

# **WEALTH IN PIERCE COUNTY & ITS COMMUNITIES**

**Sponsored by: The Greater Tacoma  
Community Foundation**

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**We encourage the readers of this report to review the following notes prior to engaging in the body of the report.**

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## Important notes in using this research

**Electronic Library.** Extensive research and analysis has been gathered and prepared in support of Wealth in Pierce County and Its Communities study. There is considerable information on Pierce County and the wealth focus areas. This information has been electronically gathered and organized into a project electronic library that can be accessed at the following web link:  
[http://www.energizingentrepreneurs.org/site/index.php?option=com\\_content&view=article&id=134&Itemid=37](http://www.energizingentrepreneurs.org/site/index.php?option=com_content&view=article&id=134&Itemid=37)

**Methodology.** We have a detailed methodology paper that explains how the Center prepares transfer of wealth (TOW) scenarios. We have not included this methodology paper in this report to save space and paper. But this paper is available through the electronic library. We welcome your review and invite questions. Our methodology paper can be accessed at:  
[http://www.energizingentrepreneurs.org/site/index.php?option=com\\_content&view=article&id=134&Itemid=37](http://www.energizingentrepreneurs.org/site/index.php?option=com_content&view=article&id=134&Itemid=37)

**Scenarios.** There are two kinds of projections. The first type is predictions where a confidence of accuracy is provided. Prediction forecasts are typically short-term. The second type is scenarios. Scenarios are forecasts based on carefully researched assumptions and provide a visualization of a likely future. Scenarios are used to model longer time frames. Our current net worth (CNW) and TOW estimates are scenarios. We have worked hard to build conservative and reasonable assumptions. But with a 50-year projection period, material changes in major assumptions can alter the end results of the TOW analysis.

**Real Dollars.** All the calculations in this study are made in real or inflation-adjusted dollars benchmarked to the real value of the dollar in 2010. Using real dollars reduces the distortion of inflation so a dollar of TOW in 2010 has the same purchasing power as a dollar in 2060.

## Acknowledgements

The Wealth in Pierce County and Its Communities study was sponsored by the Greater Tacoma Community Foundation. This analysis could not have been completed without the assistance and council of numerous organizations and individuals.

We would like to recognize the leadership and active support of Rose Lincoln Hamilton, President and CEO; Jeffrey Pritchard, Director of Development; and Elyse Rowe, Director of Communications, of the Greater Tacoma Community Foundation. Their interest in bringing this research to Tacoma and their commitment to encouraging homegrown philanthropy as a potential source of funding for economic renewal is a source of inspiration to many.

We would like to extend our thanks to the following Technical Advisory Committee members for helping us to gain a deeper understanding of Pierce County and to produce more meaningful research.

1. Bruce Kendall, President, Economic Development Board of Pierce County
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## Why this research?

A fair question is to ask: Why invest in TOW research? The following provides an answer based on how communities, regions and states all across America are using their TOW research to advance community philanthropy:

**Opportunity Awareness.** The primary way this analysis is being used is to raise leader and community awareness of the TOW opportunity. Understanding the magnitude and potential for legacy giveback creates motivation to move to action. Focusing on the 5% giveback goal creates a real goal that board members and community leaders can understand and consequently focus energy toward giveback strategies.

**Wealth in Poor Places.** Many communities see themselves as poorer and perceive that there are few opportunities for giveback. Understanding the TOW opportunity generally demonstrates that even in the poorest communities there is opportunity for philanthropy and legacy giveback. This can move an attitude from the glass is half empty to the glass is half full.

**Threat – Call to Action.** Whether in a rural community, where depopulation is undermining community vitality, or a larger city where retirees with wealth are migrating to warmer climates, this research can be used to create a sense of threat and a call to action. Oftentimes financial advisors can be asked to share stories that verify and illustrate the need to act on this opportunity now.

## The Great Reset

Communities across America are caught in a squeeze play. On the one hand, they are facing important challenges and opportunities to invest in their communities including community economic development. On the other hand, communities are experiencing reduced grant assistance ranging from federal and state governments, foundation sources, and reduced capacity to provide needed community betterment funding from local businesses and governments.

