



LAKWOOD DEVELOPERS FORUM
JBLM CONTRACTING OPPORTUNITIES

**SOUTH SOUND
MILITARY & COMMUNITIES PARTNERSHIP
(SSMCP)**

BILL ADAMSON, PROGRAM MANAGER

WHAT IS SSMCP?

VISION

The SSMCP is an innovative and flexible partnership uniquely positioned to provide regional leadership to bridge military and civilian communities.

MISSION

To foster effective communication, understanding, and mutual benefit by serving as the most effective point of coordination for resolution of those issues which transcend the specific interests of military & civilian communities of the South Sound region.



WASHINGTON STATE'S MILITARY DEMOGRAPHICS

- 112,000 active duty, reserve, guard & civilian personnel,
- 6th most military populated state
- 607,000 veterans including:
 - 75,000 retirees
 - 91,000 military families
- \$13B in annual procurement in FY14
 - supported by over 1,900 businesses across the state
 - nearly 3% of the state's GDP

DEFENSE INDUSTRY IN WASHINGTON STATE

- What is not clear to the State is:
 - To what extent companies are doing business with the DOD or DHS,
 - What portion of the company's revenue is reliant on military and defense spending,
 - What skills and knowledge are required by the companies' workforce to be able to meet the military's or national defense needs, and,
 - Given the current Administration's strategy to reduce defense spending, what it would mean for these companies and thus Washington's economy.

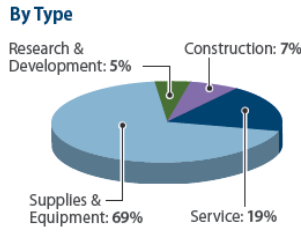
DEFENSE SPENDING IN 2014

- **WA #7 in the U.S.**
- **\$12.7B annually**
- **\$6.8B in contracts**
- **Total military personnel = 106K**
- **Largest military concentration = Pierce County (JBLM) >50K**
- **DOD is the #2 employer in WA**

WASHINGTON

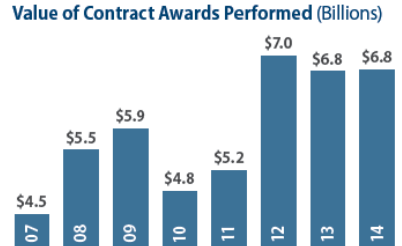
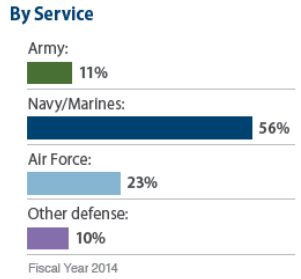
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|----|----------------------------------|-----|----------------------|------|-----------------------------------|---------|--------------|
| #7 | \$12.7 BILLION SPENT IN STATE | #16 | 3.1% OF STATE GDP | 3.0% | OF TOTAL U.S. DEFENSE SPENDING | \$1,793 | PER RESIDENT |
|----|----------------------------------|-----|----------------------|------|-----------------------------------|---------|--------------|

CONTRACTS



Top Contractors (M=millions B=billions)

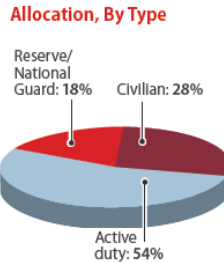
| | |
|---|-----------|
| Boeing | \$4.3 B |
| U.S. Oil Trading | \$162.5 M |
| Pacific Medical Center Clinic | \$129.5 M |
| EHW Constructors Joint Venture | \$83.1 M |
| EJB Facilities Services | \$60.9 M |
| Todd Shipyards (Vigor Industrial) | \$59.0 M |
| BP | \$58.4 M |
| International Marine & Industrial Applicators | \$53.0 M |
| Dakota Creek Industries | \$44.6 M |
| Skookum Educational Programs | \$43.1 M |



