



CITY OF  
**Vancouver**  
WASHINGTON

# Economic Development Strategy

**Situation Assessment + SWOT Analysis**

Prepared by ECONorthwest & City of Vancouver Staff  
September 2024



# Key Sections

- Context for Strategy
- Economic Data Trends
- Engagement Themes
- Community Survey Findings
- SWOT Analysis



# Project Overview: A New Trajectory

## Proactively respond to foundational shifts in Vancouver's Economy

- Transition from a regional bedroom community to a regional economic driver
- Accommodate significant regional population and job growth
- Respond to emerging community priorities such as...
  - Mitigating the impacts of climate change
  - Addressing disparities to ensure widely-shared economic opportunity
  - Creating affordable and accessible communities that maintain a high quality of life



# A Roadmap for Economic Prosperity

## Vancouver's Economic Development Strategy will ....

- Inform the Economic Chapter of the updated Comprehensive Plan
- Align with CREDC's update of the Clark County Comprehensive Economic Development Plan
- Define City roles & responsibilities within the regional blueprint to ensure alignment and seamless service deliver
- Identify and prioritize City of Vancouver programs and initiatives to support:
  - Small Businesses, Entrepreneurs, and Innovation
  - Neighborhood Commercial Districts
  - Employment Land and Industrial Development
  - Job Creation and Target Industry Growth



# City of Vancouver

## Key Economic Data Trends

- Certain data was only available at the County level, but where possible Vancouver specific data was gathered and analyzed
- A time lag often exists regarding data availability. The most recent data was used at the time of analysis
- Data and findings from the Comprehensive Plan's Economic Conditions and Opportunities Analysis were leveraged



# Key Trends: Population Growth

**Vancouver and Clark County are growing quickly** compared to other places in the Portland Metro.

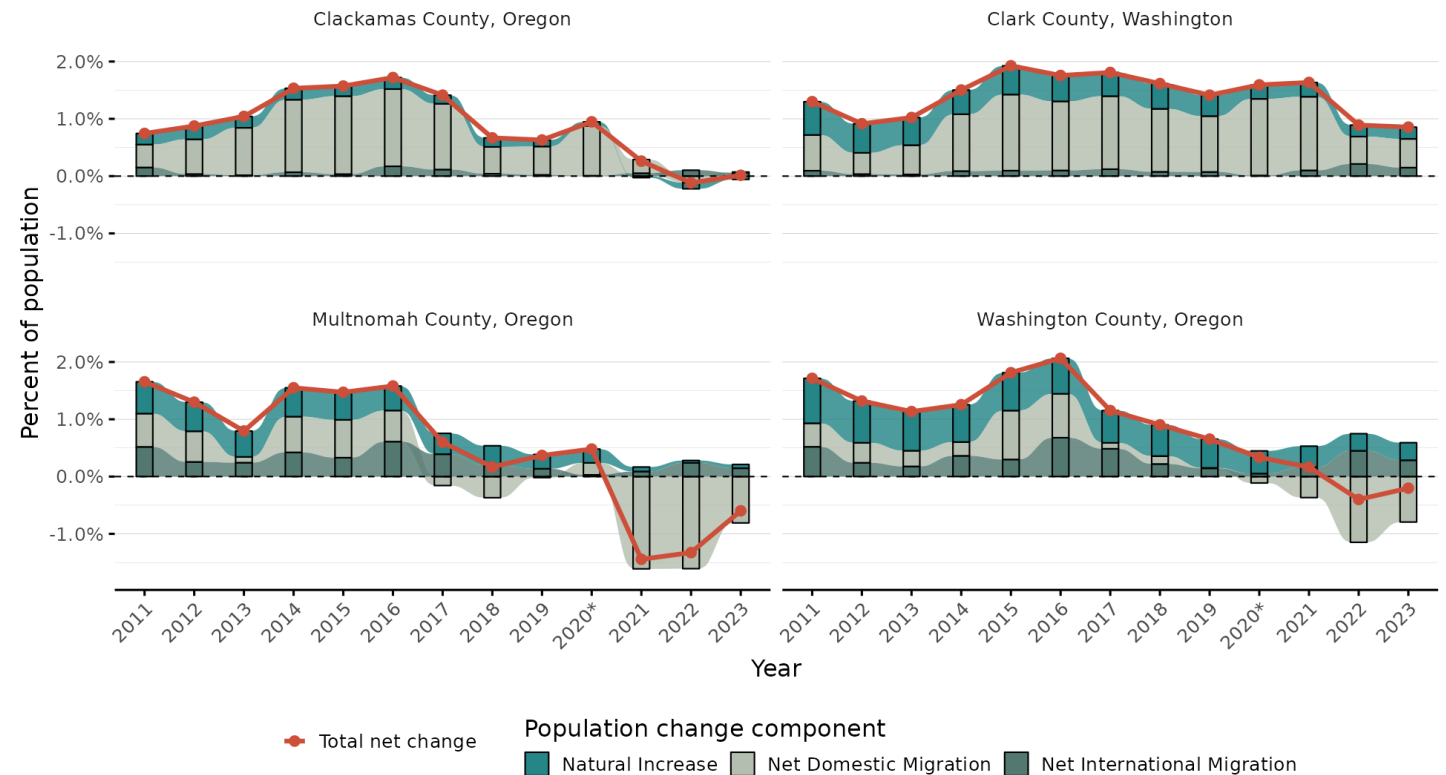
## Population Growth, 2000-2023

**+39%** Vancouver

**+53%** Clark County

Source: Office of Financial Management  
Population Estimates

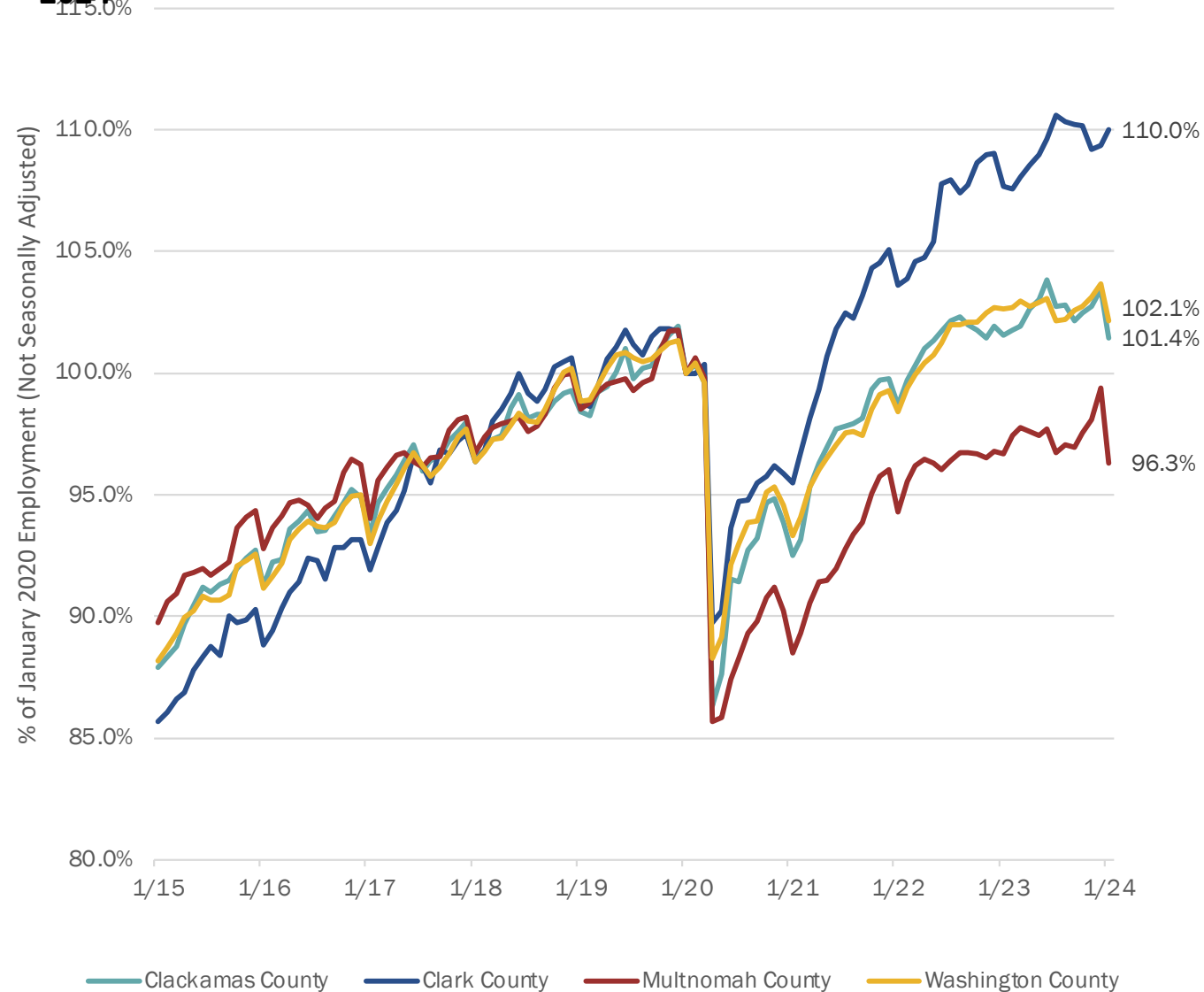
## Annual Population Change by County across the Portland Metro Region, 2011-2023