Communities are committed to their future so within this squeeze play they are searching for new sources of funding that are more robust, dependable and that can be locally controlled. This search is energizing community development philanthropy. TOW analysis helps communities better understand their unique potential where wealth and donors might be rooted.

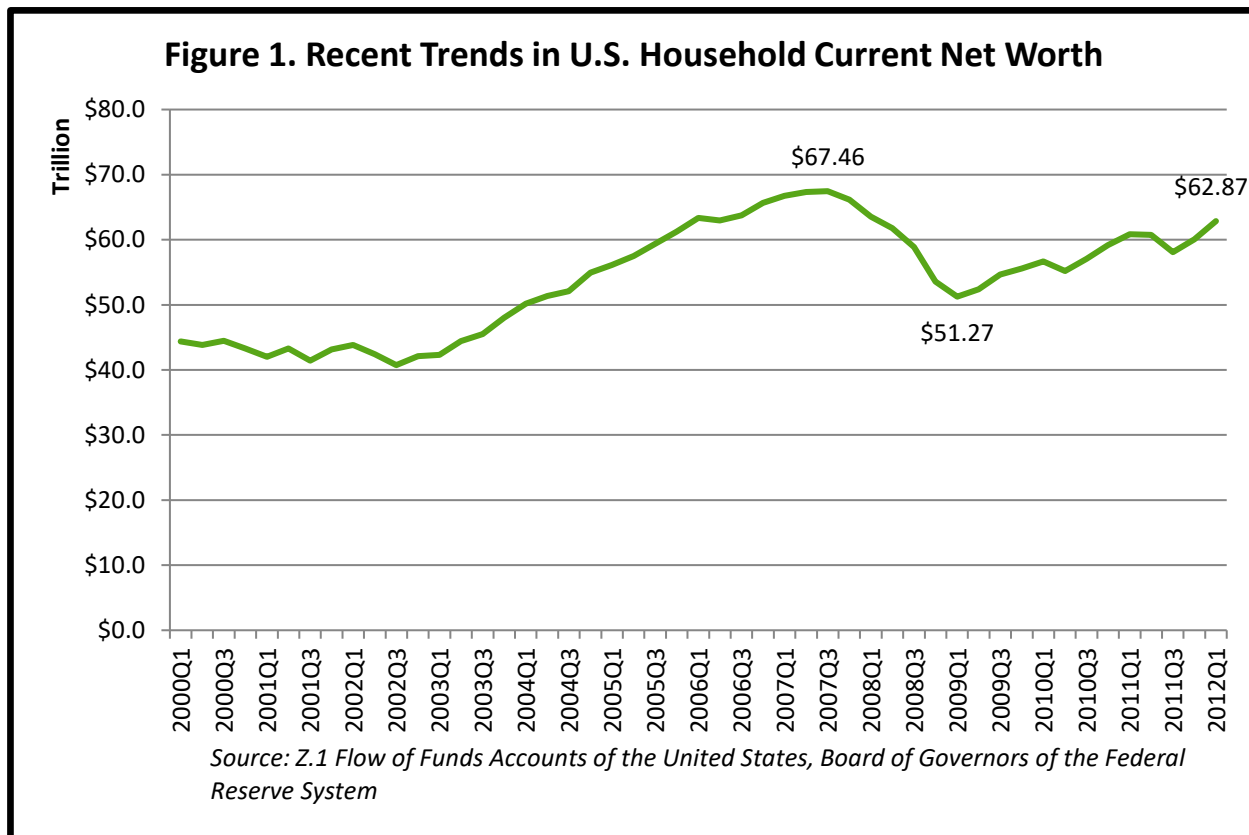
Donors get to decide where they transfer their life's work. Many, if not most, donors love their hometowns and with the right opportunity may be moved to giveback or giveback more. The starting point for growing community endowments that can support community betterment begins with understanding the genuine opportunity. Then the hard and rewarding work of putting the pieces together and energizing community philanthropy comes next.



