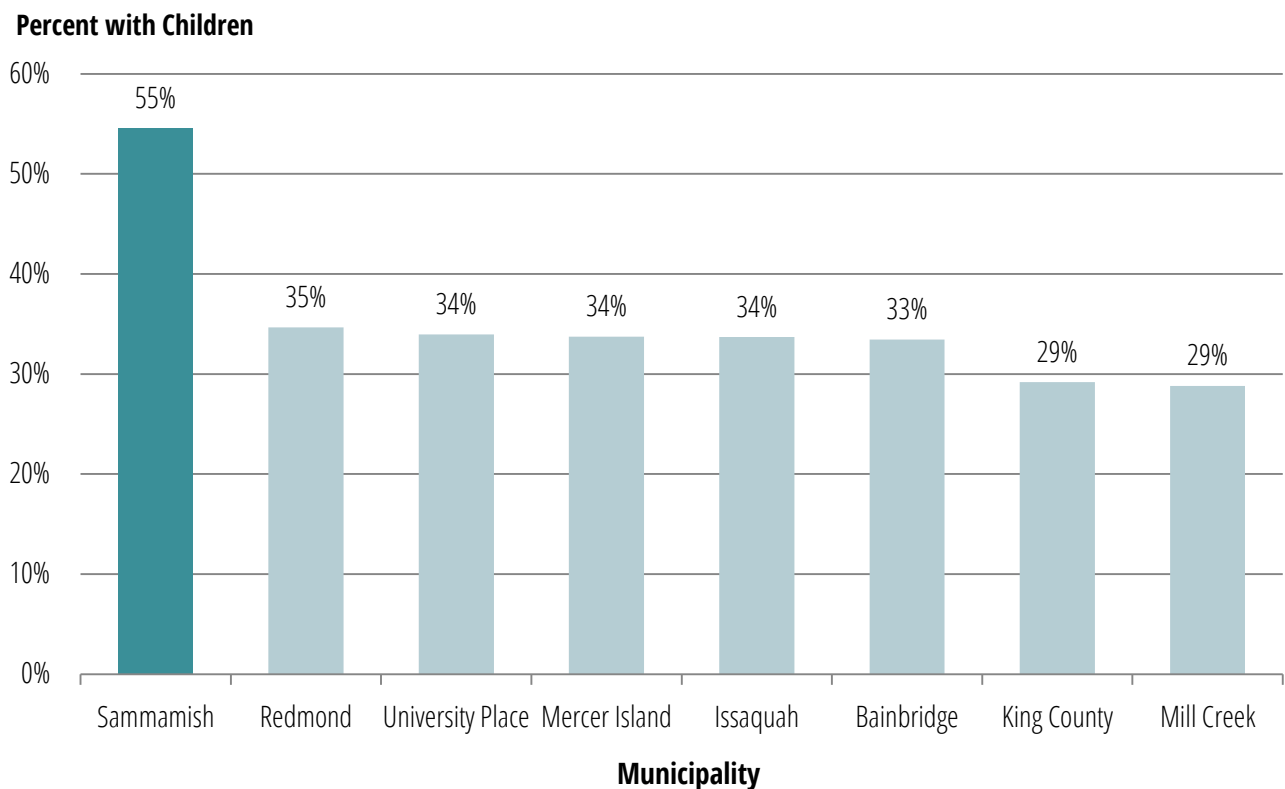
Source: US Census Bureau, American Community Survey, 2010-2015

Exhibit 8. Year Household Moved to Current Home, Sammamish, 2015



Source: US Census Bureau, American Community Survey, 2010-2015

Exhibit 9. Percentage of Households with Children, Sammamish and Comparison Cities, 2015



Households with children are still an important component of the City's makeup, representing more than half the City's households.

In Klahanie, **48%** of households have children.

Source: US Census Bureau, American Community Survey, 2010-2015

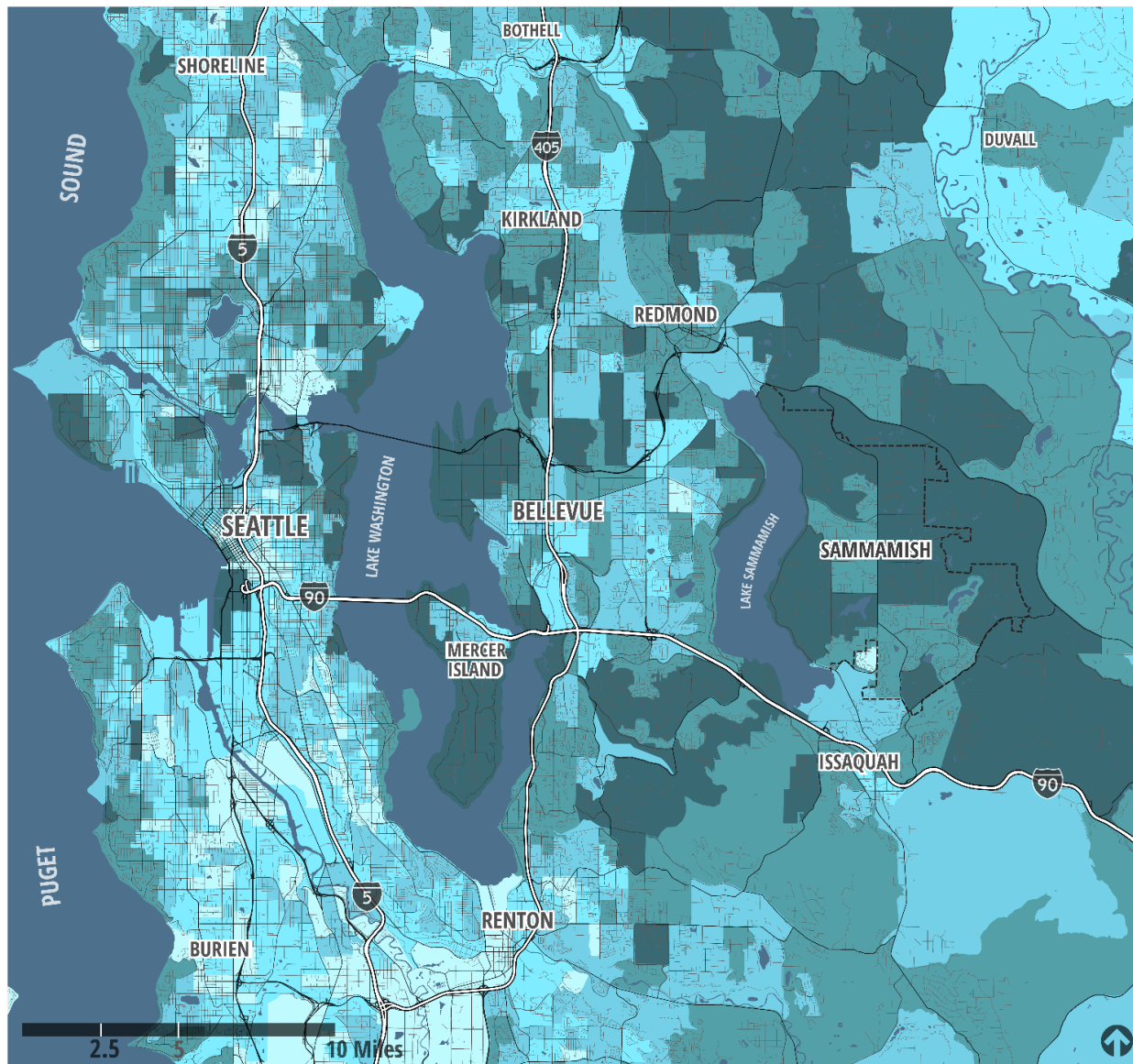


Exhibit 10. Income and Wealth in Sammamish and King County, 2015

As in 2013, the City's median household income was more than 60% higher than King County.

The 2015 median household income was \$147,349, with 74% of households making more than \$100,000 annually.

Klahanie's 2015 median income was \$127,589, with 64% of households making more than \$100,000 annually.

Median Household Income

- Less than \$42,019
- \$42,020 - \$64,435
- \$64,436 - \$89,914
- \$89,915 - \$129,211
- More than \$129,211

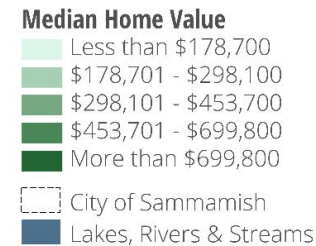
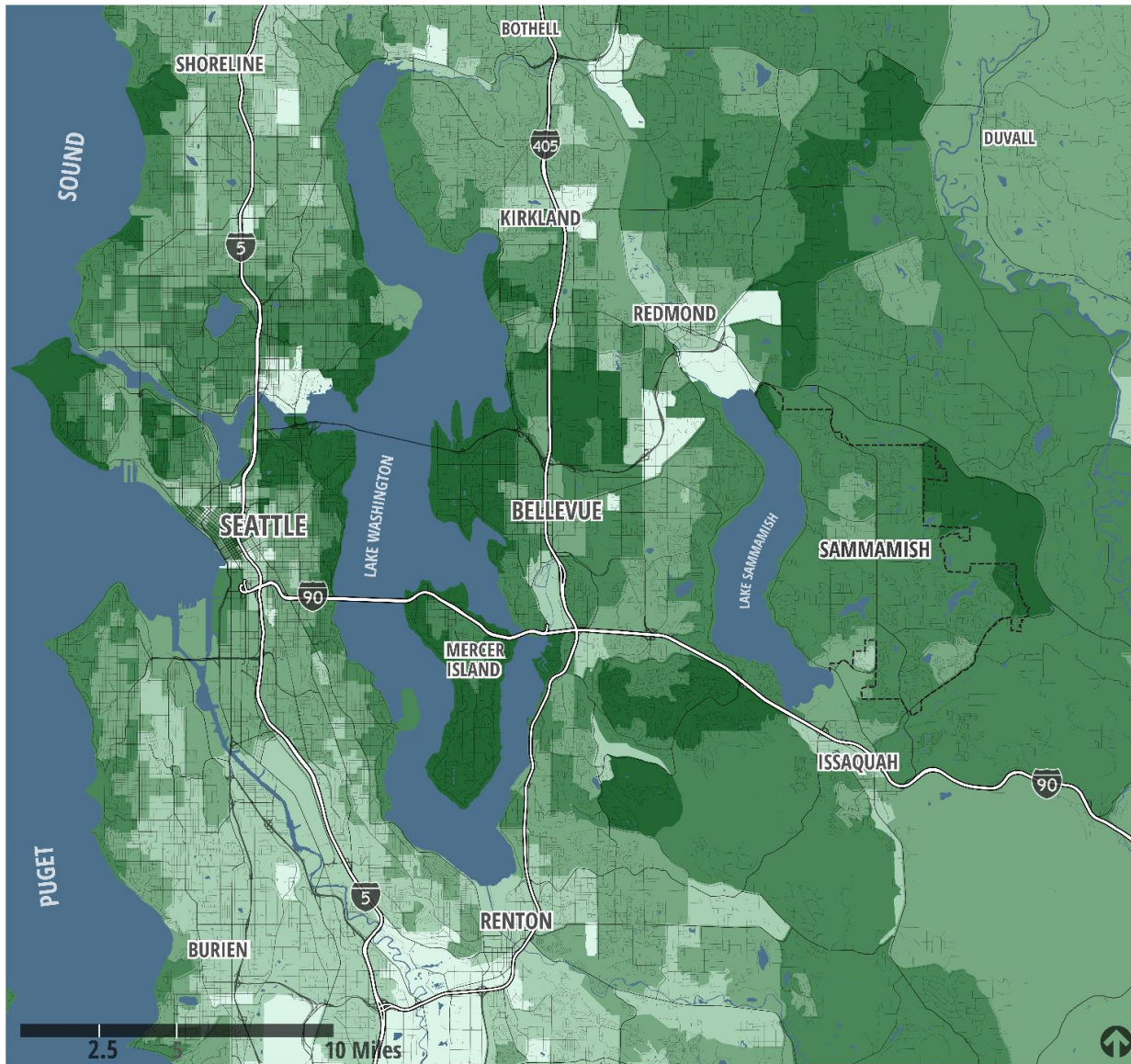
- City of Sammamish
- Lakes, Rivers & Streams

SOURCE U.S. Census ACS, King County, CAI

Exhibit 11. Median Home Value by Block Group, 2015

While median home values in Sammamish do not reach the peaks of some of its neighbors, they do not reach the lows of those same neighbors either. The City features a relatively even, high median home value throughout its limits.