Source: US Census Data

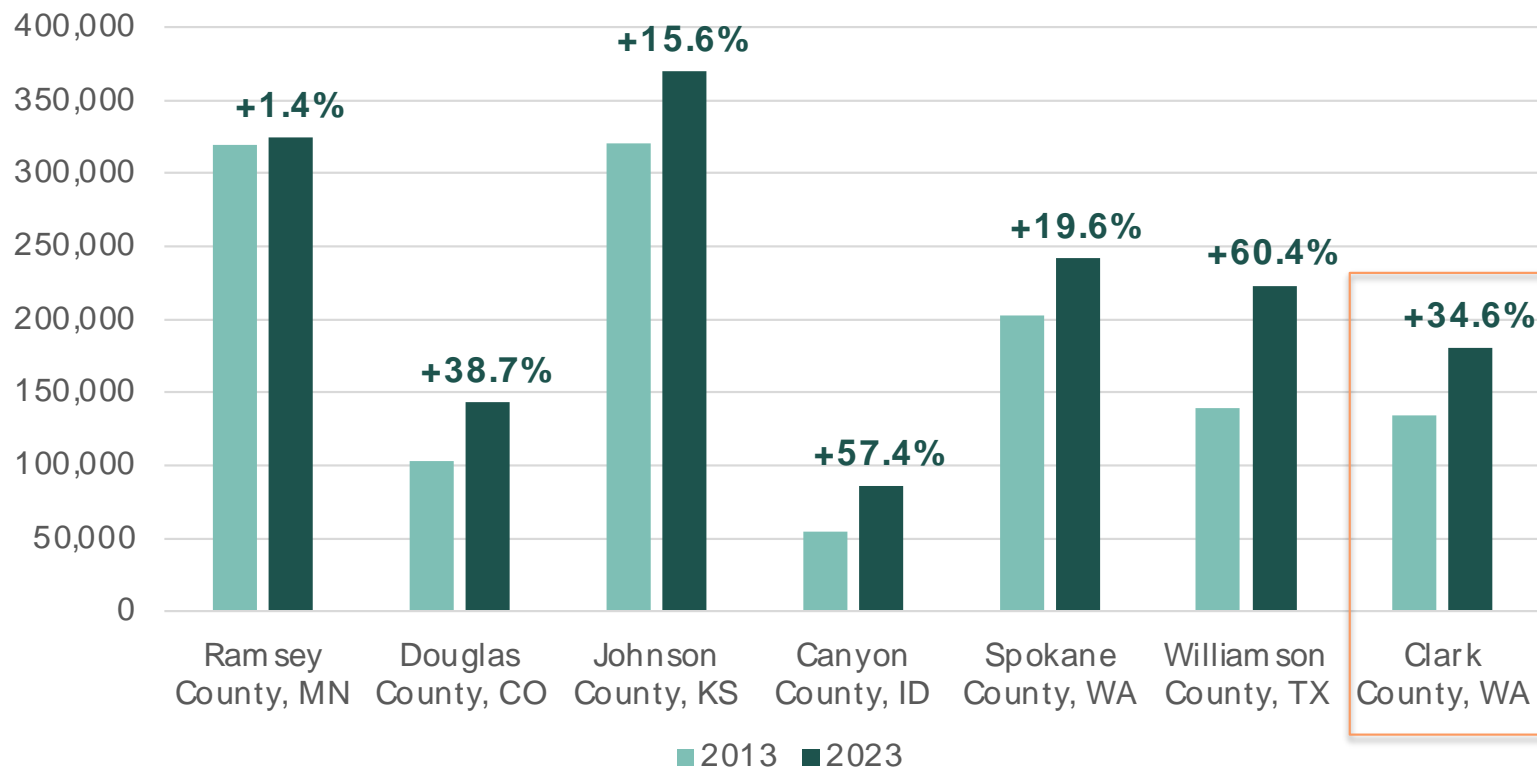
# Key Trends: Employment Growth Post Pandemic

**Share (%) of Employment Compared to January 2020, January 2015 – January 2024**



Clark County has seen growth in overall employment comparable with its peer regions.

Peer Region Analysis, Total Covered Employment, 2013-2023



Source: QCEW

# Key Trends: Demographic Changes

**In the past ten years,  
Vancouver has become:**

- More racially and ethnically diverse
- More educated
- Older
- Higher-income

## Key Demographic Changes, Vancouver, 2012-2022

	2012	2022
% People of Color	28%	35%
Median Age	38.0	39.4
% with Bachelor's (Age 25+)	26%	31%
Median Income	\$59.0k*	\$76.7k

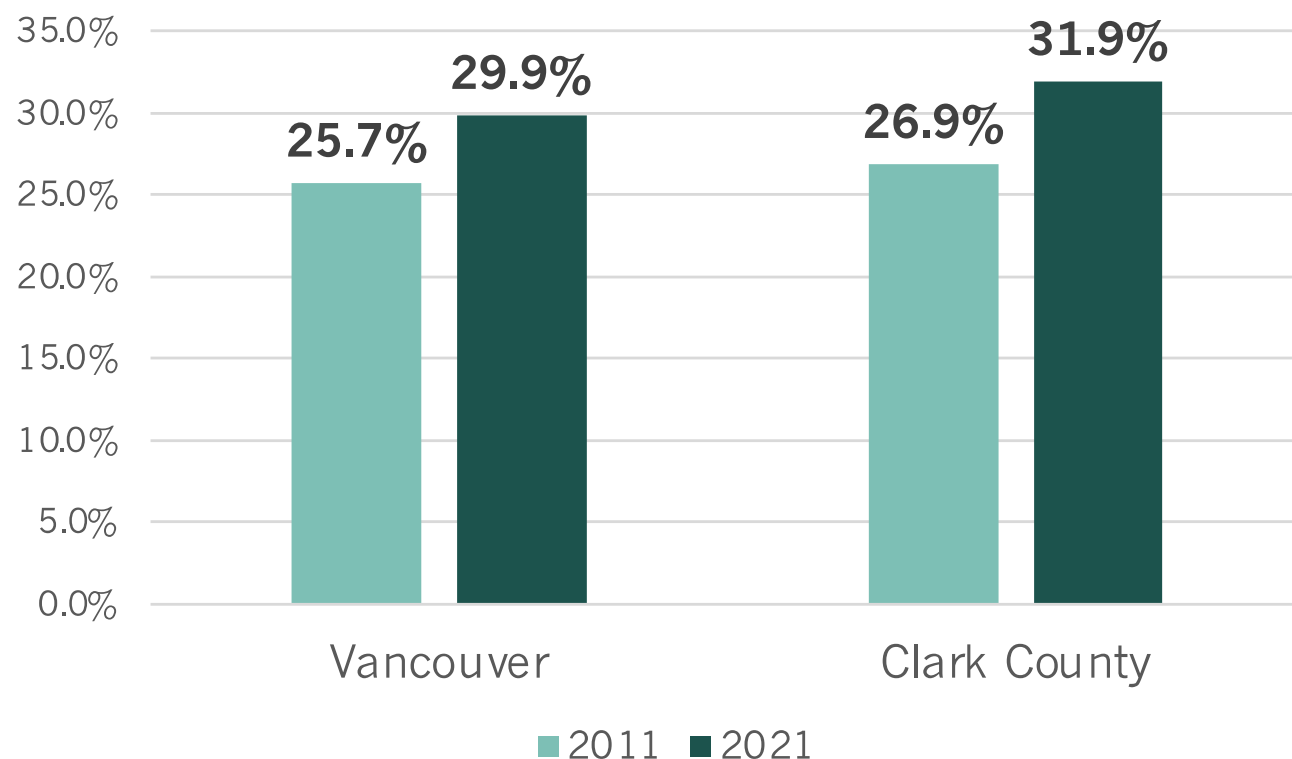
Source: ACS 1-Year Estimates

\*Adjusted for inflation

# Key Trends: Educational Attainment

Vancouver's population is **growing**, particularly with residents with high levels of **educational attainment**

Share of Adults 25+ With Bachelor's or Higher, Vancouver and Clark County, 2011-2021



Source: ACS 1-Year Estimates

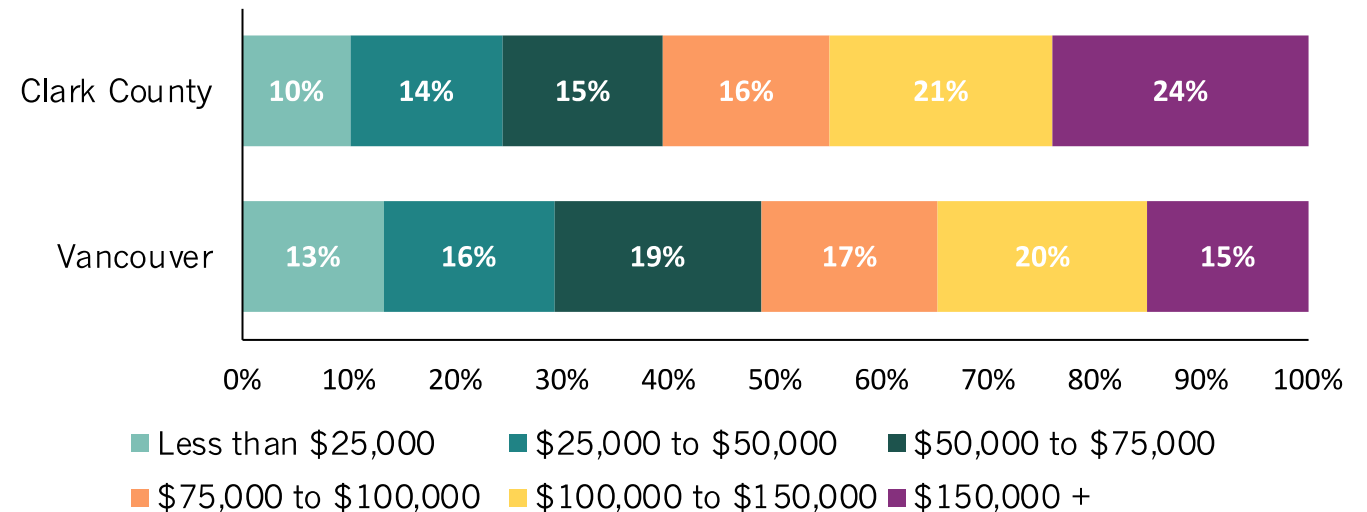
# Key Trends: Income Categories

**Median household income is rising in Vancouver** but remains lower than Clark County, with a smaller share of households high-earning households (\$150k+)

Median Household Income, Vancouver and Clark County, 2012-2022

Vancouver	<b>\$59.0k*</b>	<b>\$76.7k</b>
Clark County	<b>\$71.0k*</b>	<b>\$91.2k</b>