**Donor Targeting.** Finally and more recently, this research is now being used to identify specific legacy giveback pockets and refined donor targeting and development. Oftentimes this research is being used to reach new donor communities and create associated field-of-interest funds that will motivate new donors to gift to the community foundation.

## Wealth in America

America is experiencing its most challenging economic downturn since the Great Depression. Challenges with government debt are rocking our national confidence. The Great Recession hit many American households hard and overall household-related current net worth declined from nearly \$70 trillion prior to the crash to just over \$51 trillion at the depth of the recession. Recovery has been slow but steady, and household wealth has grown by \$11.6 trillion or 22.6%.



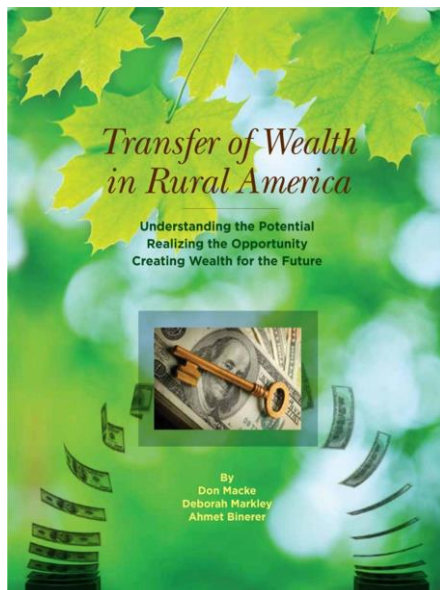
Bottom line, America remains a nation with tremendous personal wealth. The potential for charitable giveback remains strong and is improving with each quarter. In 1999 Boston College, in their landmark

report, *Millionaires in the Millennium*, captivated the Nation with its estimates of \$41 to \$136 trillion in household wealth transfer (1998-2052). A decade has passed since this work was released and a lot has changed.

## TOW Book

For readers seeking additional background on America's transfer of wealth opportunity, the Center has written *Transfer of Wealth in Rural America – Understanding the Opportunity, Realizing the Opportunity and Creating Wealth for the Future*. While the title of the book indicates a focus on "rural," this resource has application to urban America as well.

We have both electronic and paper copies. To order, email [Monica@e2mail.org](mailto:Monica@e2mail.org). Additionally, there is a resource guide available through the Michigan Council of Foundation that can be ordered at: [http://www.michiganfoundations.org/s\\_cmf/sec\\_wide.asp?CID=19797&DID=55205](http://www.michiganfoundations.org/s_cmf/sec_wide.asp?CID=19797&DID=55205).



Earlier this year the RUPRI Center for Rural Entrepreneurship created a new set of transfer of wealth (TOW) opportunity scenarios based on the most recent demographic forecasts by the U.S. Census Bureau. These forecasts are rooted in likely population growth based on a range of assumptions about international migration.

Our new scenarios for TOW opportunity for the United States for the period of 2010 through 2060 range from a high of \$91 trillion to a low of \$43 trillion. Our most likely scenario estimates the TOW opportunity at \$75 trillion. Assuming we set a giveback goal of just 5%, over the next five decades nearly \$3.8 trillion in new community endowments could be built. These endowments could generate, once fully capitalized, nearly \$200 billion annually in new grant making! In this new age of challenged government spending, this investment could prove critically important to the future of America's communities.



## Executive Summary

Transfer of Wealth (TOW) is the process whereby one generation transfers their assets to the next generation. This typically occurs at the time of death and represents the moment when legacy giveback is the greatest. TOW most likely represents the single largest under-developed financial resource available to communities to support their development.

The Center's TOW team analyzed historical trends and current data to develop likely scenarios of how many assets currently exist in households across Pierce County, Washington. Using conservative estimates of economic growth, the team estimated the value of assets over the next 10 and 50 years – **the TOW opportunity**. The Center estimated how many of the transferable assets could conceivably be given at death to support investments in the community – **the TOW capture target**. This TOW analysis is specific to the residents of The Greater Tacoma Region of Pierce County and does not include corporate, non-profit or governmental assets.

Based on this analysis, Pierce County is likely to face a significant TOW opportunity beginning as early as 2020.

