

## **Economic Development Incentives**

### **Lakewood**

- Multifamily Tax Exemption credit (MFTE) to encourage high-density urban development in select areas.
- Free construction watch program
- No local B&O tax
- No development Impact Fees
- No additional minimum wage requirement beyond the state minimum wage
- Low business licensing fee (\$60)
- HUD Section 108 funding
  - Available for eligible businesses
- Proximity to Port of Tacoma, Seattle and the State Capital, Olympia
- Located within Port of Tacoma's FTZ (foreign trade zone)
- HUB zone (historically underused business)
  - Federal certification allowing businesses to receive certifications from the Department of Defense in order to apply for defense contracts.
- New Market Tax Credit
  - Designated by low income areas. Enables investors to invest in projects in exchange for a write off.
- Cost of land is relatively inexpensive
- EB5 Targeted Employment Areas
- Two local colleges, Pierce College and Clover Park Technical College
- Wrap-around services to assist businesses navigate the permit process, apply for financing and recruit a trained workforce
- Site selection assistance

### **Pierce County and Washington State Tax Incentives (sorted by industry)**

#### **Aerospace Incentives<sup>1</sup>**

- Aerospace B&O Credit
- Reduced B&O Tax Rate for Aerospace Businesses
- Aerospace industry B&O tax credit for property tax paid
- Reduced B&O Rate for FAR Part 145 Repair Stations
- Non-Manufacturer Aerospace Sales & Use Tax Exemption on computer investments

#### **High Technology and Biotechnology Incentives**

- High Technology Business & Occupation Credit
- High-Technology Sales & Use Tax Deferral
- Biotechnology & Medical Device Manufacturing Sales & Use Tax Deferral/Waiver
- Community Empowerment Zone Incentives
- Business & Occupation Tax Credit for New Jobs

#### **International Services Incentives**

- International Services Business & Occupation Tax Credit

#### **Manufacturers and Food Processor Incentives**

- Manufacturing Machinery Sales & Use Tax Exemption
- Food Processing Tax Incentives

#### **Tax Incentives for Workforce Training**

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<sup>1</sup> <http://edbtacomapierce.org/Page.aspx?cid=37>

- B&O tax credit for workforce training

#### Green Incentives

- Solar Energy System Manufacturers & Wholesalers – Reduced B&O Tax rate
- Machinery & Equipment Used to Generate Electricity Using Renewable Energy – Sales &
- Solar Hot Water Equipment – sales and use tax exemption
- Energy production using solar, methane & wind power – cost recovery program
- Energy efficient commercial equipment – B&O tax credit for purchases
- Weatherization assistance program – sales/use tax exemption
- Waste Vegetable Oil – Sales/Use Tax Exemption and Special Fuel Tax Exemption on Purchases for Personal Use
- Reduced B&O Tax Rate for Manufacturing Biodiesel/Alcohol Fuel, etc.
- Property/Leasehold Tax Exemption for Manufacturers of Biodiesel/Alcohol Fuel
- B&O Tax Deduction for Sales of Biofuels
- Sales/Use Tax Exemption for Machinery/Equipment, Delivery Vehicles & Construction of Facilities for Retail Sales of Biofuels

#### Warehouse & Distribution Incentive

- Warehouse Tax Incentive

### **Other Business Resources <sup>2</sup>**

#### Financing Programs <sup>3</sup>

- Pierce County Loan Programs
  - Contact: Sheree Clark 253-798-6916
  - Pierce County oversees several loan programs that can offer competitive financing for the purposes of business retention and expansion (they are primarily in the form of gap financing). To learn more about these programs, visit their website and click on the brochure for Finance Programs.
- Industrial Development Revenue Bonds
  - Contact: Susan Sues at the Economic Development Board at 253-383-4726.
  - Tax-exempt bond financing for employment generating manufacturing facilities is available through the Economic Development Corporation of Pierce County. Eligible costs may include the acquisition of land, new machinery & equipment, construction or renovation of a building, architectural design, engineering work and financing arrangements. Borrower must be credit-worthy and able to get a Letter of Credit to back the bonds. Up to \$10 million in bonds can be issued for projects with total capital investment of \$2 million to \$20 million.
- Crowdfunding<sup>4</sup>
- Microloans

#### Technical Assistance

- Small Business Development Center <sup>5</sup>

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<sup>2</sup> <http://edbtacomapierce.org/Page.aspx?nid=6>

<sup>3</sup> <http://edbtacomapierce.org/Page.aspx?nid=37>

<sup>4</sup> <http://crowdfunding.com/>

<sup>5</sup> <http://edbtacomapierce.org/Page.aspx?cid=37>

- Sponsored by Washington State University (and housed at Bates Technical College), the SBDC provides no-fee, confidential, one-on-one counseling to small businesses on all management topics. John Rodenberg serves as the Business Development Specialist for the Small Business Development Center. Email John jrodenberg@bates.ctc.edu 253-680-7768.
- Impact Washington
  - Impact Washington (formerly Washington Manufacturing Services) is a not-for-profit organization focused on helping manufacturers in Washington compete. Impact Washington offers a variety of services, including consulting regarding lean manufacturing, plant layout, etc. Email Linda Adams, Marketing Manager or contact Impact Washington at (425) 438-1146. Their services are fee-based; however, they do provide a free initial consultation.
- Energy Audits from Puget Sound Energy
  - Puget Sound Energy offers free energy audits to its business clients to help them lower their energy costs. To speak to a PSE Energy Advisor, call 1 (800) 562-1482.
- Energy Audits from Tacoma Power
  - Tacoma Power offers free energy audits to its business clients to help them lower their energy costs. They can review your energy consumption and identify potential ways to reduce and better manage your electrical power. If you are interested in pursuing this, please contact TPU's Energy Services Division at (253) 502-8619
- BEST
  - Pierce County companies that are facing regulatory challenges related to environmental issues, or that are interested in working on reducing carbon footprint may be interested in working with Citizens for a Healthy Bay (CHB). Through their Businesses for an Environmentally Sustainable Tacoma (BEST) program, CHB aims to help businesses in the areas of energy and water conservation, recycling, waste reduction, and storm water pollution prevention. For more information about the BEST program, contact Bill Anderson at 253-383 2429, or visit their website.
- Procurement Technical Assistance at the William Factory Incubator <sup>6</sup>
  - Contact: Tom Westerlund 253-722-5808
  - Government contracting assistance is available through the Procurement Technical Assistance Center at the William Factory Incubator in Tacoma. Their efforts are designed to assist companies in receiving contracts with federal agencies. The office can subscribe you to the Bid Match program and give additional advice on competing for government contracts.
- Business Impact Northwest<sup>7</sup>
- SCORE<sup>8</sup>

#### Import/Export Assistance<sup>9</sup>

- Highline College Center of Excellence for Global Trade & Supply Chain Management<sup>10</sup>
- Washington Small Business Development Center- Export Assistance <sup>11</sup>

<sup>6</sup> <http://edbtacomapierce.org/Page.aspx?nid=42>

<sup>7</sup> <http://businessimpactnw.org/>

<sup>8</sup> <https://www.score.org/>

<sup>9</sup> <http://www.co.pierce.wa.us/index.aspx?nid=551>

<sup>10</sup> <http://www.coeglobaltrade.com/>

<sup>11</sup> <https://wsbdc.org/services/exports/>

- Export Financial Assistance Center<sup>12</sup>

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<sup>12</sup> <http://efacw.org/>