Household Income Categories, Vancouver and Clark County, 2022



Source: ACS 1-Year Estimates

\*Adjusted for inflation to 2022 dollars

# Key Trends: Living Wage

2022 Median Income = \$76,700 (\$36.90/hour)  
Average Family Size ~3 people

	1 Working Adult				2 Adult (1 Working)				2 Adult (Both Working)			
	0 Child	1 Child	2 Child	3 Child	0 Child	1 Child	2 Child	3 Child	0 Child	1 Child	2 Child	3 Child
<b>Living Wage</b>	\$26.24	\$43.16	\$54.32	\$71.04	\$34.98	\$40.51	\$45.41	\$50.78	\$17.49	\$23.92	\$29.59	\$35.03
<b>Minimum Wage</b>	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28	\$16.28

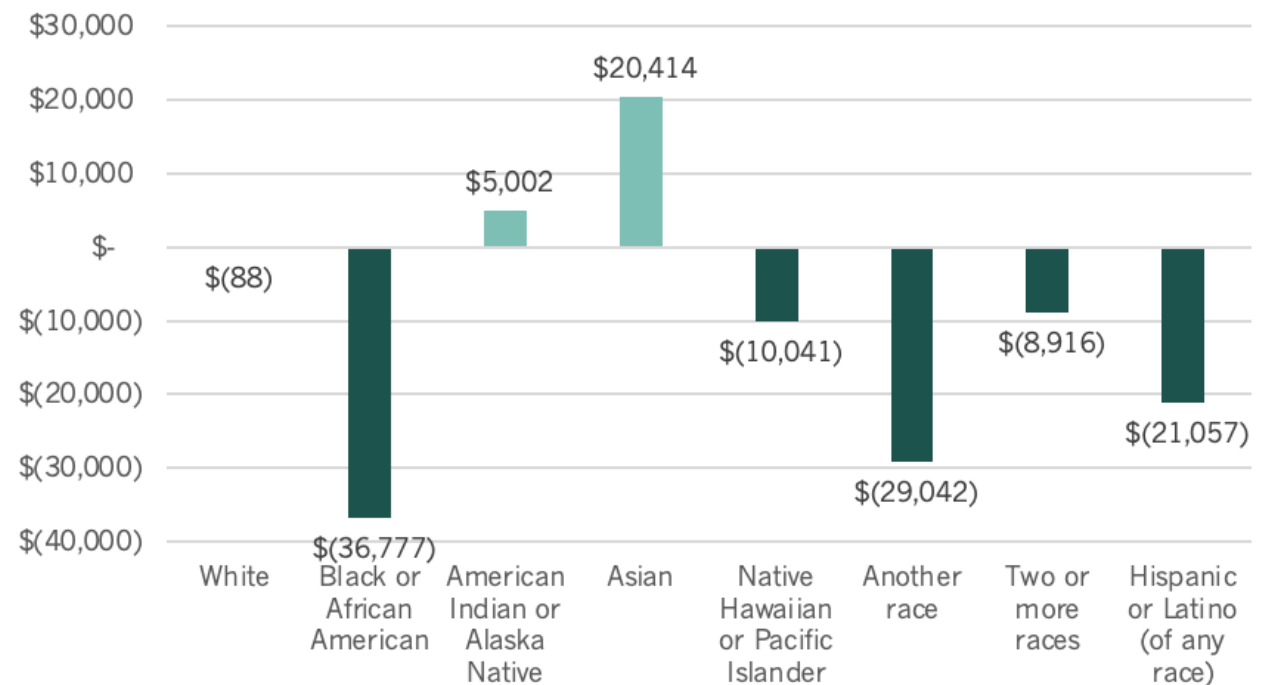
Source: MIT Living Wage Calculator

Median income earners would not earn living wages if they had children.

# Key Trends: Income Inequality

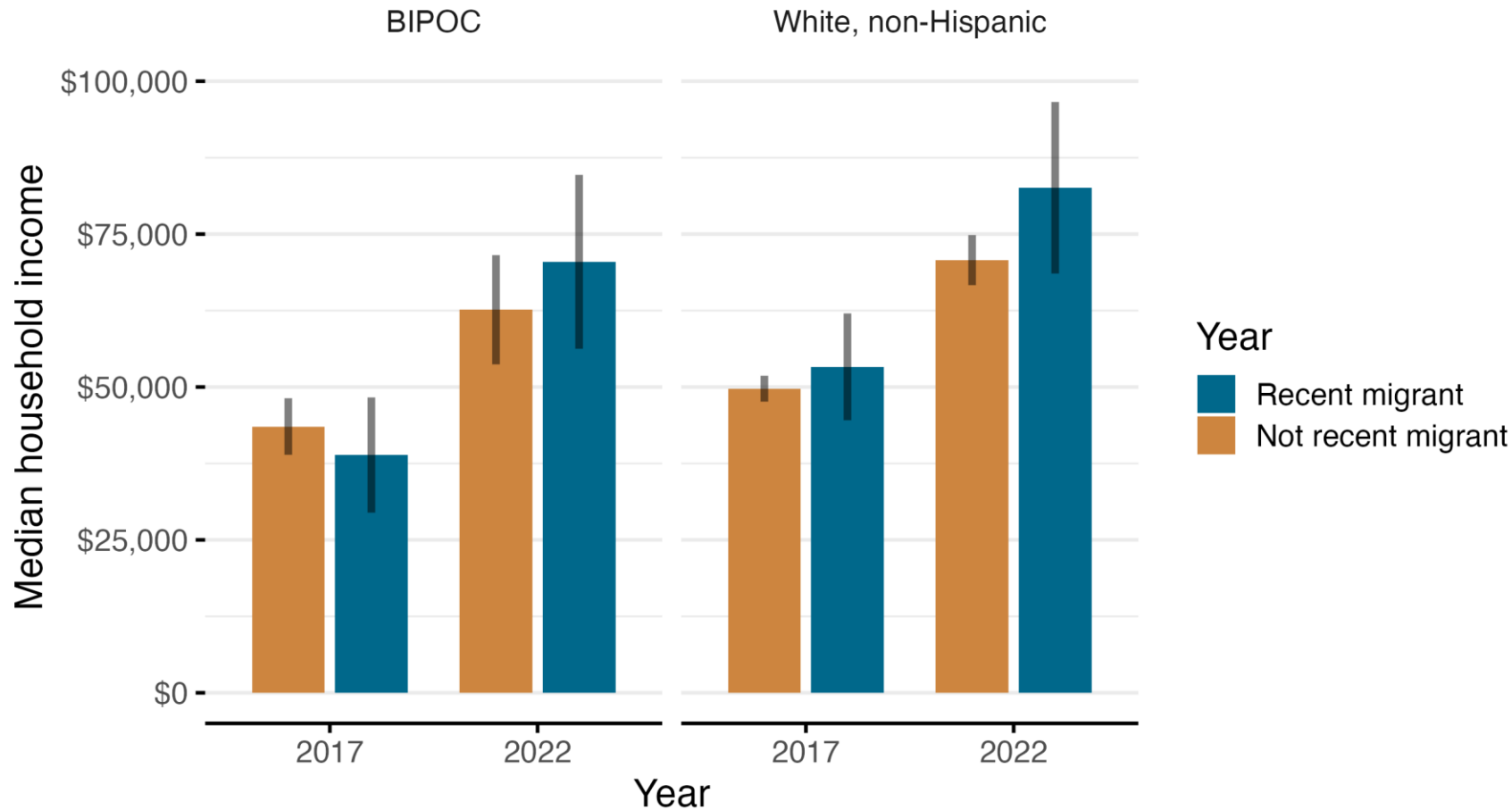
**While Clark County is becoming more diverse, it also faces disparities in median income, educational attainment, housing cost burden, and homeownership rates by race and ethnicity.**