- Current Net Worth in 2010 of all of Pierce County households is estimated to be \$62.26 billion.
- Over the next 10 years (2011-2020), an estimated \$13.70 billion will be available to transfer between generations in Pierce County households – the TOW opportunity.
- If just 10% of the 10-year TOW opportunity were to be captured by local nonprofit organizations such as community foundations, those organizations would realize almost \$1.4 billion – the TOW capture target.
- Using a conservative 5% annual payout rate on the endowments this TOW capture might build, approximately \$68.49 million in sustainable annual charitable resources would be generated over the next 10 years to support community economic development and other charitable investments.

Figures 2 and 3 on the following page summarizes the total and per household current net worth (CNW), and the 10-year and 50-year transfer of wealth (TOW) values generated for each of the regions in Pierce County.

**Figure 2. Summary Findings: Current Net Worth and 10-Year TOW Opportunity**

	2010 Current Net Worth		10-Year TOW		10% Capture of 10-Year TOW		5% Payout of 10% Capture	
	Value	PHH	Value	PHH	Value	PHH	Value	PHH
Place	<i>Billions</i>	<i>Thousands</i>	<i>Billions</i>	<i>Thousands</i>	<i>Millions</i>		<i>Millions</i>	
Tacoma	\$10.21	\$168.7	\$2.29	\$37.9	\$229.30	\$3,789	\$11.46	\$189
W.Tacoma	\$4.13	\$261.6	\$1.01	\$64.1	\$101.16	\$6,412	\$5.06	\$321
Lakewood	\$5.39	\$194.5	\$1.21	\$43.6	\$120.87	\$4,365	\$6.04	\$218
Gig Harbor	\$8.50	\$366.2	\$2.39	\$102.8	\$238.67	\$10,282	\$11.93	\$514
S. County	\$10.72	\$176.8	\$2.10	\$34.7	\$210.23	\$3,469	\$10.51	\$173
Southwest	\$17.44	\$227.7	\$3.80	\$49.6	\$380.07	\$4,963	\$19.00	\$248
East	\$1.41	\$228.8	\$0.31	\$50.1	\$30.93	\$5,009	\$1.55	\$250
<b>Pierce County</b>	<b>\$62.26</b>	<b>\$207.6</b>	<b>\$13.70</b>	<b>\$45.7</b>	<b>\$1,369.83</b>	<b>\$4,567</b>	<b>\$68.49</b>	<b>\$228</b>