The median home value in Klahanie is \$463,100, compared to \$609,600 in the rest of Sammamish, where there is a higher share of newer homes and single family homes.



SOURCE U.S. Census ACS, King County, CAI

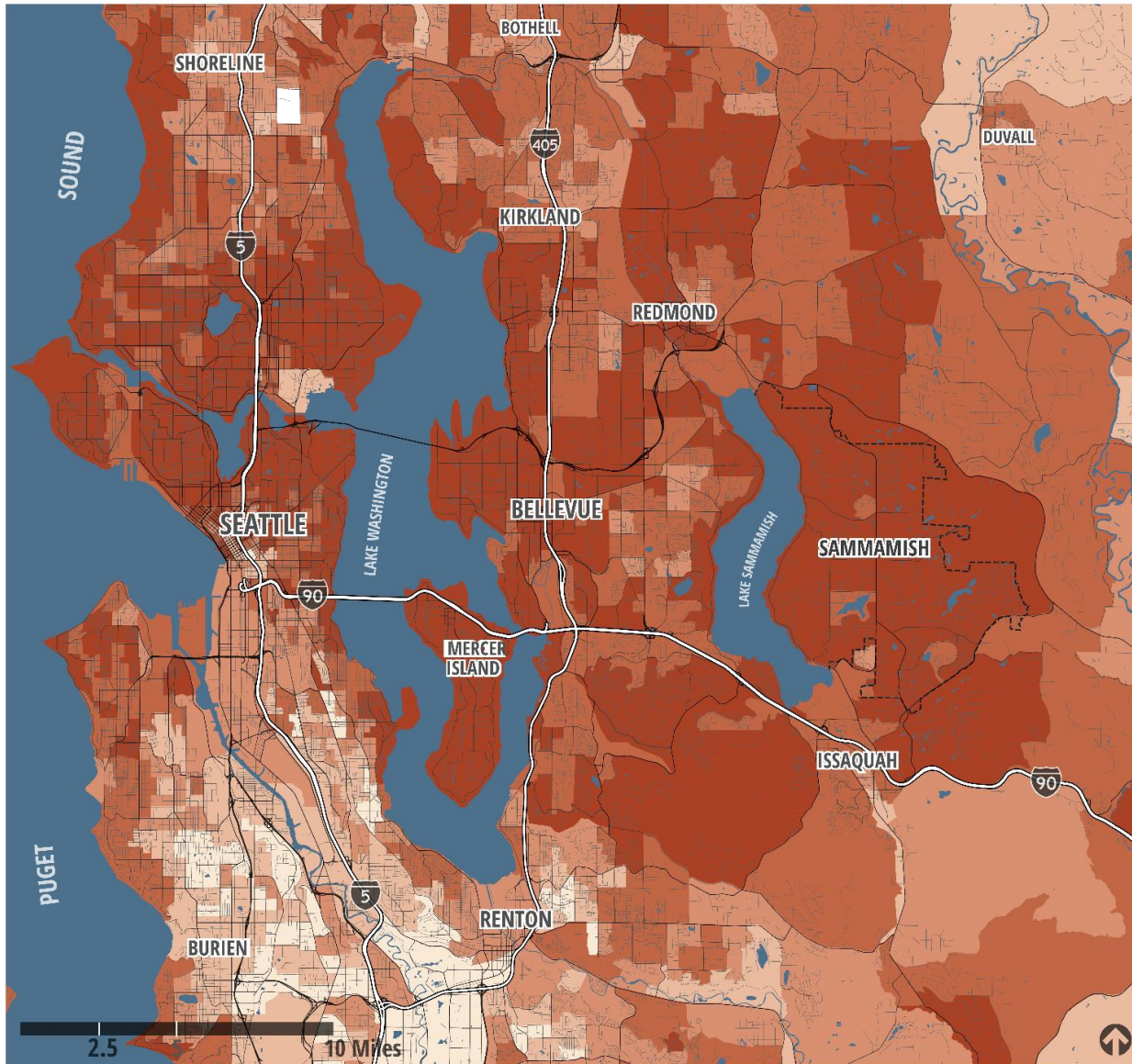


Exhibit 12. Educational Attainment in Sammamish and King County, 2015

In 2015, 73% of Sammamish residents age 25 or higher had at least a bachelor's degree, compared to 48% across King County. Klahanie is similarly well-educated, with 69% of residents holding a bachelor's degree or higher.

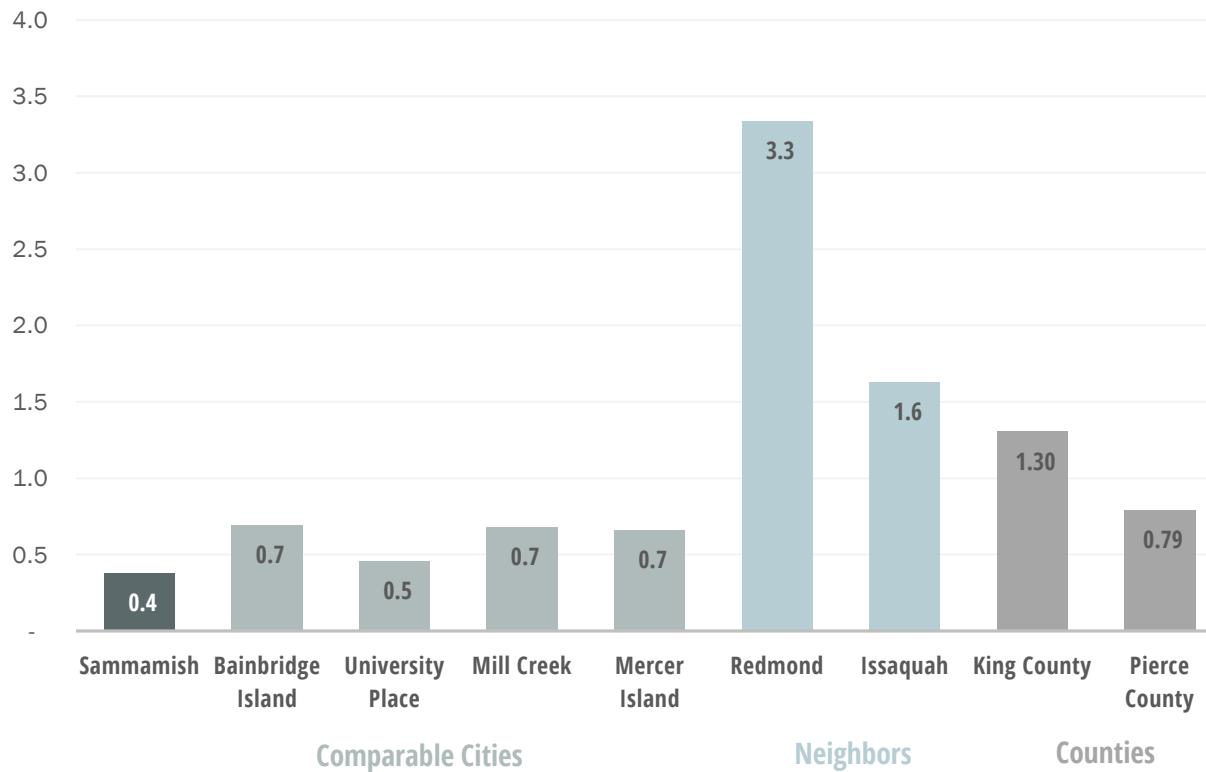
Individuals over 25 with a bachelor's degree or more by block group, 2014

- Less than 15%
- 15-28%
- 28-42%
- 42-61%
- 61-98%

- City of Sammamish
- Lakes, Rivers & Streams

SOURCE U.S. Census ACS, King County, CAI

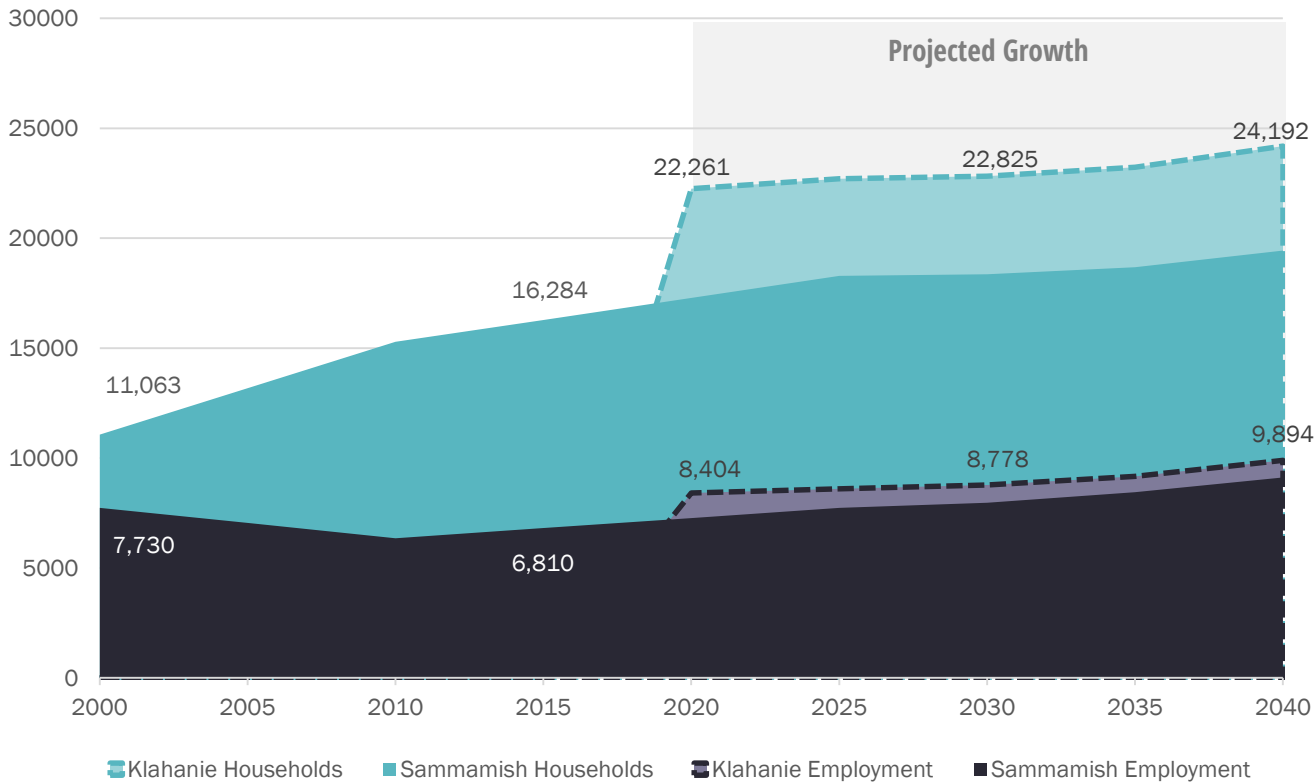
Exhibit 13. Jobs-Housing Ratio Sammamish and Comparison Jurisdictions, 2015



Sammamish is a strong bedroom community with a low jobs to housing ratio compared to other communities in the region

Source: PSRC, 2016; Washington State Office of Financial Management, 2016

Exhibit 14. Employment & Household Growth Forecast City of Sammamish, 2000-2040



With the Klahanie annexation, the City is projected to reach 24,192 households and 9,894 employees in 2040.