**Difference between Median Income by Race and Overall Median in Clark County, 2018-2022**



Source: ACS 5-Year Estimates

# Key Trends: Household Income

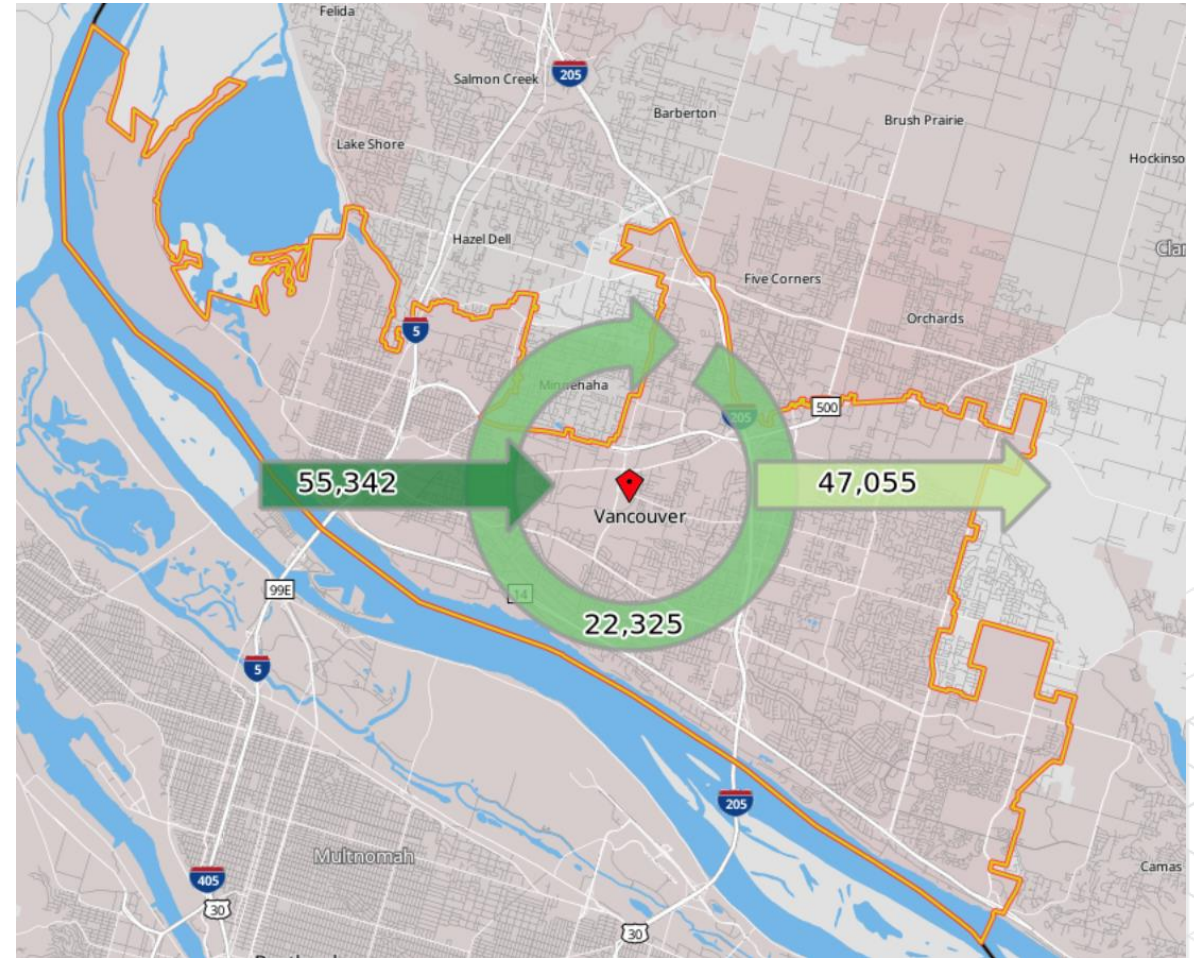


People moving into Vancouver typically earn higher incomes compared to other residents. White, non-Hispanic households who recently moved to Vancouver earn more than all other households.

Source: American Community Survey (ACS) Public Use Microdata Survey

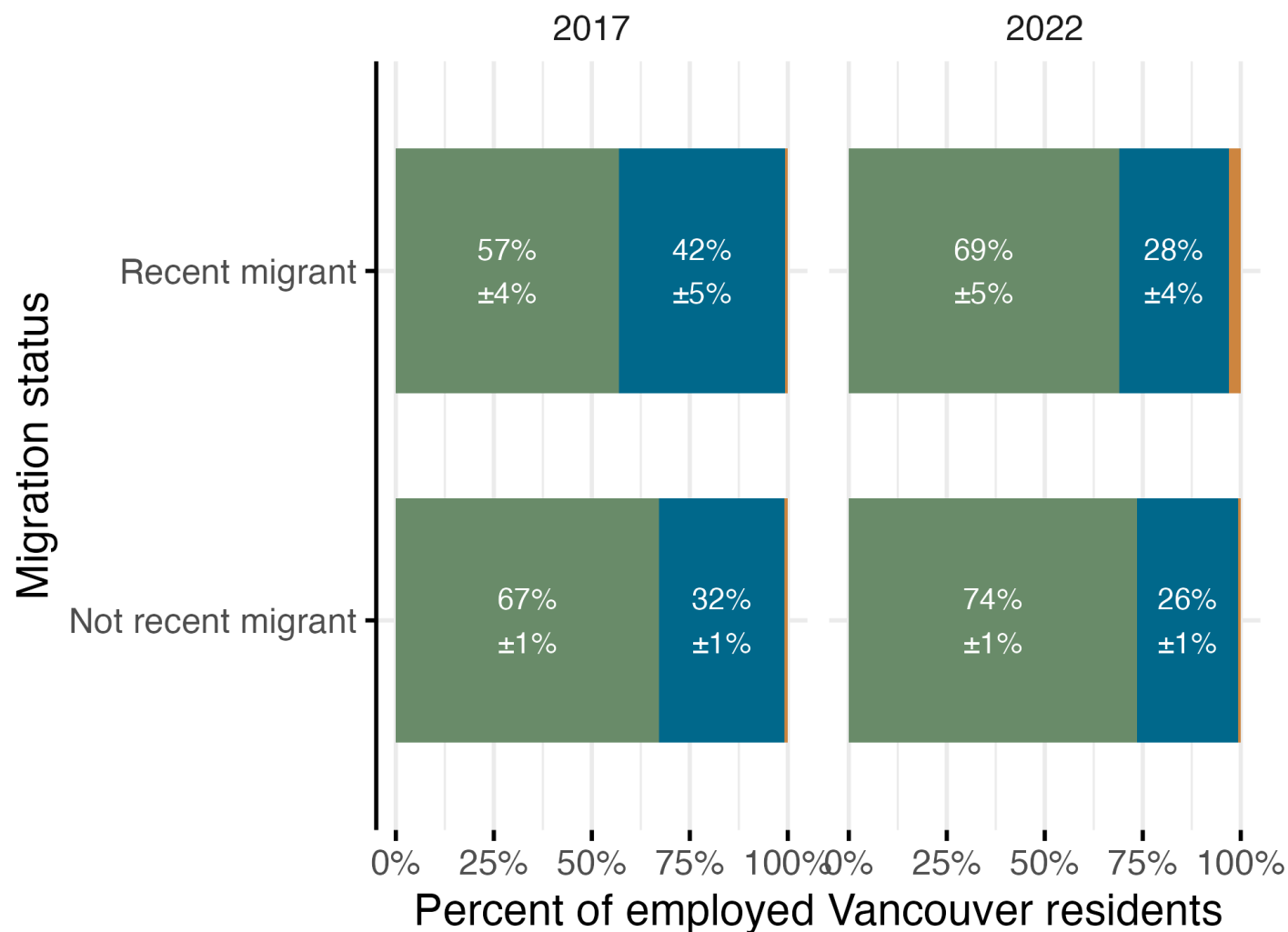
**Vancouver is part of an interconnected labor market, with 71% of its labor force commuting in from surrounding communities in Clark and Multnomah Counties.**

Commuting Patterns, Vancouver, 2021



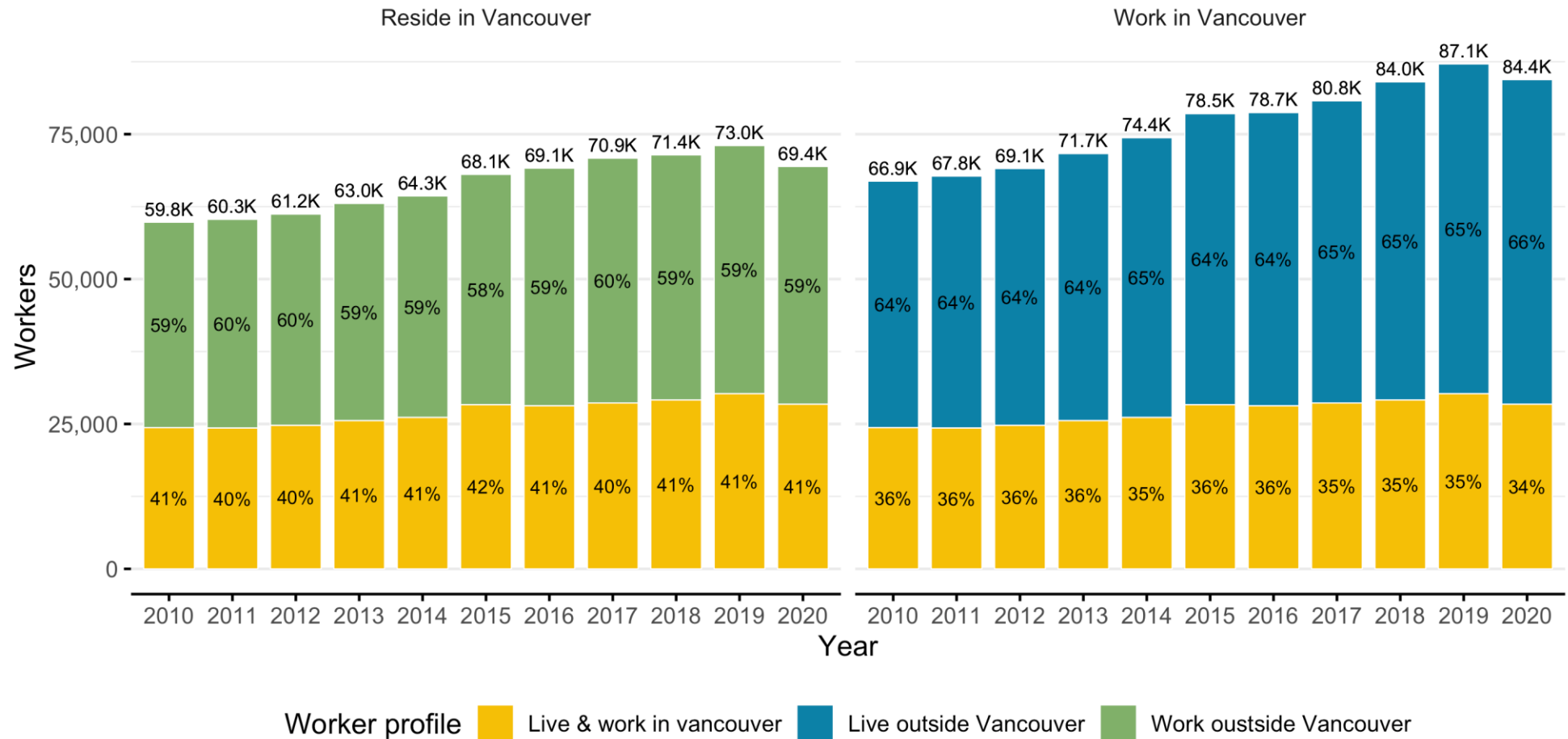
Source: Census OntheMap

# Key Trends: Migration & Workplace Status



A larger share of recent migrants worked in Washington compared to Oregon in 2022.