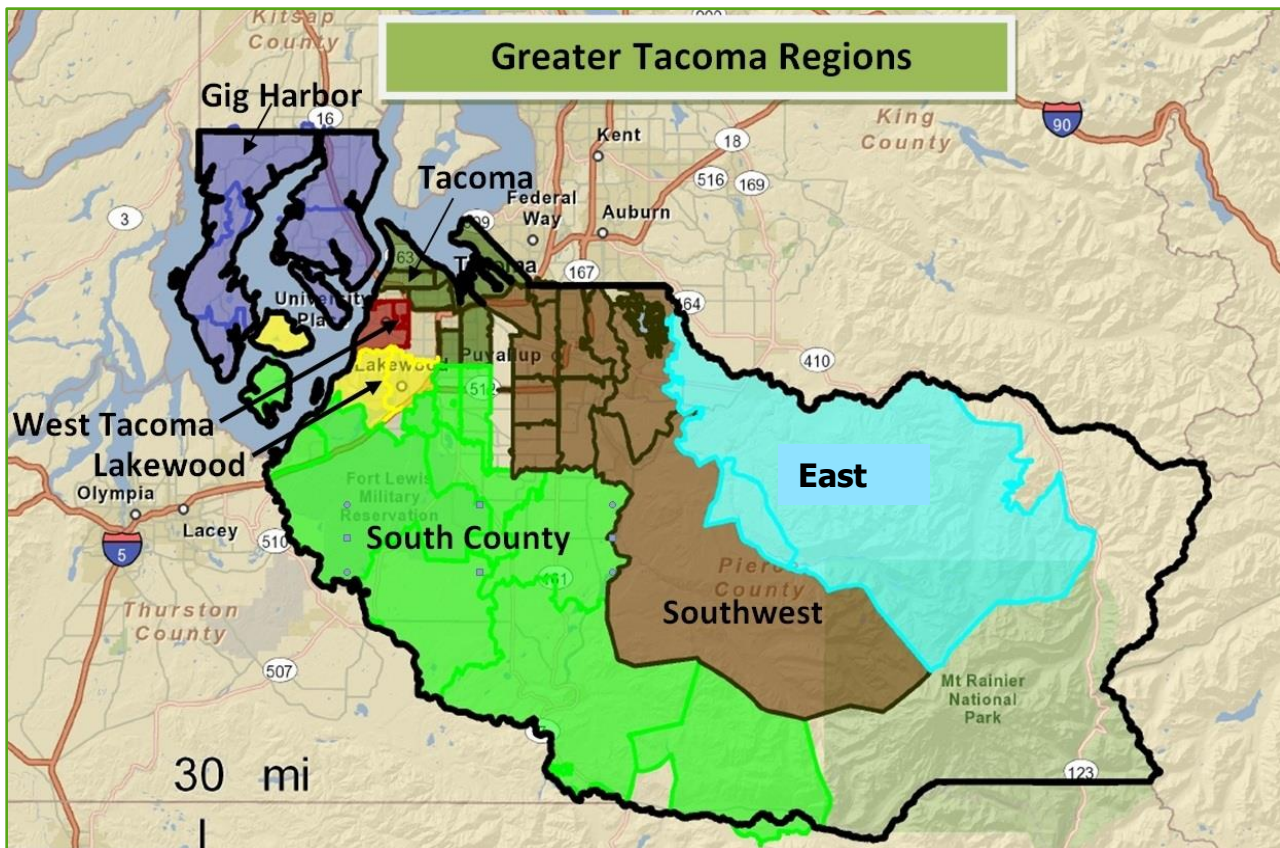
**Figure 3. Summary Findings: Current Net Worth and 50-Year TOW Opportunity**

	2010 Current Net Worth		50-Year TOW		10% Capture of 50-Year TOW		5% Payout of 10% Capture	
	Value	PHH	Value	PHH	Value	PHH	Value	PHH
Place	<i>Billions</i>	<i>Thousands</i>	<i>Billions</i>	<i>Thousands</i>	<i>Billions</i>	<i>Thousands</i>	<i>Millions</i>	
Tacoma	\$10.21	\$168.7	\$21.41	\$353.8	\$2.14	\$35.4	\$107.06	\$1,769
W.Tacoma	\$4.13	\$261.6	\$9.54	\$604.7	\$0.95	\$60.5	\$47.70	\$3,023
Lakewood	\$5.39	\$194.5	\$10.46	\$377.8	\$1.05	\$37.8	\$52.30	\$1,889
Gig Harbor	\$8.50	\$366.2	\$33.28	\$1,433.7	\$3.33	\$143.4	\$166.40	\$7,169
S. County	\$10.72	\$176.8	\$28.50	\$470.2	\$2.85	\$47.0	\$142.49	\$2,351
Southwest	\$17.44	\$227.7	\$52.40	\$684.2	\$5.24	\$68.4	\$262.00	\$3,421
East	\$1.41	\$228.8	\$3.97	\$643.3	\$0.40	\$64.3	\$19.86	\$3,217
<b>Pierce County</b>	<b>\$62.26</b>	<b>\$207.6</b>	<b>\$164.29</b>	<b>\$547.8</b>	<b>\$16.43</b>	<b>\$54.8</b>	<b>\$821.44</b>	<b>\$2,739</b>

## Regions of Pierce County

The seven regions that comprise The Greater Tacoma Region have a lower average wealth when compared to the United States. Per household, current net worth (CNW) in 2010 is estimated at nearly \$208,000 compared to \$235,000 for the United States average. Regardless of the relative wealth between the U.S. average and Pierce County, there is remarkable opportunity for philanthropic giving. Within this region there is significant diversity including household wealth. West Tacoma and Gig Harbor have average household wealth holding above the U.S. averages. Like many U.S. landscapes, there are pockets of higher net worth households. This is very true for this region.

