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Renton Economy Powers Forward

Economic Forecast shows retail, housing and Boeing as key drivers of continued economic expansion

RENTON— While the Seattle Seahawks and Federal Reserve Bank of San Francisco construct new facilities, and the Seattle Sonics and Storm are working to establish a new home in the City of Renton, a recent Economic Forecast shows that the city's economy is roaring forward.

The report, prepared by Douglas Pedersen and Associates, indicates that Renton's expected increase in total taxable retail sales, currently at 7.6 percent, will outstrip King County's slightly over the next few years. Renton's taxable retail sales are projected to increase 6.9 percent this year, and 6.4 percent in 2008. Growth in the retail trade portion of Renton's taxable retail sales, at 8.1 percent, was among the highest in the region.

According to the report, one of the remarkable characteristics of the Renton economy in recent years is the sustained and relatively strong growth in population. Over the first half of the decade, the city's population growth averaged 2.6 percent per year, four times the county growth rate. Renton has increased its housing stock since 2000 by 19.5 percent according to the Washington State Office of Financial Management, an astounding increase in just six years, and a much faster rate of expansion than in King County or the region.

"Renton's economy continues to be strong," said Mayor Kathy Keolker. "We will guide this growth and prosperity, and strengthen our partnership with the community to uphold Renton's reputation as a city that has affordable places to live, provides good jobs, has strong neighborhoods and is committed to its children."

(more)

Rapid growth at Boeing is expected to boost total Renton employment with gains projected to continue in 2007 and 2008. Puget Sound should see more than 10,000 new aerospace jobs, which will nearly match levels that prevailed before the post-9/11 cutbacks. Boeing employment in Renton, after rising 9.9% last year to 11,900 jobs, is expected to continue to grow, with a 3.3 percent increase to 12,300 jobs in 2007 and reaching 12,400 in 2008. Annual production will be the highest since the late 1990s. Boeing reports 1,512 unfilled 737 orders, up 4 percent over the last 6 months, amounting to four and a half years of production at current delivery rates. While the pace of new orders will likely decline, delivery rates will increase due to the order backlog.

Outside of Boeing, employment is expected to grow 2.2 percent per year after a sharp rise of 16 percent last year. Total employment projections indicate increases of 2.6 percent in 2007 and 1.7 percent in 2008.

After five consecutive annual declines, overall employment jumped sharply in Renton last year with large increases at Boeing and even greater gains among other city employers. While the pace will slow in 2007 and 2008, the expansion will still continue. Population growth is expected to remain at just under 3 percent per year, and taxable retail sales growth is projected to average 6.7 percent.

To view or read the complete report and for more information go to <http://rentonwa.gov/business/> click on Information for Business, then go to Economic Forecast.