As shown by the lighter shaded Klahanie sections, Klahanie is expected to contribute relatively more households than jobs to Sammamish.

Source: PSRC, 2015

3 HOW WE WORK

what we do & how we get there

what do we do and how do we get there

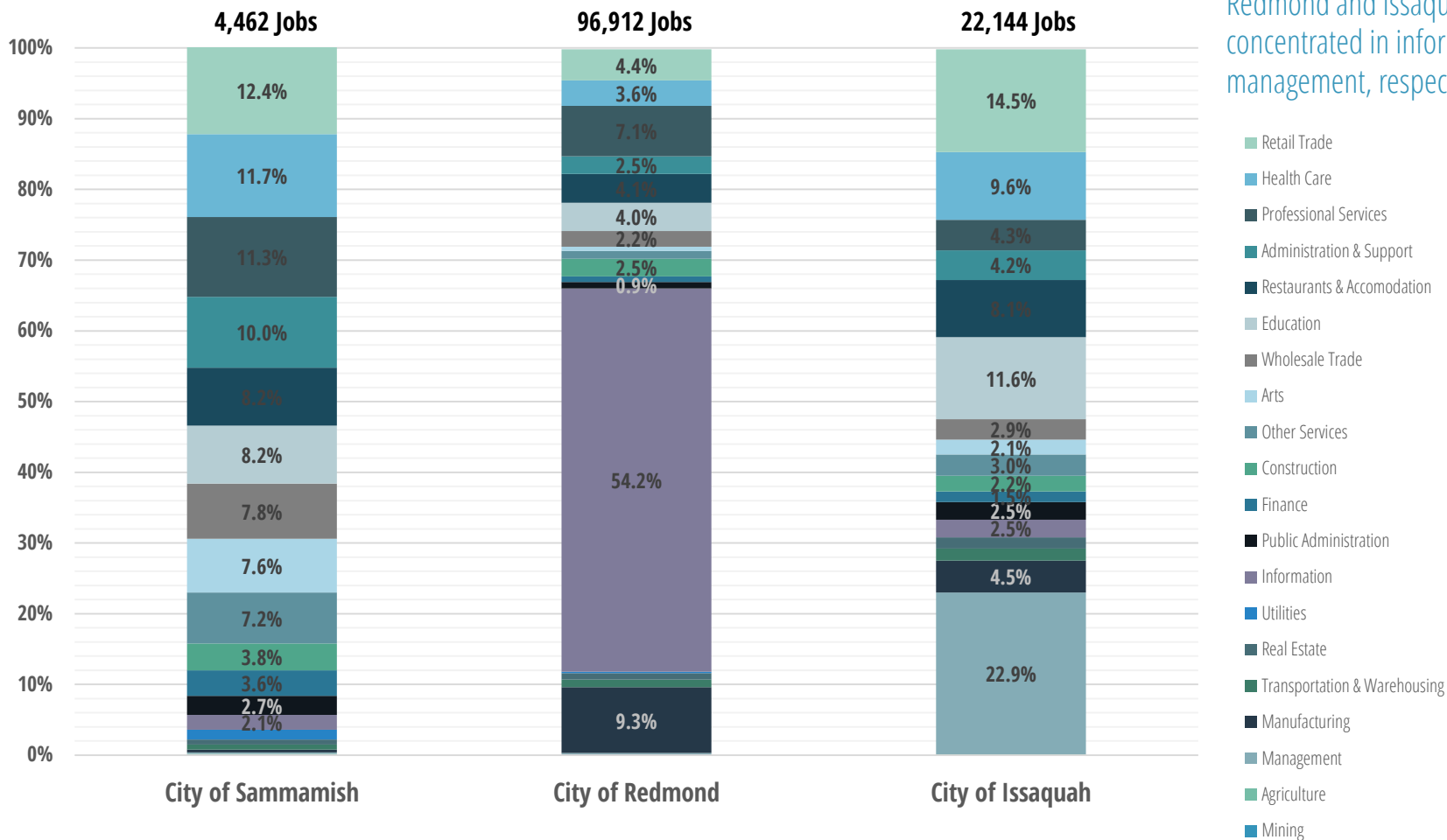
What we learned in 2013:

- > residents largely work elsewhere
- > BUT, a significant inflow of outside workers fill Sammamish jobs
- > commute direction is to the NW, W, S
- > there may be less home-based entrepreneurship than suspected
- > BUT, Sammamish well-positioned for co-work/shared space/business clubs

What we learned in 2017:

- > Sammamish is still a strong bedroom community
- > The City's workforce still commutes from throughout the region to fill jobs in the City
- > Most people commute to work via a single car
- > BUT, A higher percentage of residents work from home than found regionally
- > A quarter of working residents work in the information sector i.e.

Exhibit 15. Employment by General Sector, Sammamish and Comparison Jurisdictions, 2015

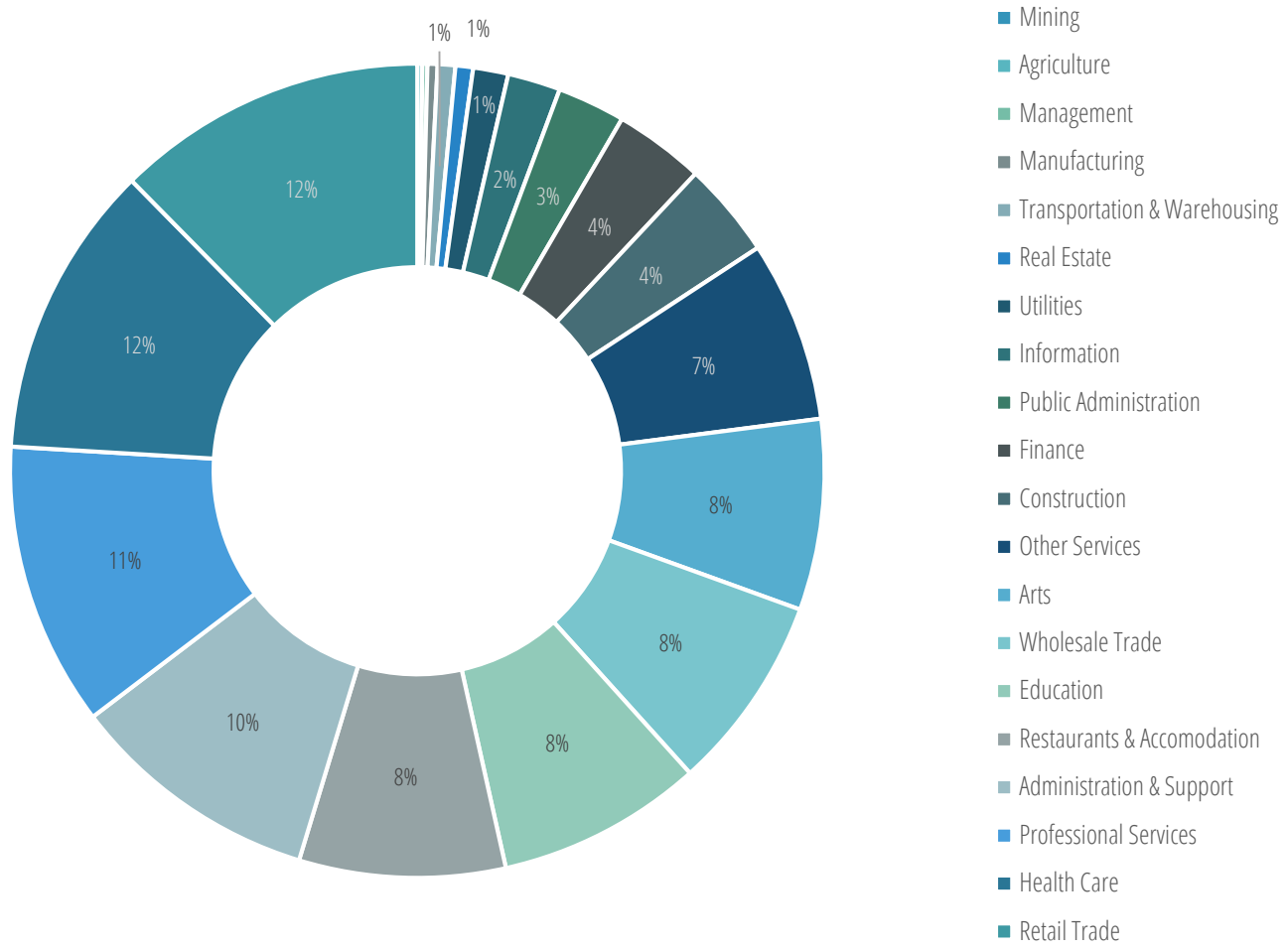


Sammamish has an even mix of employment across all sectors.

In contrast, employment in Redmond and Issaquah is concentrated in information and management, respectively.