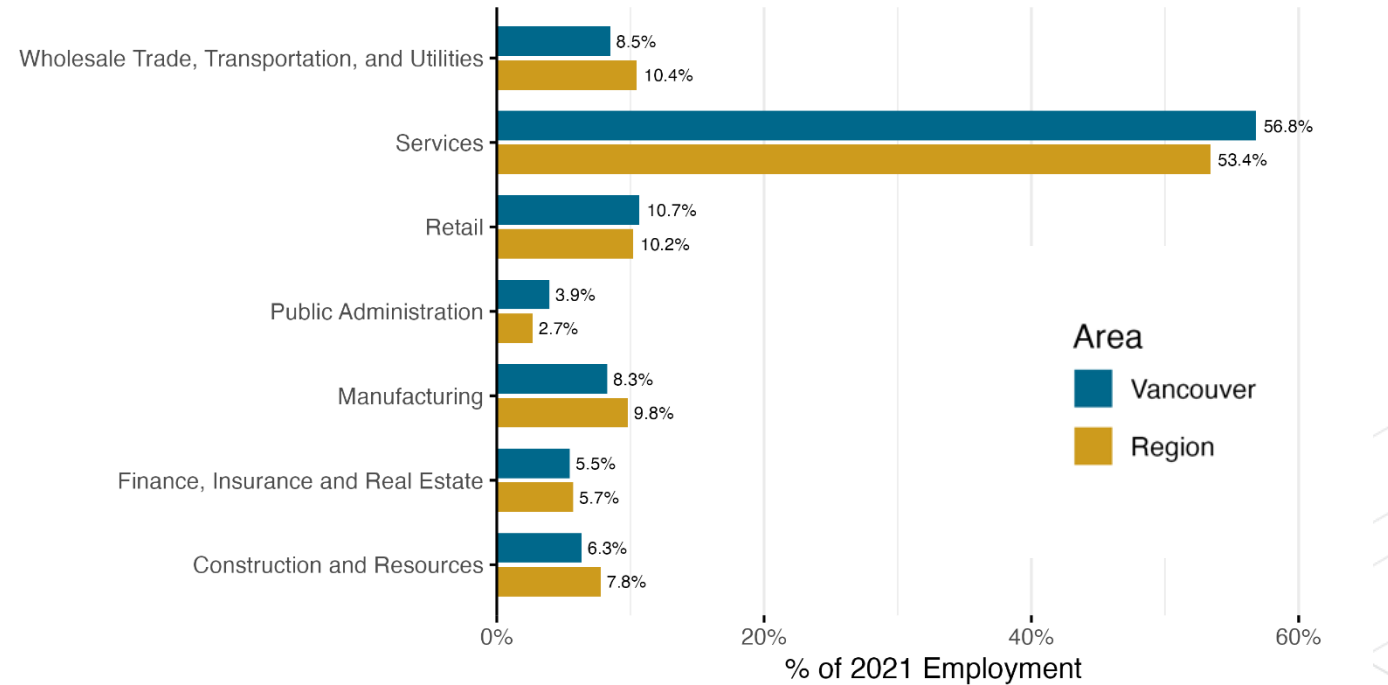
## Share of Residents and Workers Living and Working in Vancouver, 2010-2020



# Key Trends: Employment and Industries

**Vancouver outpaces the Portland region in employment within service sectors, retail, and public administration with a lower share of workers in key traded-sector industries like manufacturing.**

**Share of Employment by Industry Group, Vancouver and 4-County Metro Region, 2021**



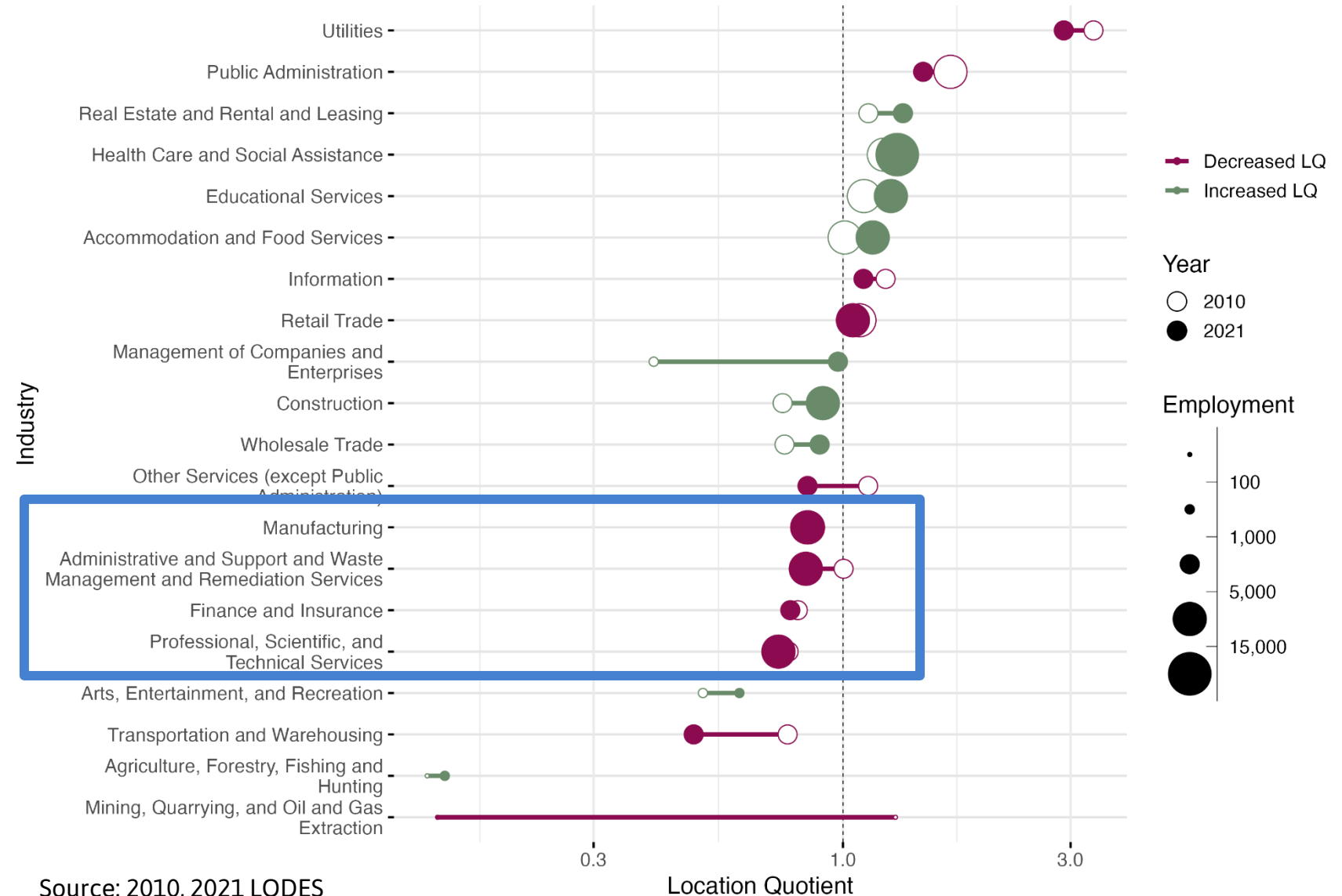
Reference region is the combination of Clark, Clackamas, Washington and Multnomah counties

Source: LODS 2021

# Key Trends: Employment and Industries

Industries in Vancouver with a high concentration of employment include **utilities, public administration, real estate, health care and social assistance, educational services, accommodation and food services, and information.**

Sector Analysis by Change in Location Quotient, Vancouver, 2010-2021



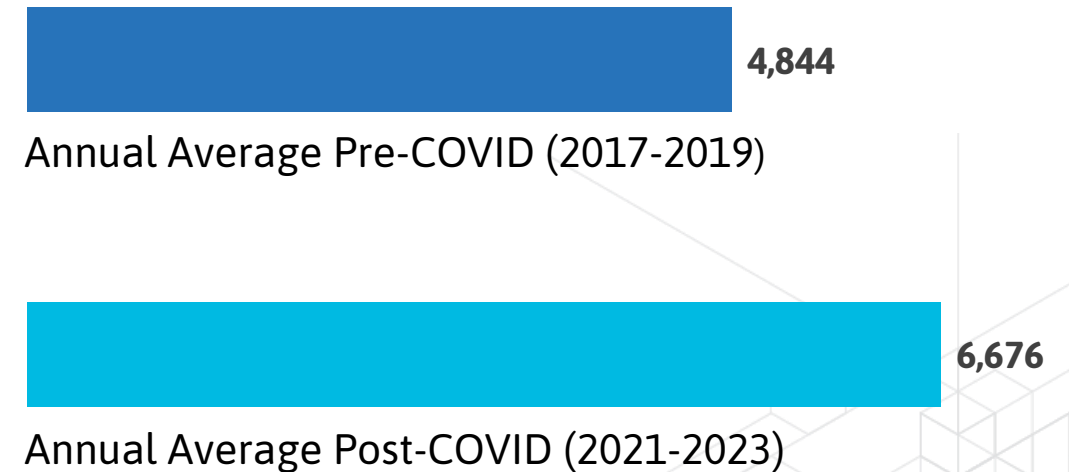
# Key Trends: Small Business Growth

- **Microenterprises** (<5) account for 62% of all establishments and 8% of total employment (Clark County)
- **Small Businesses** (<50) account for 96% of all establishments and 42% of total employment (Clark County)