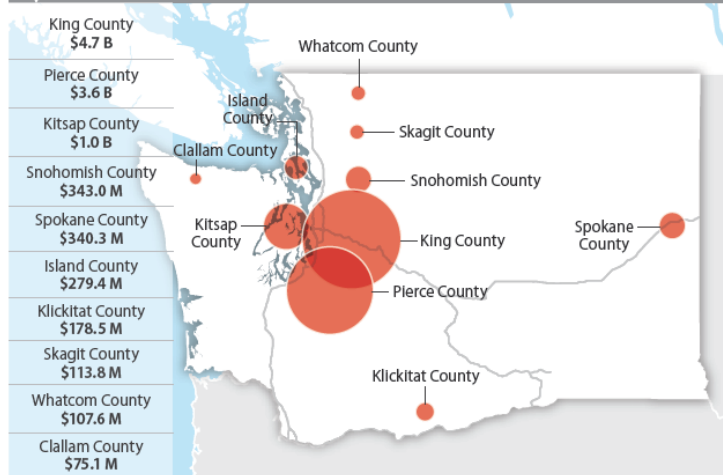
DEFENSE PERSONNEL

\$5.8 Billion
TOTAL PAYROLL

106,333
TOTAL PERSONNEL



TOP DEFENSE SPENDING LOCATIONS



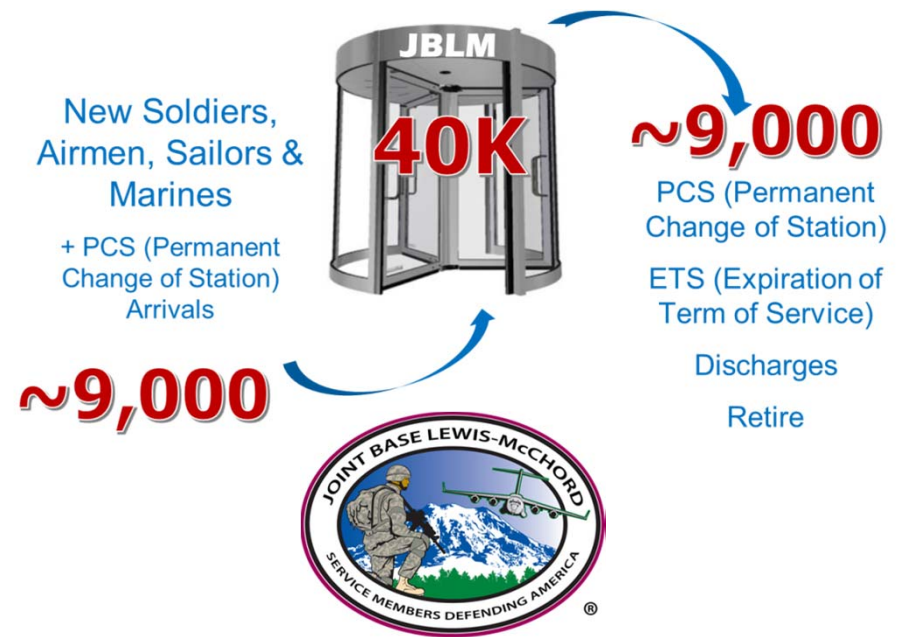
Top Personnel Locations

| | |
|------------------|--------|
| Pierce County | 50,886 |
| Kitsap County | 6,761 |
| Spokane County | 6,199 |
| Snohomish County | 4,311 |
| Island County | 4,010 |
| King County | 2,672 |
| Benton County | 1,106 |
| Yakima County | 1,089 |
| Clallam County | 963 |
| Skagit County | 814 |

Sources: Defense Manpower Data Center, U.S. Bureau of Economic Analysis, U.S. Census Bureau, and Chmura Economics & Analytics.

JBLM DEMOGRAPHICS **JBLM IS A REVOLVING DOOR**

- **JBLM Population:** (as of 1 JAN 2016)
- ~ 40,750 Service members
- ~ 16,380 Full-time civilians
- ~ 61,530 Family members
- ~ 58, 580 Retirees within 50 mile radius of JBLM
- ~ 164,640 Retirees within four states



**Recent Loss of 1,251
Active Duty personnel**

- 72% of Active Duty SVC members live off-base
- 45% of transitioning SVC members choose to stay in the South Puget Sound

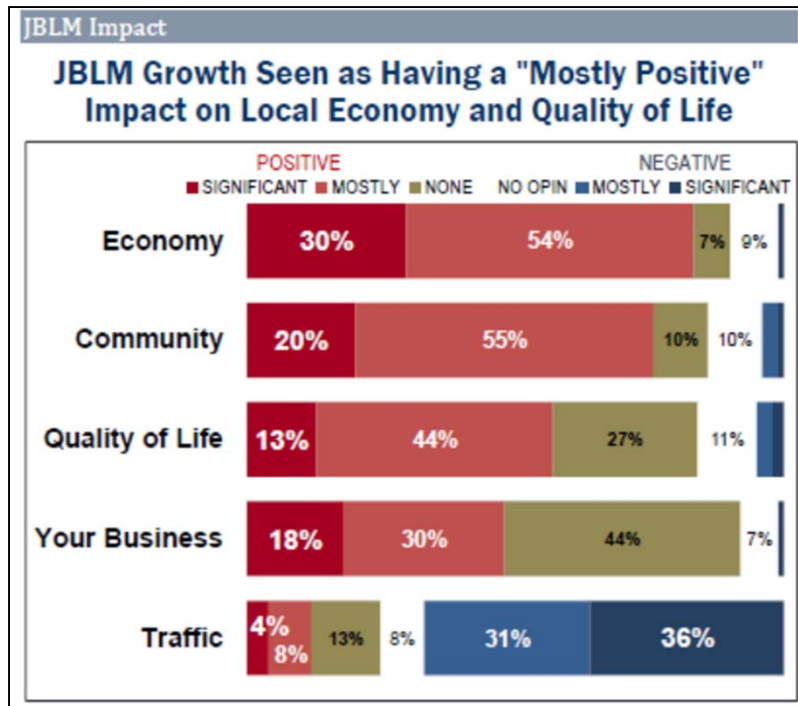
JBLM CONTRACTING OPPORTUNITIES

- Average obligations **\$150M a year**
 - Supplies, \$14.8M
 - Services, \$123.1M
 - Minor Construction, \$2.9M
- Over **\$54M a year** in government credit card purchases, majority to local businesses
- **Emerging opportunities**