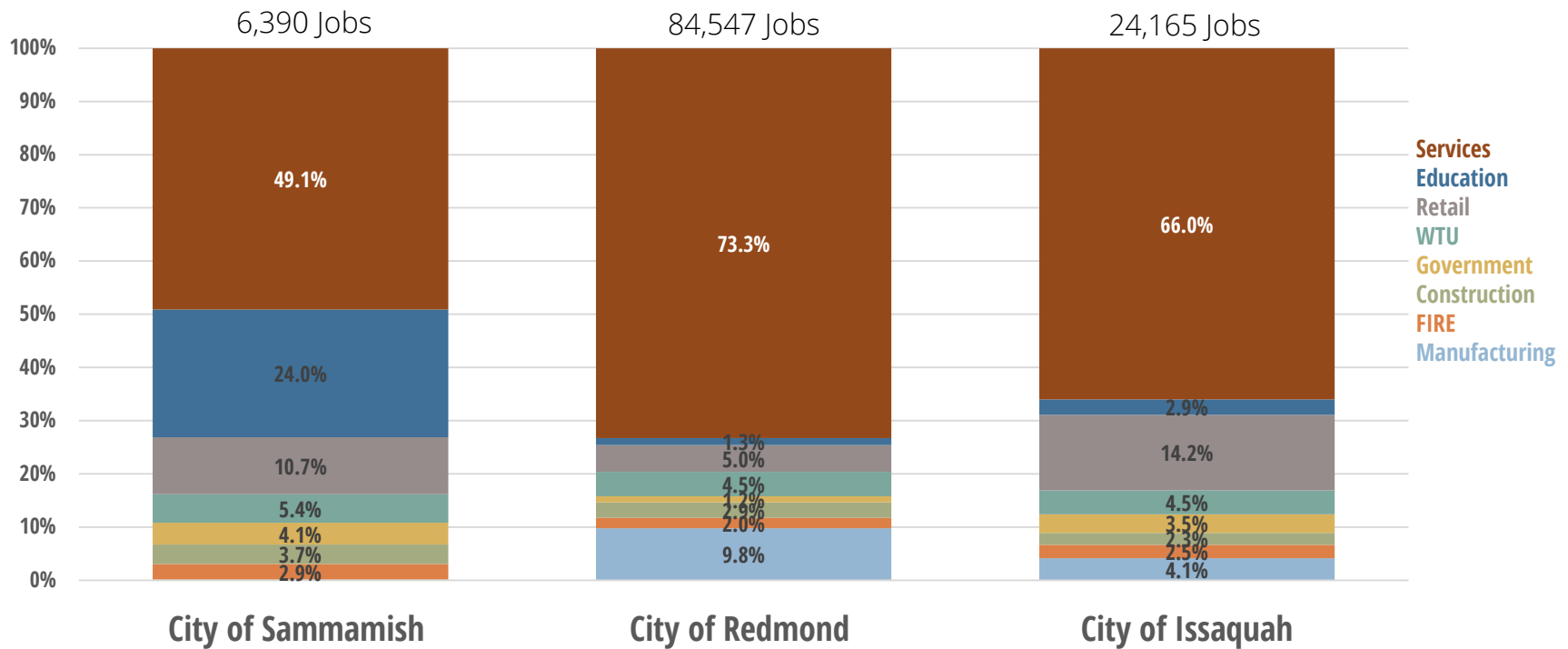
Source: United States Census, 2015

Exhibit 16. Employment by General Sector, City of Sammamish, 2015



Source: United States Census, 2015

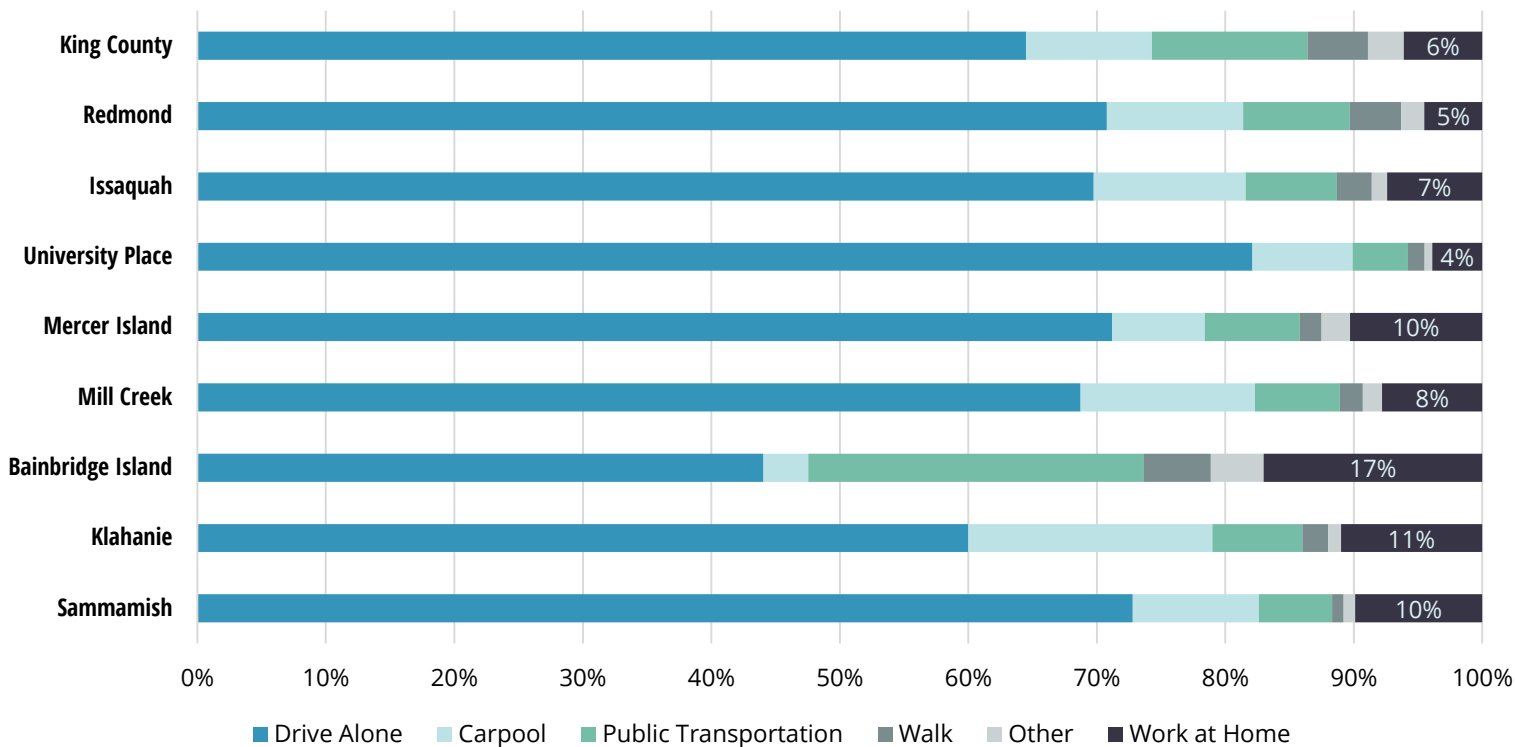
Exhibit 17. Employment by Detailed Sector, City of Sammamish, 2015



Source: PSRC, 2015

Sammamish, Redmond and Issaquah all have a high share of employment in the services sector. Unlike Redmond and Issaquah, a high share of employment in Sammamish is in Education.

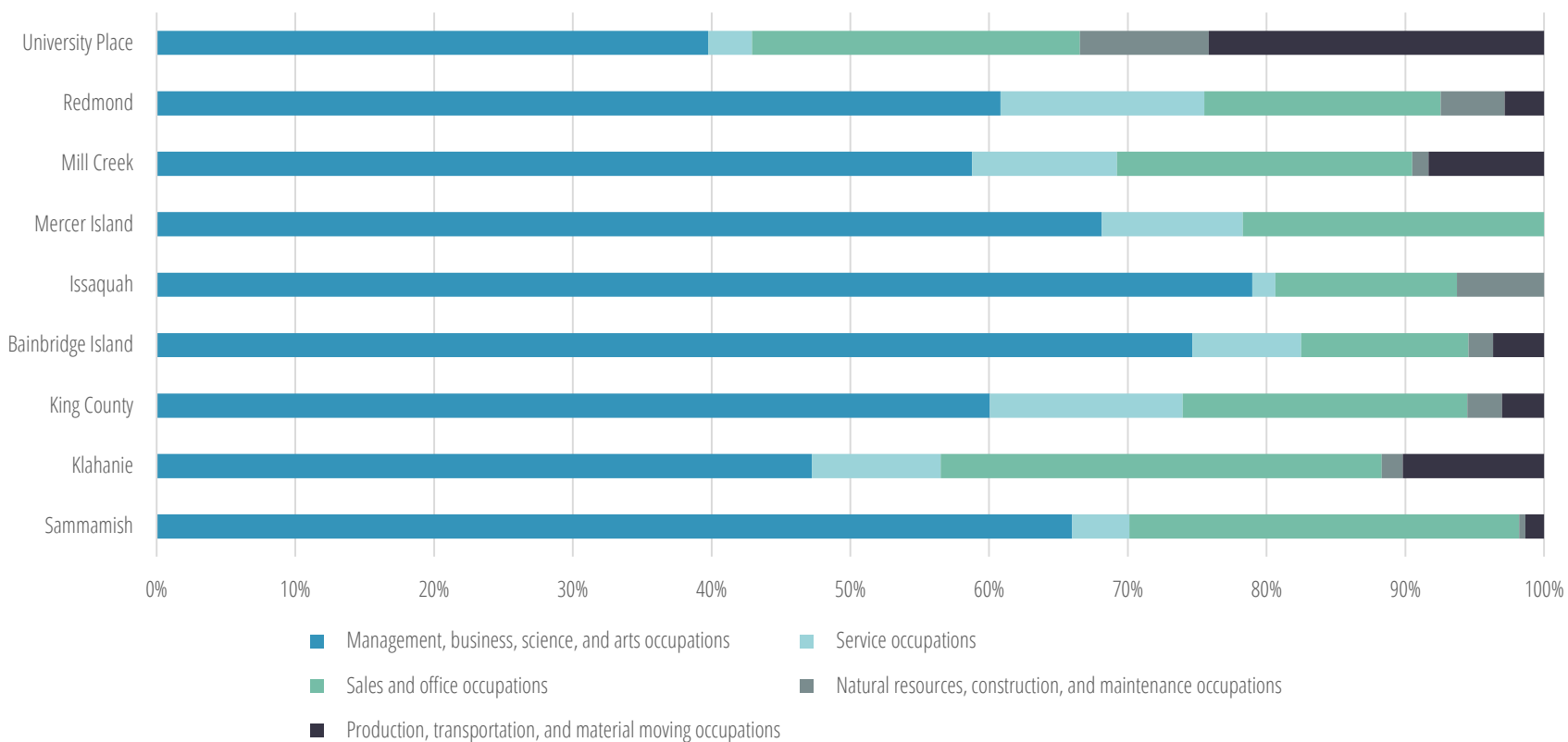
Exhibit 18. Commute Types, Sammamish and Comparison Jurisdictions, 2015