*Figures likely higher in Vancouver*

WA Employment Security Data

## 38% Increase in Clark County New Business Starts: Entrepreneurship Boom

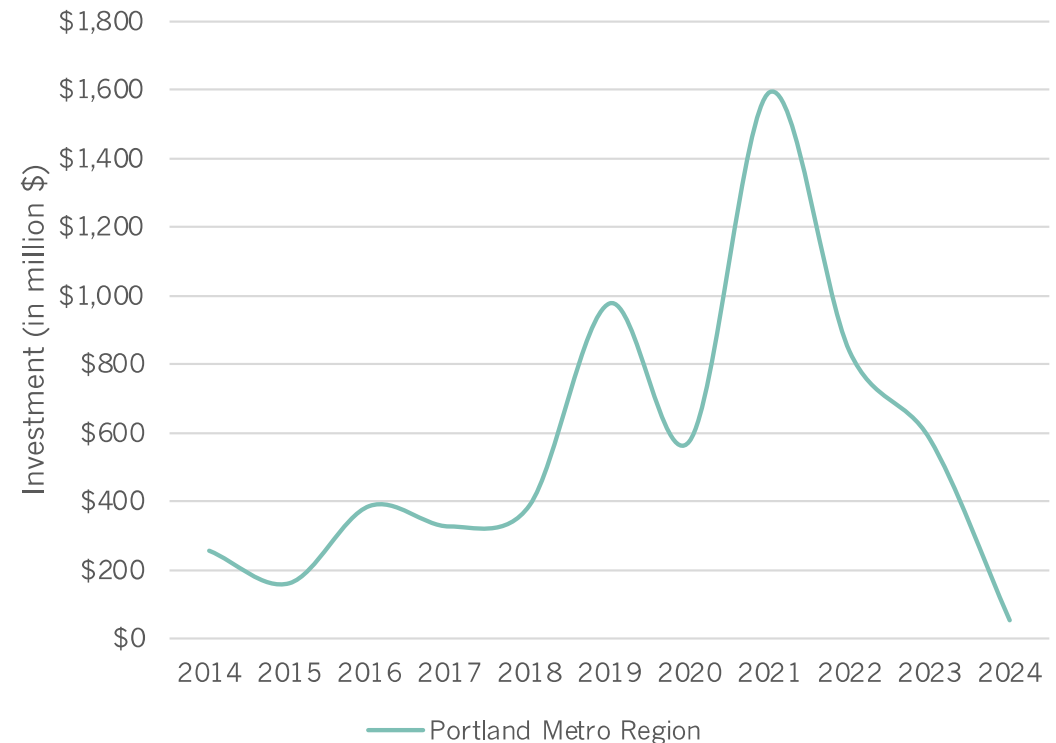
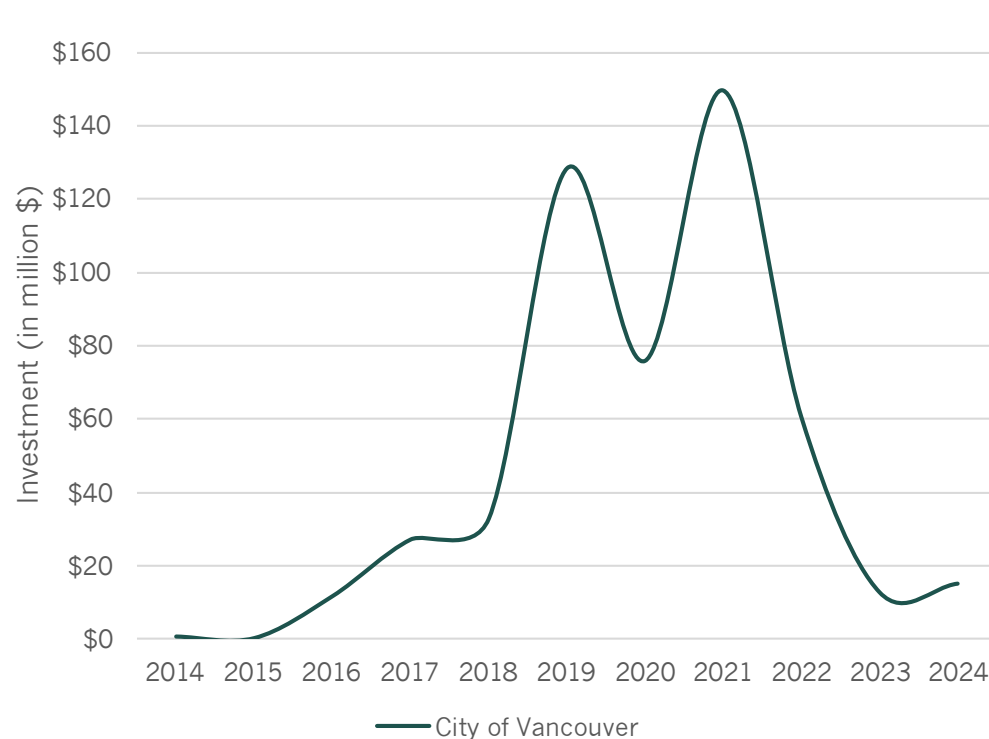


U.S. Census

# City of Vancouver: Entrepreneurship

Over the last ten years, venture capital deals have raised **over \$513 million** for startups and businesses based in Vancouver, with the largest spikes during 2019 and 2021. This is similar to increases in the Portland Metro region in the last decade and accounts for **8.3%** of these investment dollars in the region.

**Total Venture Capital Investments, Vancouver and Portland Metro, 2014-2024 YTD**



# Small Group Discussion & Interview Themes

Three small group discussions were convened to gather insights into Vancouver's economic development direction and strategic priorities:

1. Medium to large traded sector businesses (7 participants)
2. Entrepreneurs and startups (8 participants)
3. Local serving small businesses (9 participants)

Seven one-on-one interviews with City Councilmembers and Senior Staff  
(note: due to scheduling challenges, several more are forthcoming)



# Engagement: Small Group Discussion Themes

Discussion Questions	Response Themes
What is the city's value proposition? What unique and sustainable value does Vancouver offer to your business and businesses like yours?	<ul style="list-style-type: none"><li>- Outdoor amenities and activities</li><li>- Walkable, mixed-use neighborhoods; livability</li><li>- Favorable business climate</li><li>- Community pride and collaborative spirit</li><li>- Affordability relative to region</li></ul>
What are Vancouver's "hard truths"? what challenges should this strategy tackle?	<ul style="list-style-type: none"><li>- Lack of affordable housing &amp; childcare</li><li>- Lack of affordable commercial space</li><li>- Houselessness, cleanliness and safety concerns, particularly downtown</li><li>- Lack of "infrastructure" to support entrepreneurship and industry innovation</li><li>- Challenge retaining recent graduates</li></ul>
How will we know if this strategy will be successful?	<ul style="list-style-type: none"><li>- Unique economic identify</li><li>- Retention of younger talent</li><li>- Job creation in target industry clusters (traded sector; higher-wage)</li><li>- Enhanced small business &amp; entrepreneurship support</li><li>- Growth of local small businesses into anchor employers</li><li>- Improved housing availability and affordability</li><li>- Reduction in dilapidated and vacant buildings</li><li>- More community events to better activate neighborhoods</li><li>- Diverse communities and voices at implementation table</li></ul>

# Engagement: Interview Themes

Discussion Questions	Response Themes
What is missing in Vancouver? What kind of policies, amenities, assets, or programs does it need more of?	<ul style="list-style-type: none"><li>- Better tell our story; clear and well communicated value proposition</li><li>- Retaining major employers and growing small businesses</li><li>- Enhanced local capacity to support communities &amp; neighborhoods outside of downtown</li><li>- Improved public safety</li><li>- More housing options</li></ul>
What are some of Vancouver's challenges?	<ul style="list-style-type: none"><li>- Budget constraints hinder ability to support community &amp; growing economy</li><li>- Visible homeless and public safety concerns</li><li>- Gentrification and displacement of important cultural communities</li></ul>
As Vancouver transitions from a suburban bedroom community to an urban city, what are some growing pains you see businesses and residents experiencing?	<ul style="list-style-type: none"><li>- Growing bureaucracy (to support growing community) makes efficiently getting to "yes" more challenging</li><li>- Cost increases associated with redevelopment and launching/growing businesses</li><li>- Managing population growth while also keeping Vancouver affordable</li></ul>
Looking ahead ten years, what should be included in Vancouver's vision?	<ul style="list-style-type: none"><li>- Attract and retain young people</li><li>- Ensure affordability (housing and commercial)</li><li>- A diverse economic growth (industries and businesses) to ensure resiliency</li><li>- Strong sense of community and transformative investments in placemaking</li></ul>

# Survey Findings

The community survey was promoted through the following efforts:

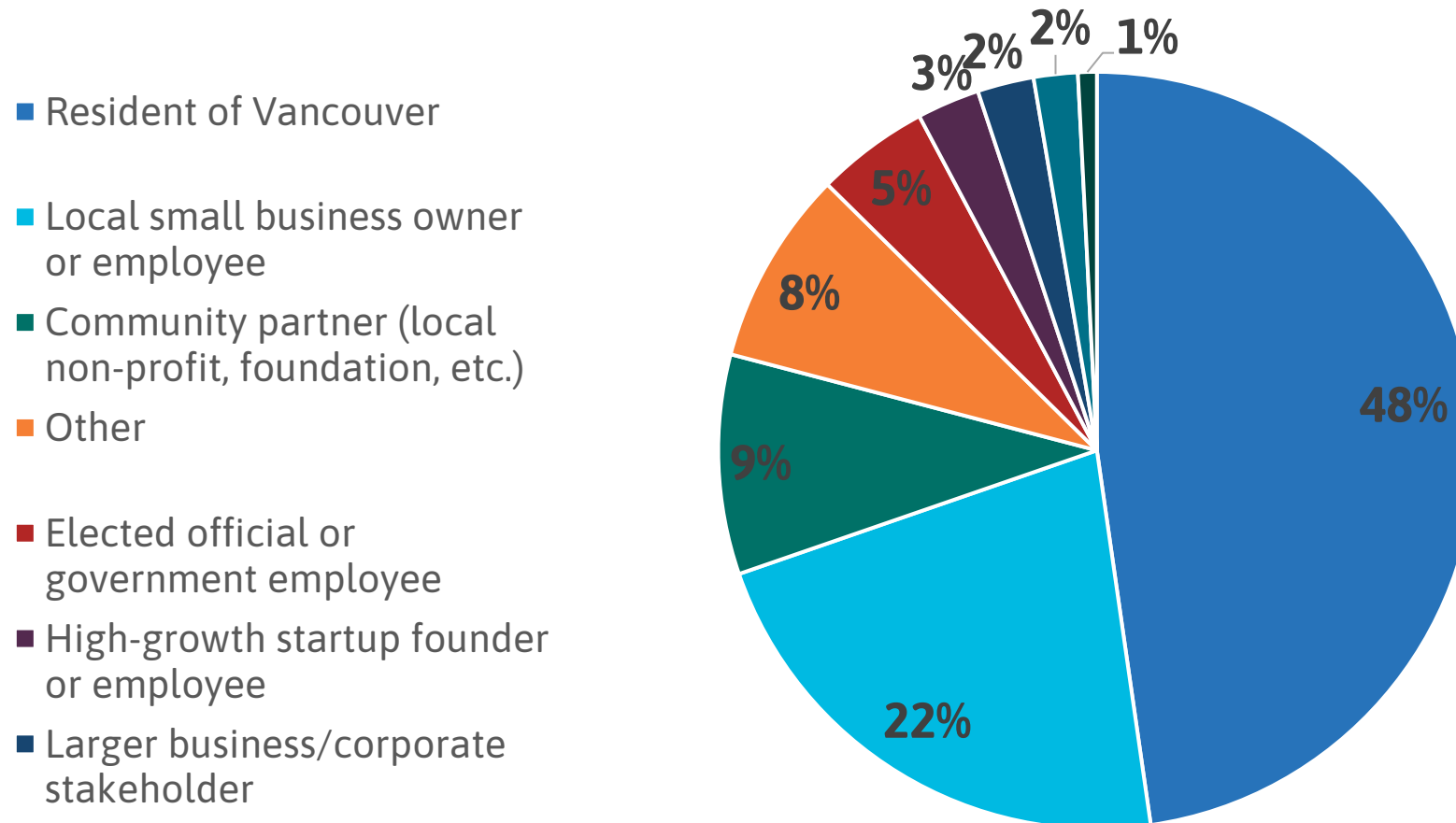
- City Communications: Press release, Newsletter, Social Media
- Partner Communication: Distribution Lists, Newsletters, Social Media
- Three Languages: English, Spanish, and Russian