2015 SURVEY HIGHLIGHTS

- JBLM's economic impact was the most highly regarded, its potential reduction the most dreaded.
 - 83% rate JBLM impact on the regional economy as positive
 - 75% said the same of its impact on the overall community.
 - But, only 48% said JBLM had a positive impact on their business.



Regional Impact

"Most commercial appraisers and feasibility studies do not adequately or accurately estimate the effect which military dollars have on the local economy."

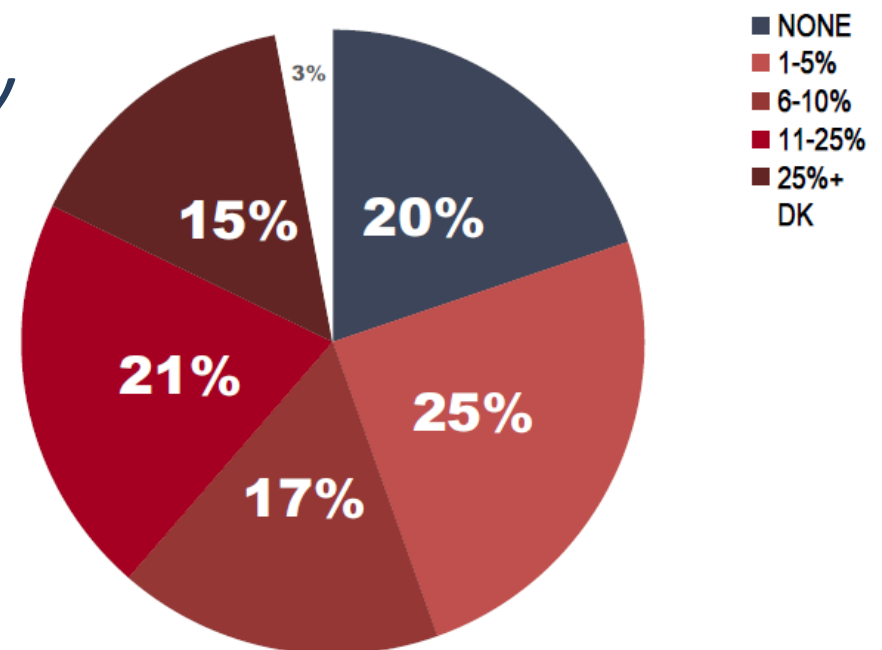
1 in 5 Responding Businesses have had JBLM Contracts (18%).

- 6% have current contracts;
- 12% have had contracts in the past.

2015 SSMCP LOCAL BUSINESS SURVEY

“...Most of the business around Lakewood, Tacoma, DuPont and Lacey would not be here today had it not been for JBLM.”

PERCENTAGE OF JBLM RELATED CUSTOMERS



SUMMARY

- **50% EMPLOY VETERANS.**
- **1 IN 5 HAVE HAD JBLM CONTRACTS.**
- **3 IN 10 HAD A DIRECT CONNECTION TO THE MILITARY.**
- **JBLM RATED AS AN "EXCELLENT" (50%) TO "GOOD" (34%) NEIGHBOR.**

SSMCP WORKING GROUPS

Economic & Business Development WG – Seeks to partner with area economic development organizations to bring complementary industrial development to the resources, assets, and missions at JBLM. Plans to conduct study of retail spending and business connections to JBLM.

- **EMERGING STRATEGY**—*Assist with local, regional, and statewide efforts to identify ways to sustain, replace, expand, and increase missions at JBLM.*
- ***Advocates for JBLM mission expansion.***

WHY BE PART OF SSMCP?

- Connect with a network** of elected officials, military professionals, and community-based organizations
 - ✓ Recurring access to DoD executives and national events
- Improve awareness** about planned military training and operations
 - ✓ Information clearinghouse on military affairs
- Advocate and forward a **shared regional legislative agenda**
 - ✓ \$523.1M in transportation improvements
- Be part of a **Great American Defense Community (GADC)**
 - ✓ Recognition as one of the Nation's inaugural GADCs



“The community-based support and collaboration from local organizations and municipalities with JBLM is simply outstanding, and the South Sound Military and Communities Partnership is a big part of not only maintaining that connection, but making it even stronger.” – Congressman Denny Heck