Source: US Census Bureau, American Community Survey, 2010-2015

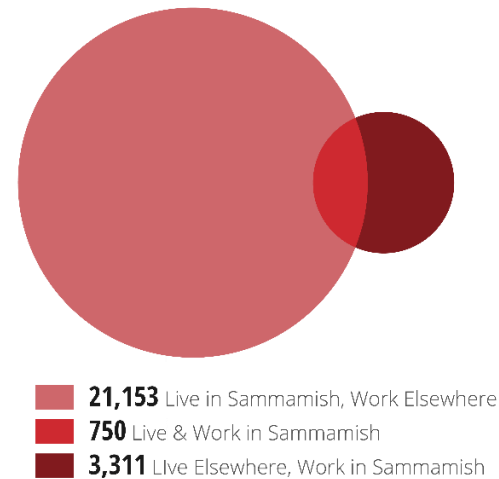
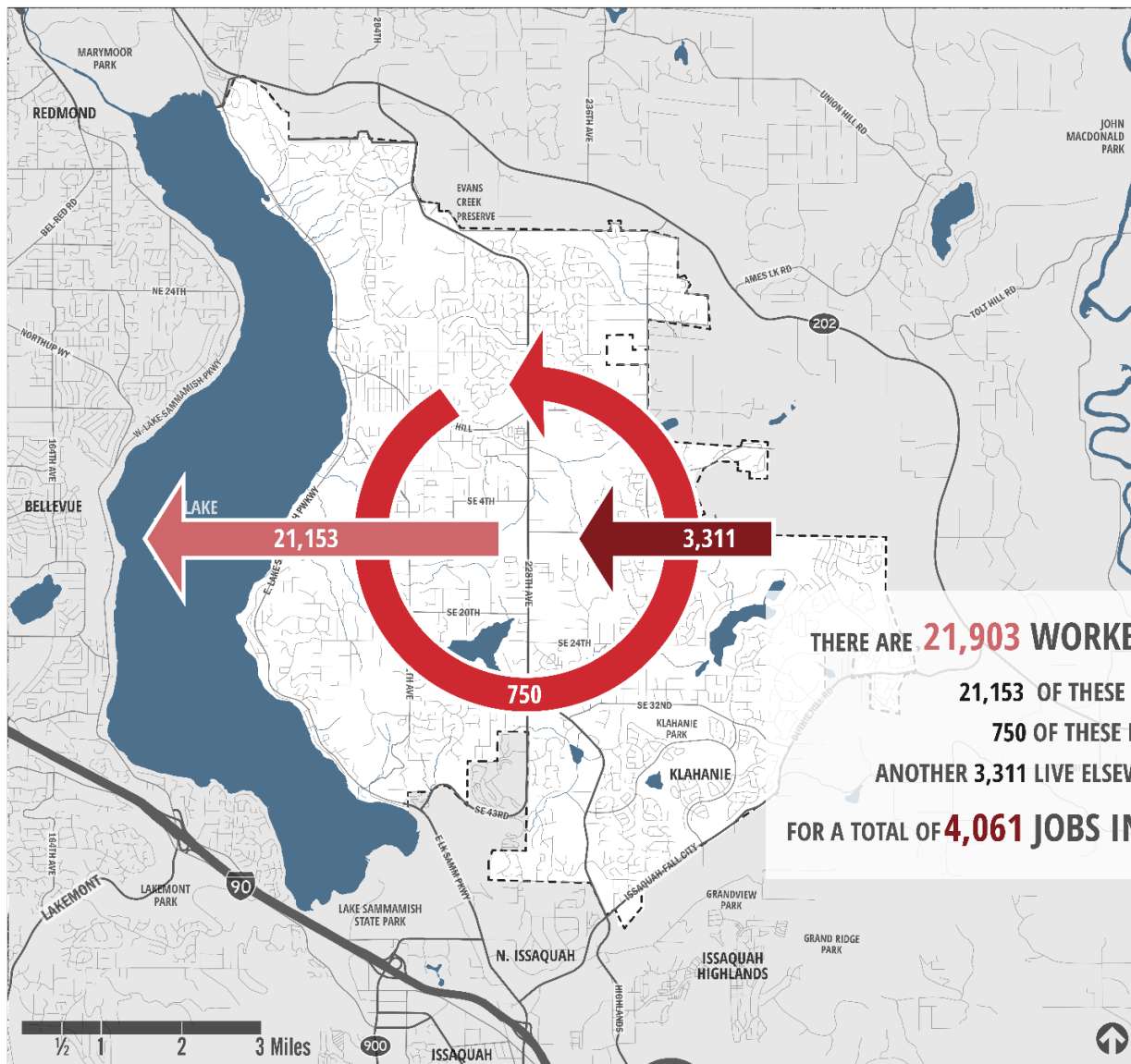
Sammamish residents commute to work by driving alone at a relatively high rate; a number of people work from home, though not significantly more than comparable jurisdictions. Klahanie residents are much more likely to carpool compared to the rest of Sammamish, and slightly more likely to work at home.

Exhibit 19. Home Workers' Occupations, Sammamish and Comparison Jurisdictions, 2015



Source: US Census Bureau, American Community Survey, 2010-2015

Exhibit 20. Commuting Inflow & Outflow, City of Sammamish, 2015

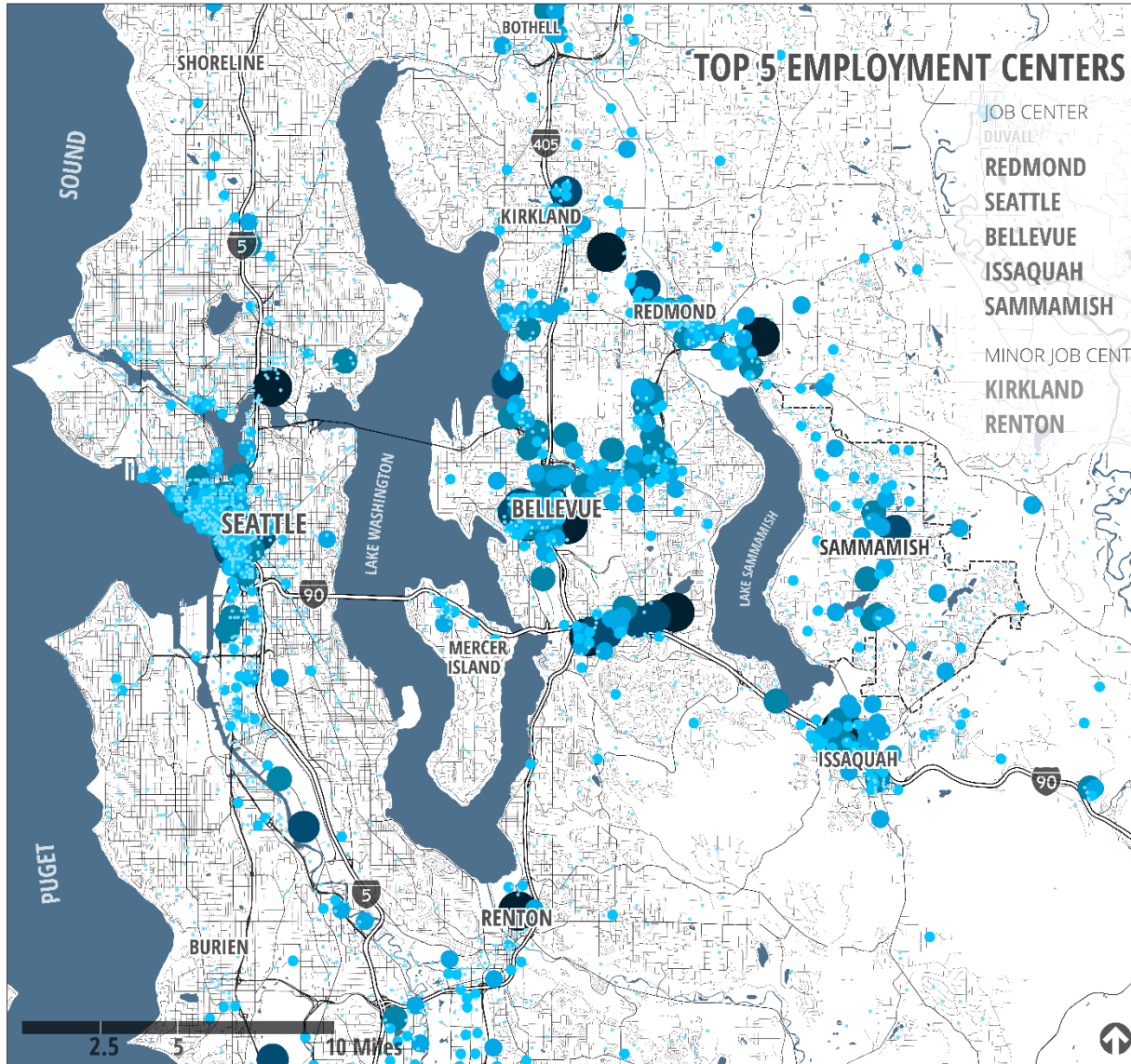


THERE ARE 21,903 WORKERS IN SAMMAMISH
 21,153 OF THESE COMMUTE OUTSIDE THE CITY
 750 OF THESE LIVE AND WORK IN THE CITY
 ANOTHER 3,311 LIVE ELSEWHERE & WORK IN SAMMAMISH
FOR A TOTAL OF 4,061 JOBS IN SAMMAMISH

NOTE: Sammamish workforce figures do not include self-employment, sole proprietorship, corporate officers, or military personnel.

SOURCE U.S. Census LEHD, CAI

Exhibit 21. Residents' Places of Work, City of Sammamish, 2015



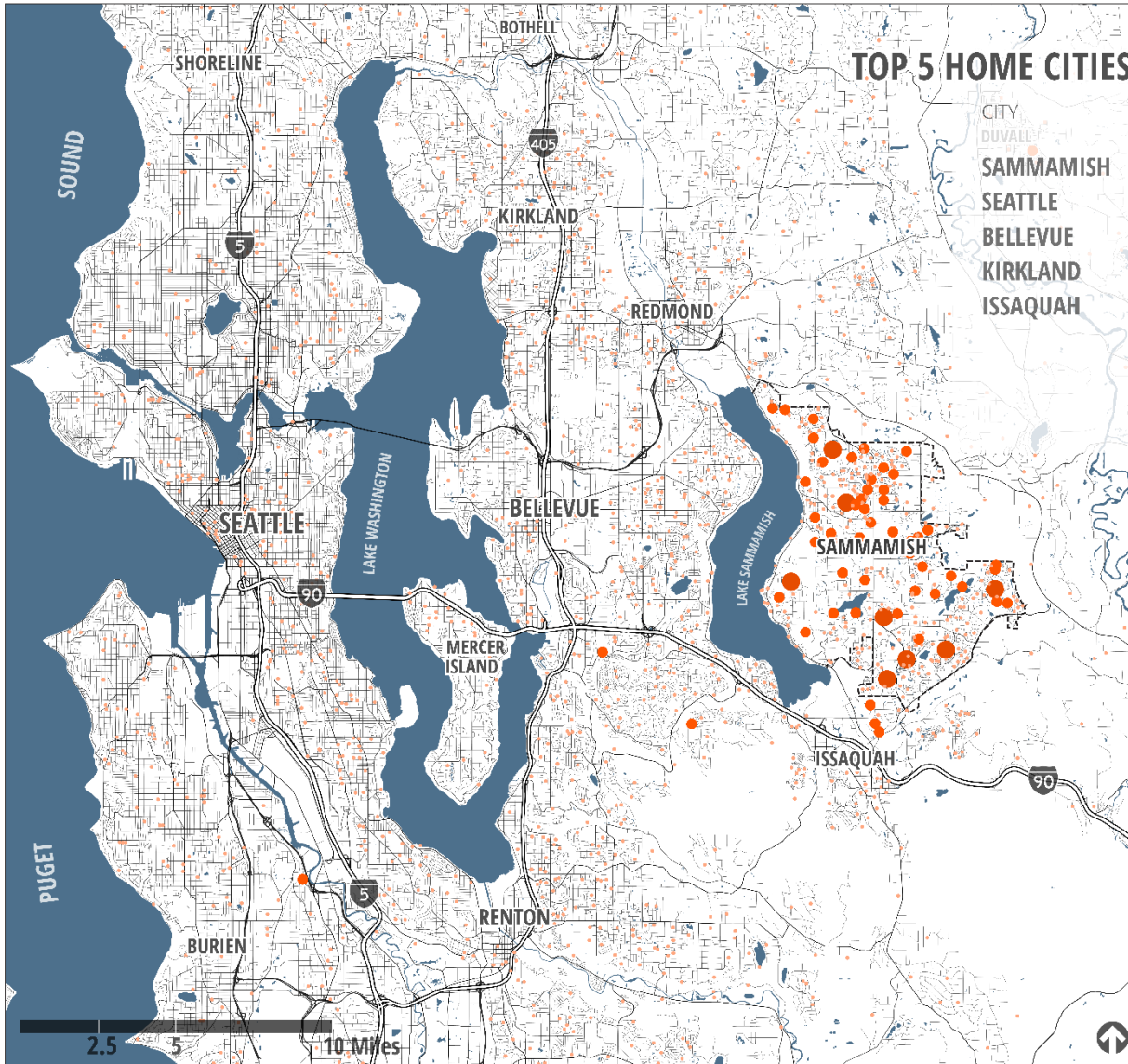
City	Count	% of Sammamish Covered Workforce
REDMOND	5,948	26%
SEATTLE	5,195	23%
BELLEVUE	3,309	14%
ISSAQUAH	1,359	6%
SAMMAMISH	821	4%
MINOR JOB CENTER		
KIRKLAND	808	4%
RENTON	547	2%