420 residents, business/industry stakeholders, and community partners completed the survey



# Affiliation of Respondents

Which category below best describes your organization or relationship with Vancouver?



# Demographics of Respondents

Race/Ethnicity	%
White or European American	71%
Hispanic or Latino/a/e	6%
Asian or Asian American	5%
Mixed Race	4%
Other	3%
American Indian or Alaskan native	2%
Middle Eastern or North African	2%
Black of African American	1%
Native Hawaiian or Pac. Islander	1%
Prefer not to answer	14%

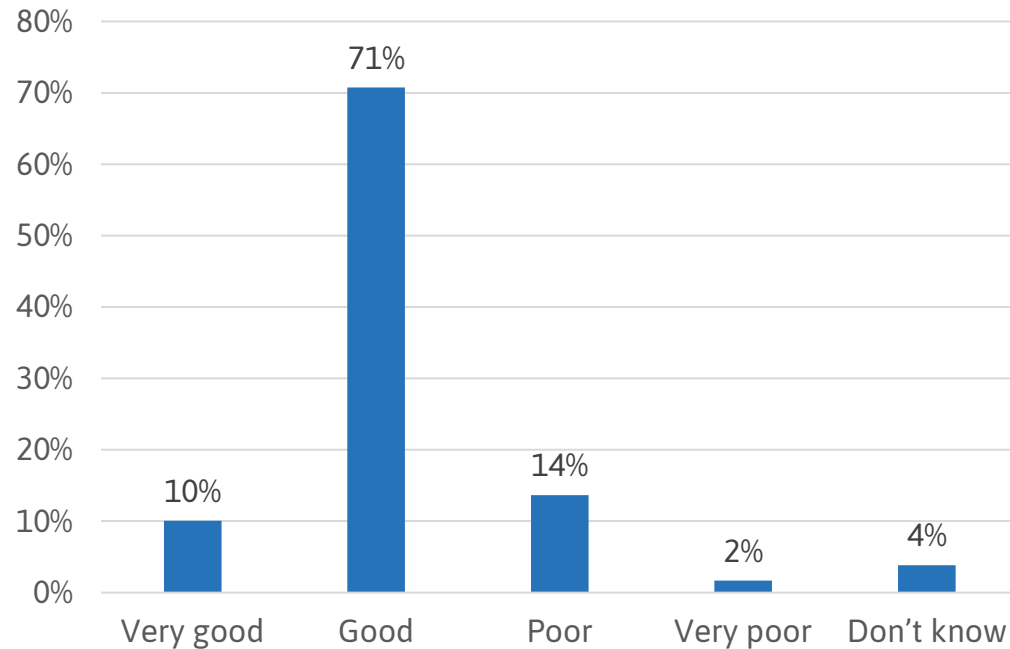
Gender Expression	%
Female	50%
Male	37%
Non-binary	2%
Transgender	1%
Other	1%
Prefer not to answer	10%

Age	%
Under 18	0%
18-24	1%
25-34	11%
35-54	35%
55-64	20%
65 or over	27%
Prefer not to answer	7%



# General Economic Perceptions

**How would you rate economic conditions in Vancouver today?**



- Positive feelings about Vancouver's economy
- BIPOC and business (small & large) stakeholders responded slightly more negatively
- Nearly 70% of respondents are likely or very likely recommend Vancouver as a place to launch or grow a business



# Most Important Activities

Please rank how important you think the following economic development activities are for Vancouver:

Activity	Avg
Support for local-serving and “main street” small businesses	4.5
Retention and expansion of existing businesses	4.5
Efficient government permitting for new/expanding businesses	4.3
Recruitment and attraction of new businesses	4.2
Neighborhood placemaking and commercial corridor planning	4.1
Workforce development and training	4.0
Investments in innovation and research & development	3.9
Support for high-growth startups and entrepreneurs	3.6
Development of tourism attractions and experiences	3.5
Employment land (industrial and commercial) site readiness	3.4

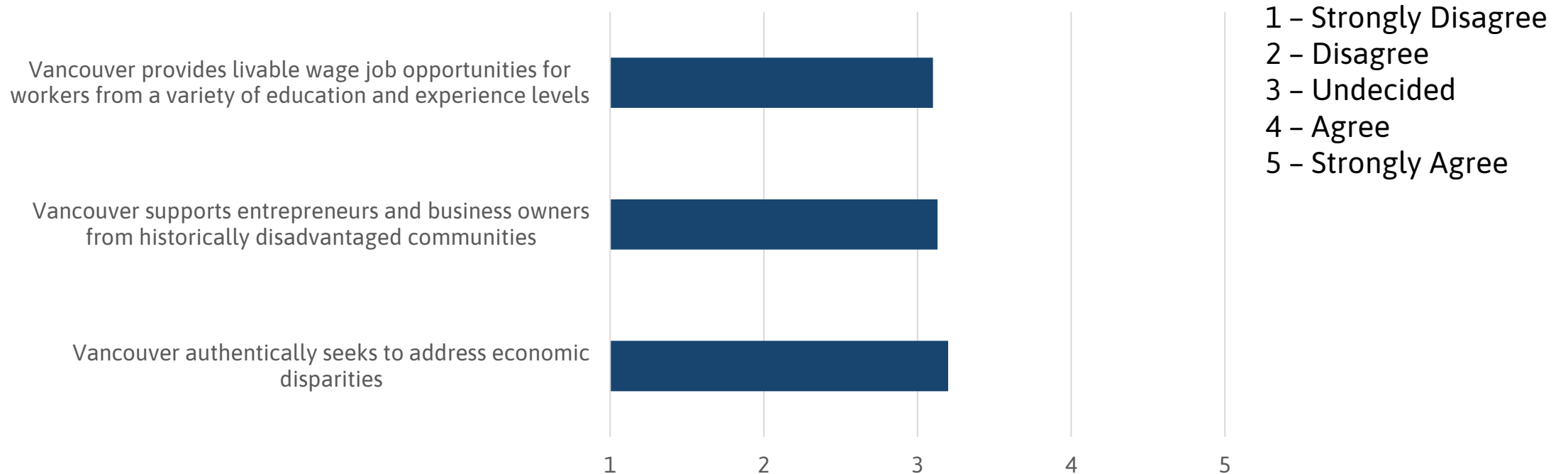
1 – Not Important  
2 – Slightly Important  
3 – Moderately Important  
4 – Important  
5 – Very Important

- Small business stakeholders and younger respondents rank “traditional” business development activities (retention, recruitment, expansion) lower compared to older, larger business, or workforce development stakeholders.
- Lower rankings for “R&D” and “high-growth startups” activities suggests innovation not currently seen as a core value proposition for Vancouver.
- Efficient government permitting viewed as more important to BIPOC respondents.
- Older respondents rank workforce development higher than younger respondents.
- Neighborhood placemaking and commercial corridor planning more important for respondents identifying as female.
- Employment land site readiness ranked highest by older, white, and large business respondents.



# Addressing Disparities

Please select your level of agreement with each statement

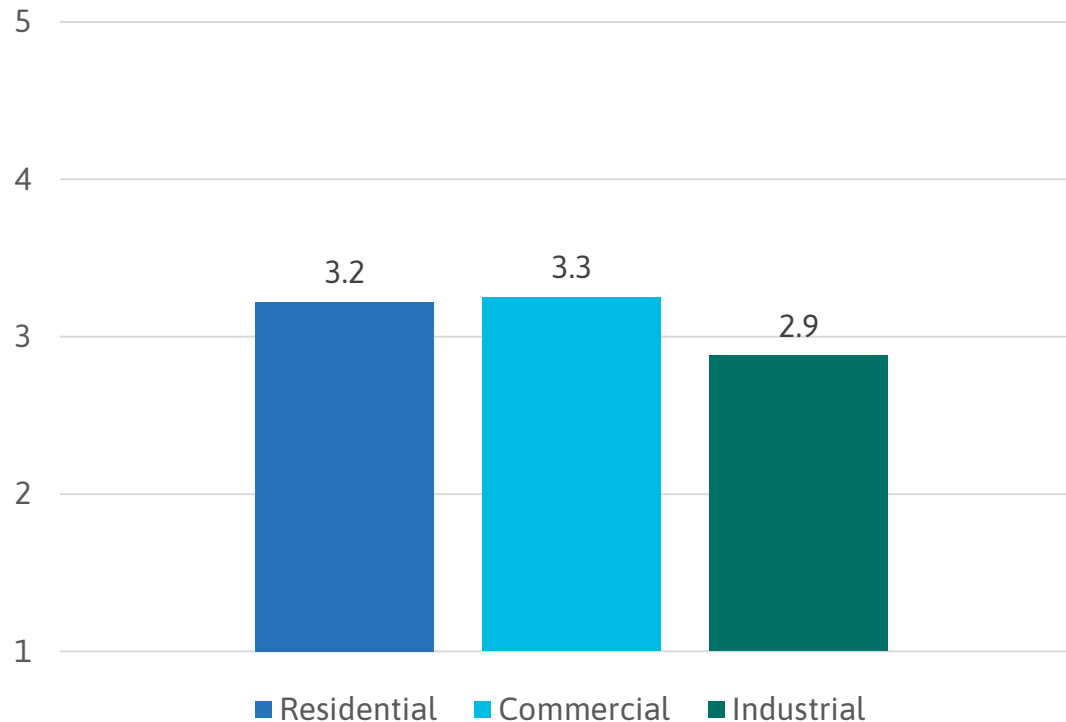


- Room for improvement amongst all respondent affiliations and demographics
- Higher level of disagreement from BIPOC respondents and people identifying as female



# Feelings Toward Growth

How do you feel about growth in Vancouver?



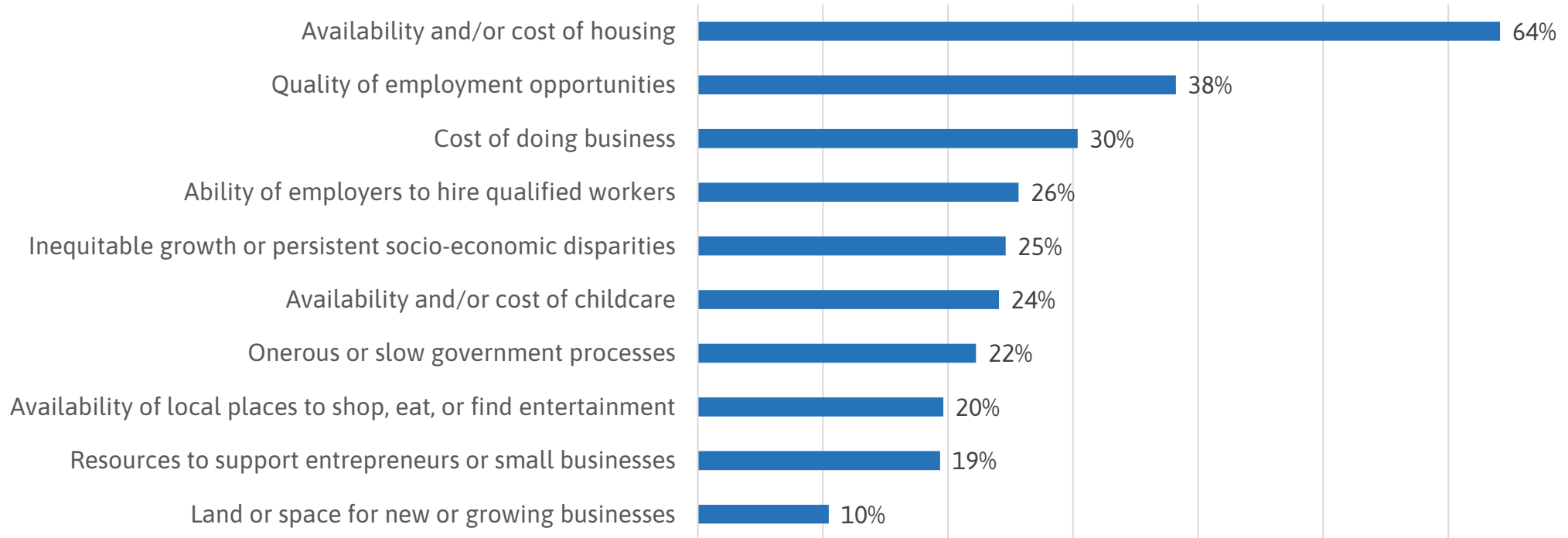
1 – Very Negative  
2 – Negative  
3 – Neutral  
4 – Positive  
5 – Very Positive

- Residential and commercial growth skew more positive than industrial growth
- More negative views from residents and local small businesses



# Biggest Challenges

What do you believe are the top three biggest challenges related to ensuring the economic growth and competitiveness of Vancouver?

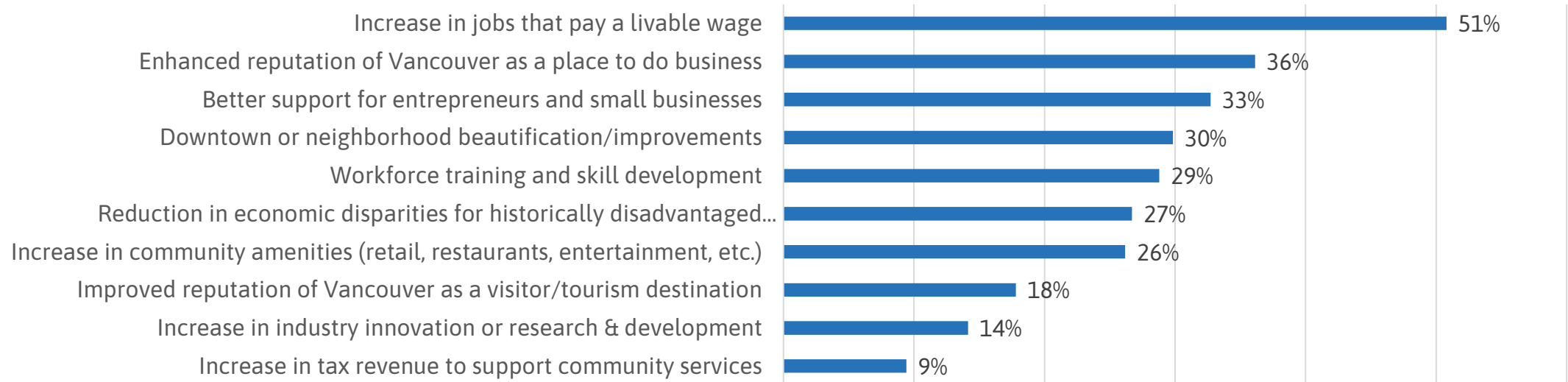


- Availability of housing is clearly THE major issue
- Cost and affordability of Vancouver a key theme



# Desired Outcomes

What are the three most important outcomes you would like to see from the City of Vancouver's economic development efforts going forward?



- Livable wage jobs identified as top desired outcome; tied to increasing concern over affordability of Vancouver
- BIPOC and female respondents favored reduction in economic disparities, workforce training, and better support for entrepreneurs and small businesses.



# Qualitative Priorities / Topics

**Is there anything else that you feel would be important for the City to consider as it develops Vancouver's new Economic Development Strategy?**

- Housing, housing, housing
- Partnerships with community-based organizations are important
- Need for more higher-paying traded sector jobs
- Traffic and congestion; alternative modes (non-SOV) of transportation
- Addressing climate change and environmental sustainability
- More robust “infrastructure” to support small businesses & entrepreneurs
- Homelessness, illegal camping, and community safety a growing concern
- Wages not keeping up with cost of living; gentrification and displacement
- Cost of doing business continues to increase
- Concern about growth and changing community
- Center equity and inclusion; seat at decision-making table



**SWOT** analysis is a framework for understanding strategic positions and identifying potential for future actions

**Strengths** and **Weaknesses** identify internal factors while  
**Opportunities** and **Threats** identify external factors for an organization

Internal	STRENGTHS	WEAKNESSES
	OPPORTUNITIES	THREATS

# SWOT Summary for Vancouver

## STRENGTHS

## WEAKNESSES

## OPPORTUNITIES

## THREATS

### STRENGTHS

- Rapid population growth fueled by skilled and educated workers
- Robust network of economic development organizations strengthening local economy
- Rise in management occupations reflects economic expansion
- Favorable business climate attracting new investments
- Strong community bonds enhance livability and workforce retention
- Thriving K-12 and higher education ecosystem prepares future leaders
- Diverse businesses and sectors bolsters economic resilience
- Perception of economic conditions is positive

# SWOT Summary for Vancouver

STRENGTHS

WEAKNESSES

OPPORTUNITIES

THREATS

## WEAKNESSES

- Aging population presents long-term economic challenges
- City struggles with racial and ethnic disparities in income, education, and housing
- Limited commercialization and research opportunities hinder innovation
- Shortage of affordable, reliable childcare impacts workforce stability
- Downtown vacancies and visible homelessness hinder urban vitality
- Business retention and expansion activity is stagnant
- Rising costs highlight need for more affordable housing and commercial space
- Employment concentration is in local sector jobs and not higher-wage traded sector industries

# SWOT Summary for Vancouver

STRENGTHS	WEAKNESSES
OPPORTUNITIES	THREATS

## OPPORTUNITIES

- Additional job opportunities can lessen 47,000 people commuting outside of Vancouver
- Half of the county's jobs are expected to locate in Vancouver by 2045
- Walkable 15-minute neighborhoods can enhance urban living
- A growing small business and entrepreneurship community
- City attracts large developers with additional growth potential
- Placemaking investments key to business success and talent recruitment
- Interstate Bridge Replacement (IBR) will offer increased accessibility, amenities, and job opportunities

# SWOT Summary for Vancouver

STRENGTHS

WEAKNESSES

OPPORTUNITIES

THREATS

## THREATS

- Young graduates exiting the community after graduation
- Startup investment funds, accelerators, and incubators are concentrated outside of Vancouver
- Business displacement in economically disadvantaged areas
- Growth of the city and an increase in complex issues has slowed business approvals and transactions
- Large business and employers rate the economic conditions of Vancouver to be unfavorable compared to other stakeholders
- Lukewarm feelings by residents and stakeholders toward future residential, commercial, and industrial growth
- Decisions made in the Puget Sound often at the expense of Vancouver

# Thank You