WHERE RESIDENTS WORK

- Less (Small blue bubble)
- More (Large dark blue bubble)
- City of Sammamish (Red outline)
- Lakes, Rivers & Streams (Light blue shading)

SOURCE King County, U.S. Census ACS, LEHD, CAI

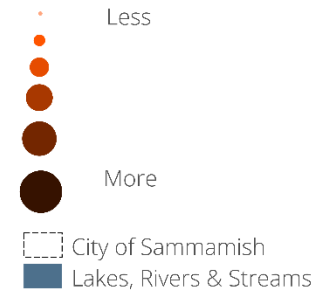
Exhibit 22. Local Employees' Homes, City of Sammamish, 2015



TOP 5 HOME CITIES FOR SAMMAMISH WORKERS

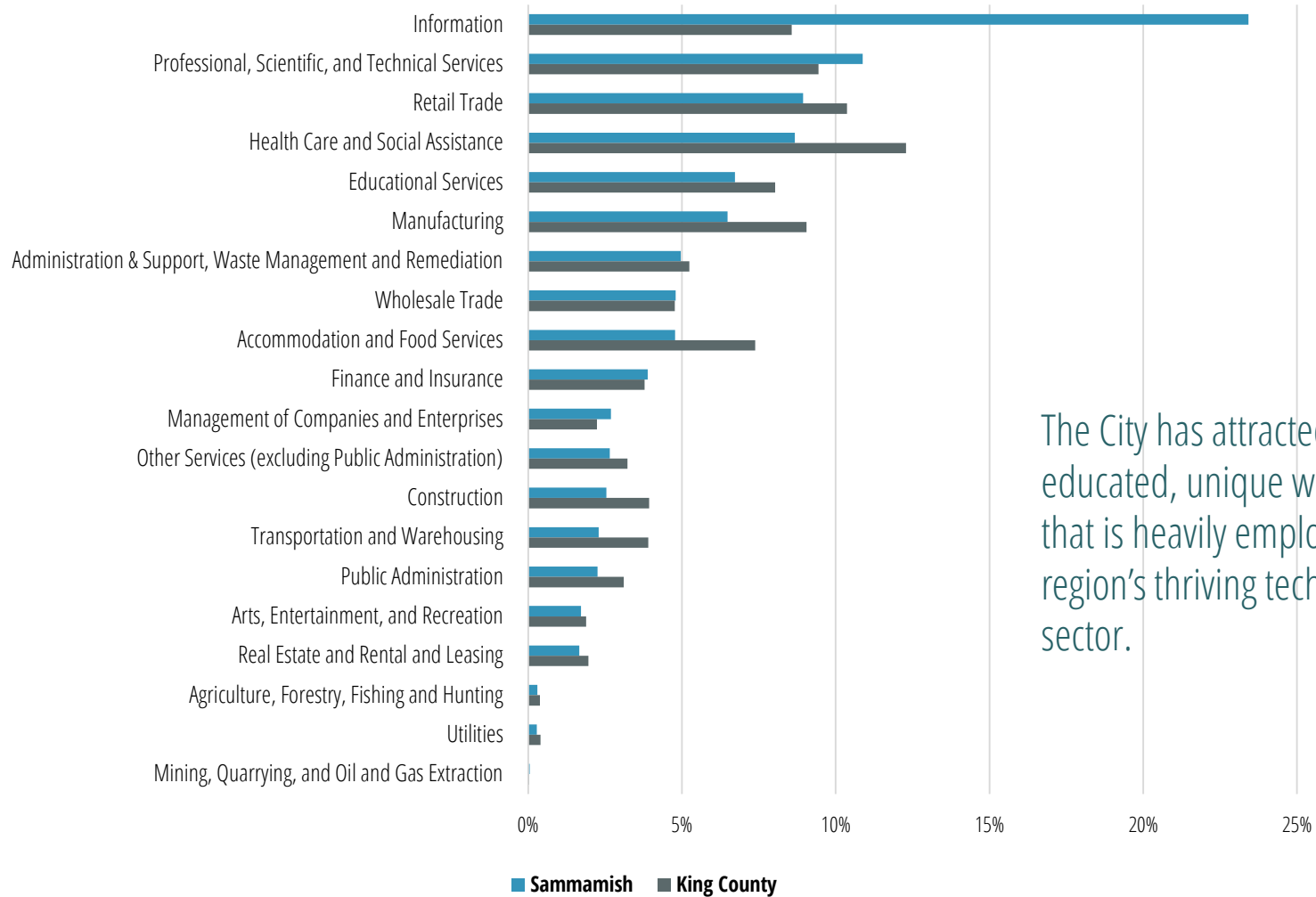
CITY	DUVALL	% OF SAMMAMISH COVERED WORKFORCE
SAMMAMISH	821	18%
SEATTLE	428	10%
BELLEVUE	288	7%
KIRKLAND	152	3%
ISSAQUAH	145	3%

WHERE SAMMAMISH WORKERS LIVE



SOURCE King County, U.S. Census ACS, LEHD, CAI

Exhibit 23. Resident Employment by Industry, City of Sammamish and King County, 2015



The City has attracted an educated, unique workforce that is heavily employed in the region's thriving technology sector.

Source: LEHD, 2015

4 DEVELOPMENT AND GROWTH

local real estate conditions

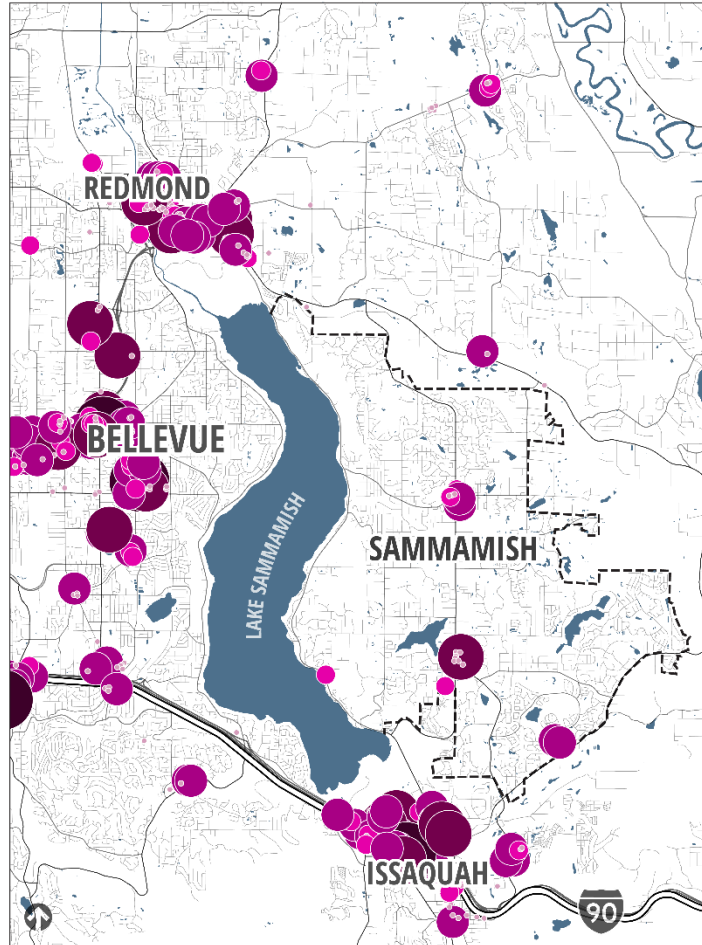
What we learned in 2013:

- > Rents in Sammamish were relatively low when compared to other regional markets
- > Sammamish is challenged to attract new retail

What we've learned in 2017:

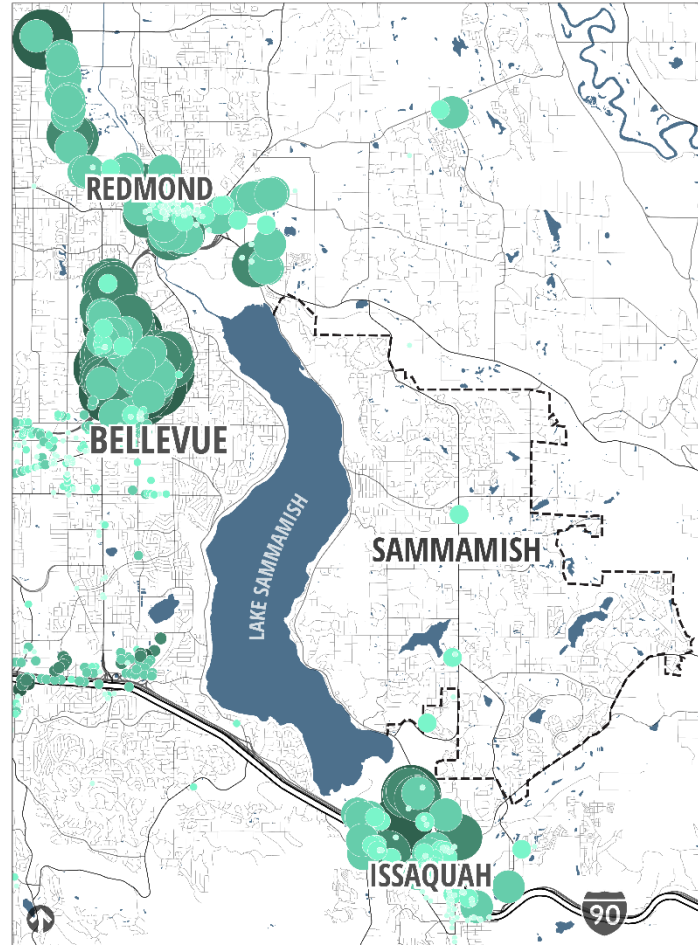
- > Three new mixed-use projects are under construction, with more planned or under consideration
- > With new commercial development, town center still has capacity of just under 500,000 square feet of commercial space

Exhibit 24. Retail Rentable Building Area, Sammamish and Neighbors, 2017



Source: CoStar, 2017; King County; CAI

Exhibit 25. Office Rentable Building Area, Sammamish and Neighbors, 2017



Source: CoStar, 2017; King County; CAI

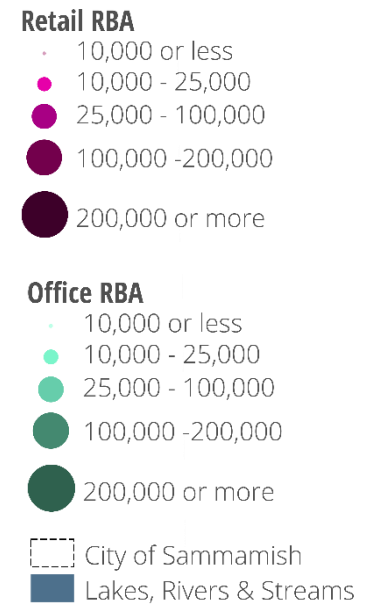
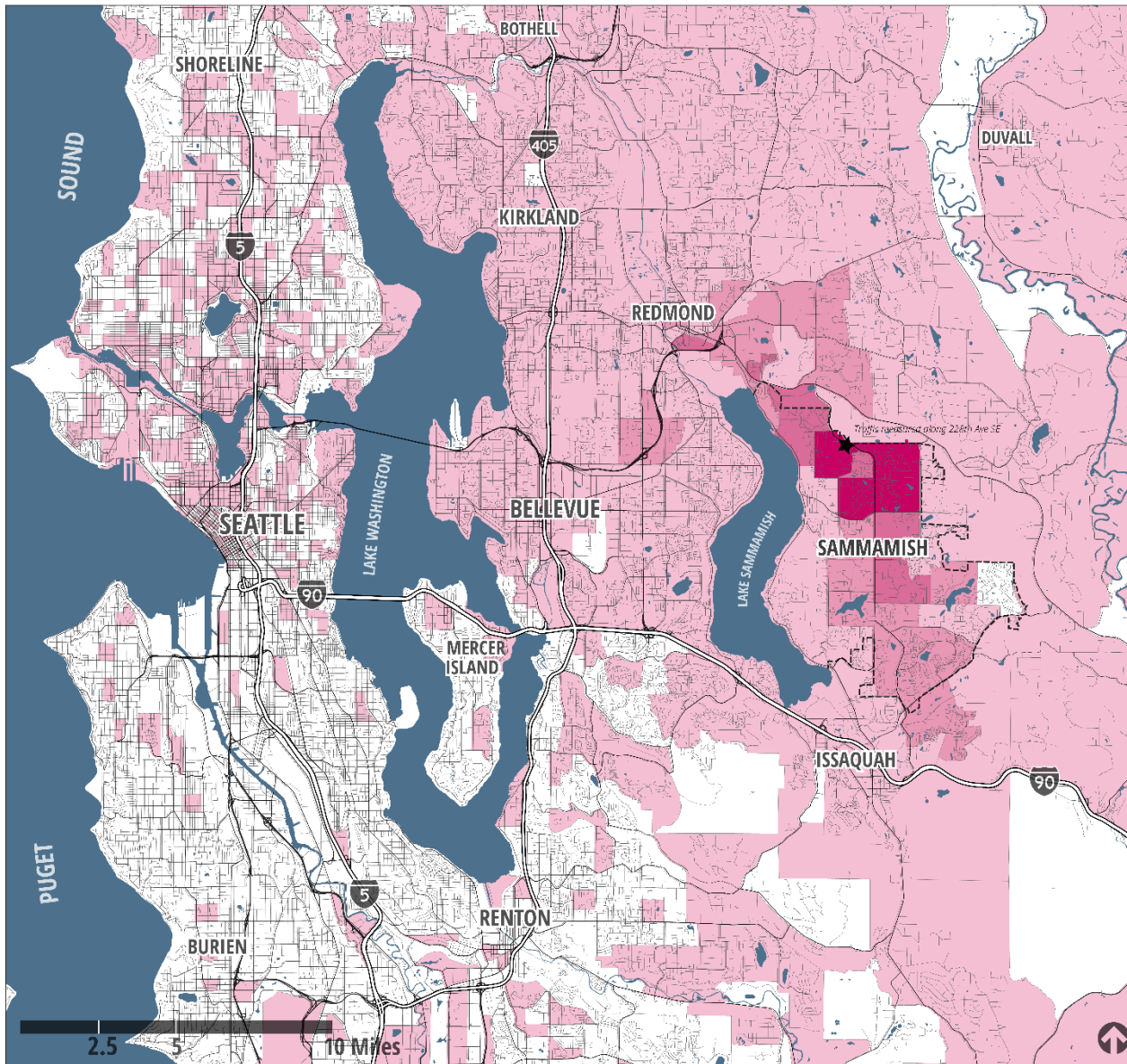
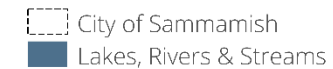
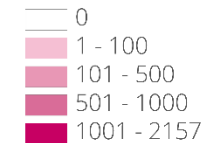


Exhibit 26. Traffic Origin Analysis, City of Sammamish, 2015

While a large number of trips originate outside of Sammamish and its immediate vicinity, these trips are well dispersed. Trip origins are concentrated within the City.

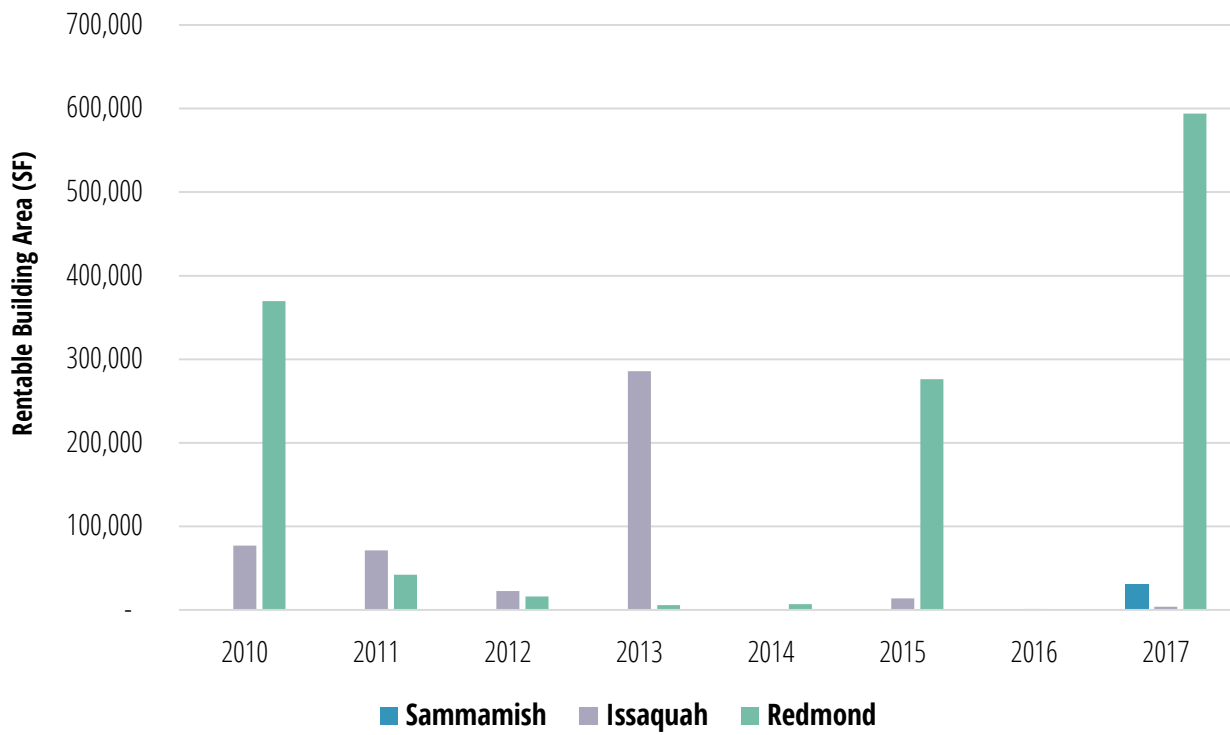


Origins of Trips in Sammamish



SOURCE PSRC, King County, CAI

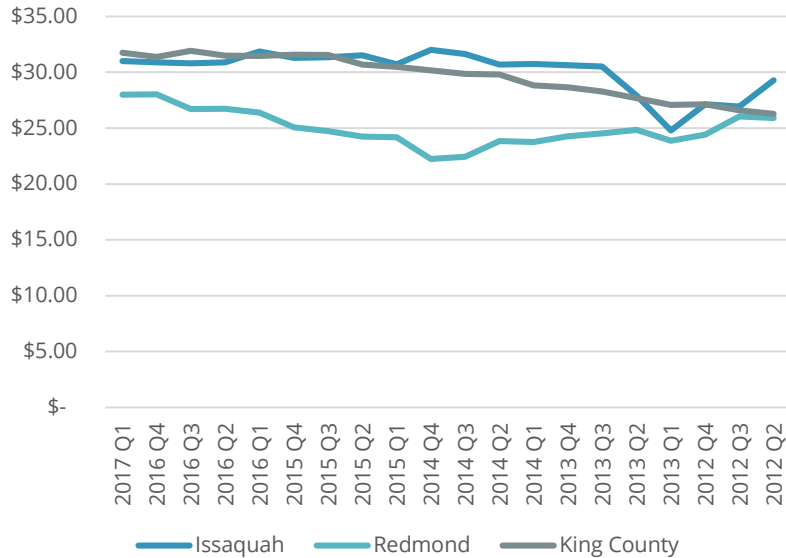
Exhibit 27. Retail & Office Development, Total Rentable SF per Year, City of Sammamish and Neighbors, 2010-2017



In recent years, the City's neighbors have seen more retail and office development than Sammamish. Redmond has seen the most growth, though it varied widely by year during this period.

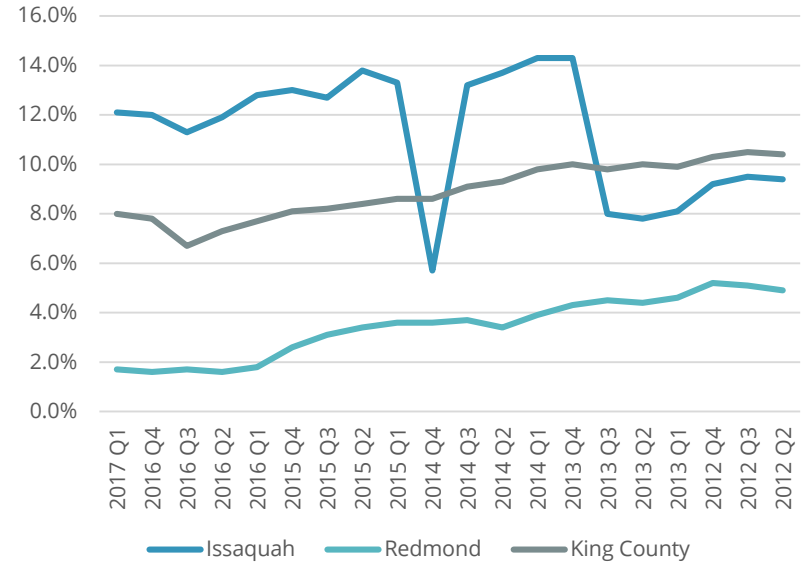
Source: CoStar, 2017

Exhibit 28. Average Office Rents, Comparison Jurisdictions, 2012-2017



Source: CoStar, 2017

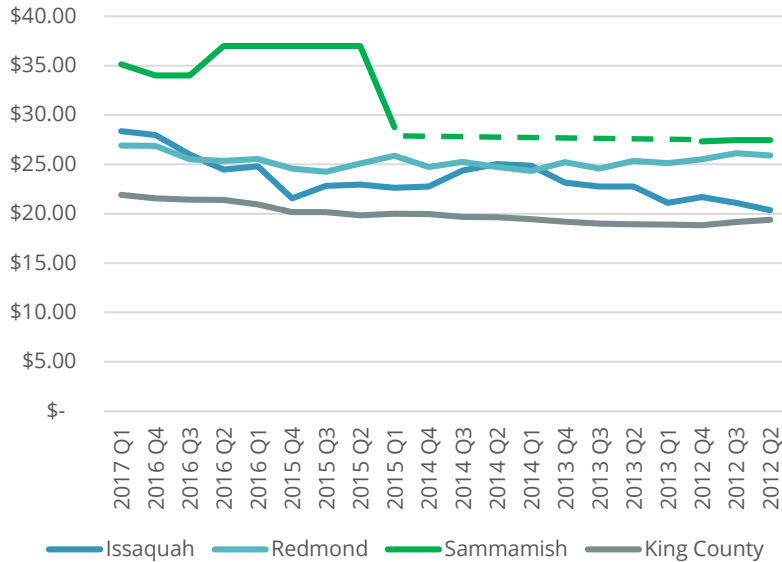
Exhibit 29. Average Office Vacancy, Comparison Jurisdictions, 2012-2017



Source: CoStar, 2017

4 DEVELOPMENT AND GROWTH commercial real estate

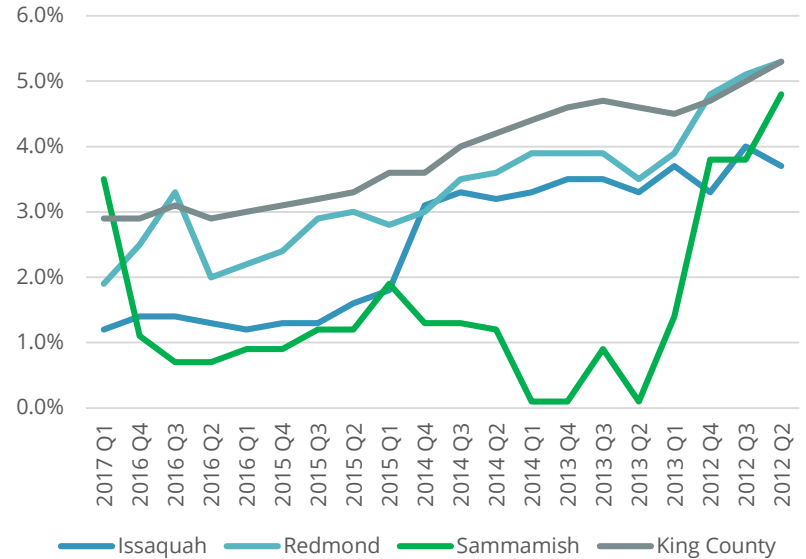
Exhibit 30. Average Retail Rents, Sammamish and Comparison Jurisdictions, 2012-2017



Source: CoStar, 2017

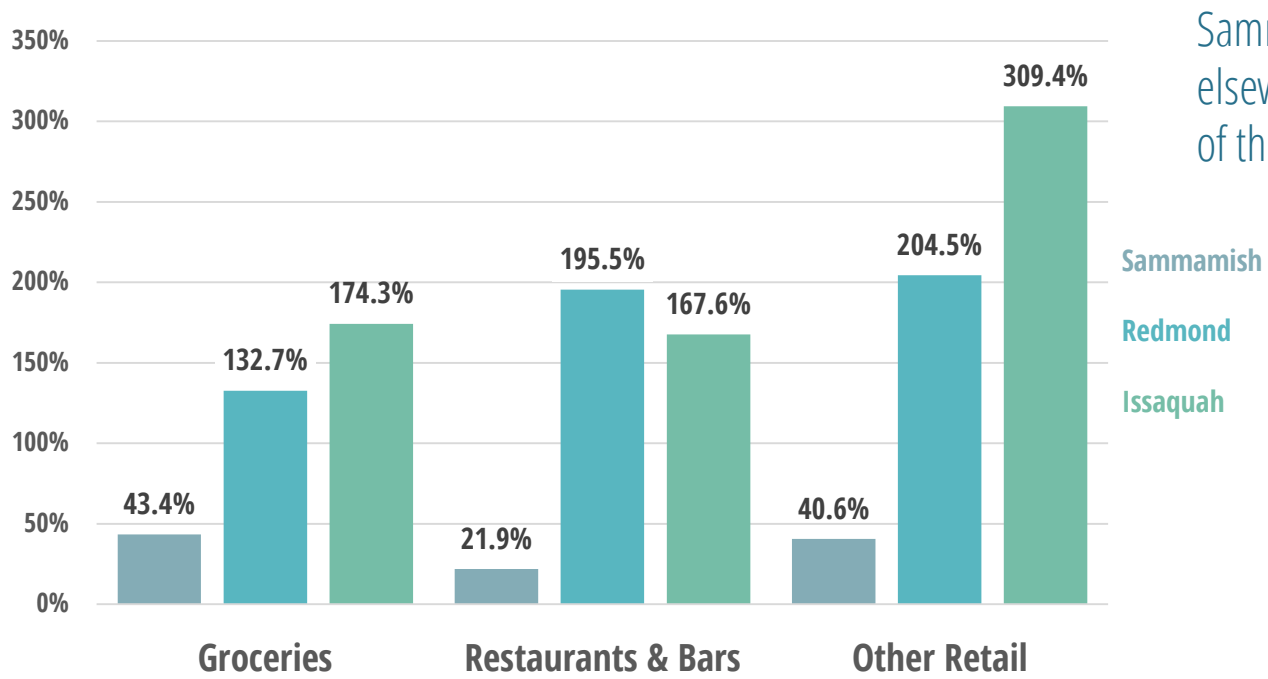
Note: Dashed line spans years for which data was not available

Exhibit 31. Average Retail Vacancy, Sammamish and Comparison Jurisdictions, 2012-2017



Source: CoStar, 2017

Exhibit 32. Retail Trade Capture, Sammamish and Comparison Jurisdictions, 2015

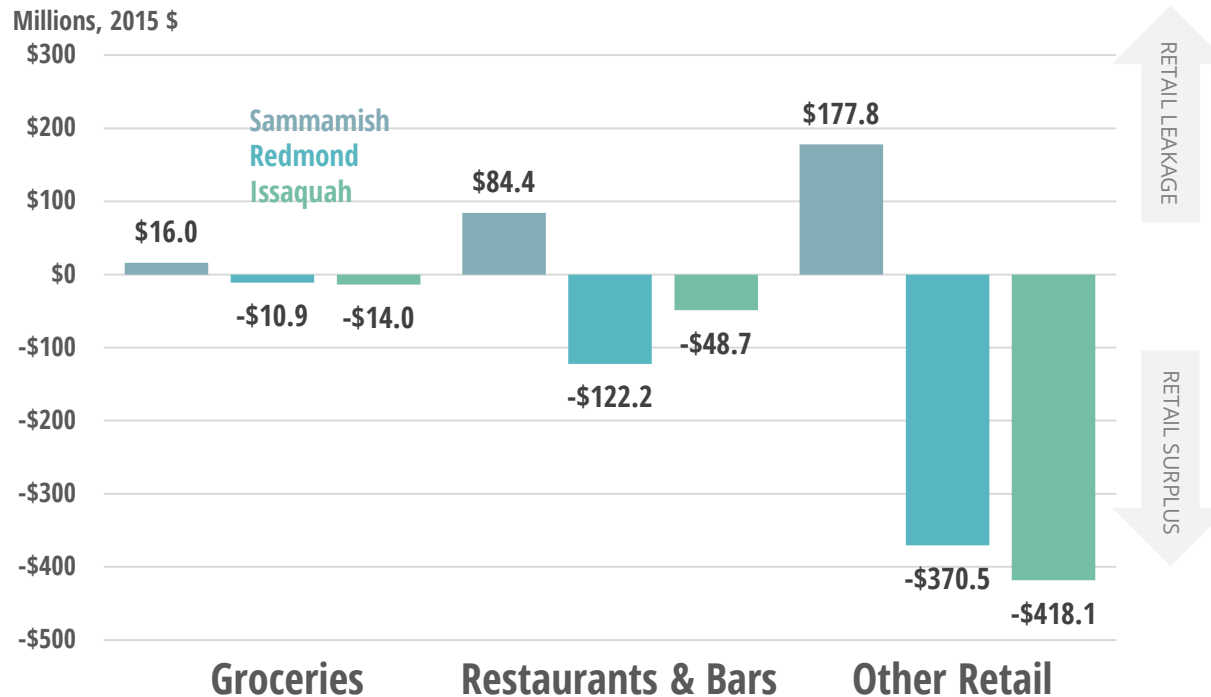


Sammamish shoppers travel elsewhere for a significant portion of their retail needs

TRADE CAPTURE EXPLAINED:
The trade capture rates for Sammamish represents the percentage of potential retail spending power in Sammamish that is captured by Sammamish retail businesses.

Source: Washington State Office of Financial Management, 2016; Washington State Department of Revenue, 2016; Community Attributes Inc., 2017

Exhibit 33. Retail Leakage/Surplus, Sammamish and Comparison Jurisdictions, 2015



Source: Washington State Office of Financial Management, 2016; Washington State Department of Revenue, 2016; Community Attributes Inc., 2017

The City's retail spending power is likely being captured by businesses in neighboring cities like Redmond and Issaquah

Retail Leakage: Positive values represent categories where supply is less than demand and local residents are travelling elsewhere to find such retail goods.

Retail Surplus: Negative values represent categories that draw people in from outside the City limits, meaning the retail category draws customers from throughout the region.

This profile provides a base of understanding to ground strategic recommendations for the City. For more information on the project refer to the following documents or the City's Business Portal webpage.

- > Sammamish Business Fact Sheet
- > 2017 Community Viewpoints report
- > Strategic Recommendations for Economic Development 2017