**Figure 4. Regions of The Greater Tacoma Community Foundation**



## Pierce County and its Transfer of Wealth Opportunity

### Household Types

The ESRI Corporation is one of America's leading market research firms. One of their specialties is their Tapestry Profiles. America's households are segmented into one of 66 distinct and unique Tapestry groups. Tacoma and Pierce County is not only geographically diverse, it is home to considerable human diversity as reflected in the large number of Tapestry groups for this community.

We have included Tapestry Household Profiles for Tacoma and Pierce County in our Project Electronic Library. Illustrating this diversity we find urban dwellers, retirees, working families, Tribal members and military.

**Geographic Diversity.** Pierce County, Washington is very large and quite diverse. At its core is the very urban and industrial city of Tacoma. Tacoma is part of a rapidly growing metropolitan corridor that runs from Portland, Oregon in the south and includes Olympia, Tacoma, Seattle and Vancouver, Canada. This corridor is likely to continue to grow creating wealth into the future. Diversity creates many TOW opportunities while contributing to a place's ability to renew itself and create new wealth over time. Within this large county are remarkable rural areas that are home to Mt. Rainier and the Cascade Mountain range in the east. Pierce County is also part of Puget Sound and a gateway to the Olympic National Park and Olympic Mountains. This area is also home to Joint Base Lewis-McChord and the Fort Lewis Nisqually Indian Reservation.

**Growth & Development.** Tacoma and Pierce County have very strong historical growth as illustrated by the following indicators (measured in annualized rates of change from 1970 through 2010 and compared to the U.S.):

The following are the annualized growth rates for population, employment and personal income for the Region between 1970 and 2010. The value in the parenthesis is the annualized rate of growth for the United States.

- *Population* = 2.31% (1.29%)
- *Employment* = 2.59% (2.28%)
- *Personal Income* = 6.15% (4.10%)

## Great Recession and Wealth

This year the Federal Reserve has released its Survey of Consumer Finance study for 2010 (the first study since the Great Recession). Widely reported news accounts talked about a 40% reduction in household wealth between 2007 and 2010. By 2012 about half of this loss has been regained, but there are particular groups that were permanently impacted:

**Business Failures:** Those that lost businesses during the recession lost significant equity and possibly experienced bankruptcy.

**Lost Jobs:** Those who were unemployed for extended periods and experienced spend down of assets were likely hard hit.

**Retirees:** Retirees (including near retirees) with retirement funds in equities like mutual funds had permanent damage done to their estates.

**Underwater Houses:** The millions of Americans with mortgages greater than house valuations were adversely and permanently impacted.

The Great Recession and the uncertainty of the 2000s impacted nearly every region in the United States. For most regions their rates of growth declined dramatically. For example, over the 1970 through 2010 period, the annualized rate of population growth for Pierce County was a strong 2.31% (1.8X higher when compared to the U.S. growth rate). During the last decade (2000 through 2011), the annualized population growth rate for Pierce County dropped to 1.46% per year or 63% of the historical rate. The question going forward is what growth will look like over the coming five decades or the focus of our TOW Study.

Migration has been important to this community during the 2000's: 53% of all population growth was due to migration (primarily domestic, but also international) and 47% was due to natural population change (births over deaths). One impact of the Great Recession is that it has dramatically reduced mobility (both domestically & internationally). Future trend with respect to migration will be important to Tacoma's future. We expect mobility rates to return over time as people are able to relocate. In fact, there is likely pent-up demand that will be released as economic conditions improve. The ability to more quickly sell real estate and businesses will be a trigger point enabling greater mobility and migration.

Despite its diversity and relatively young average age, Tacoma is aging, and like the rest of the country, the share of personal income associated with labor earnings (working people) is declining and non-labor earnings (those unable to work, unemployed or retired) is increasing. In 2010, 65% of personal income was labor earnings (down from 77% in 1970) and 35% was non-labor earnings (up from 23% in 1970). The composition of non-labor earnings is also changing with 16.8% associated with investment earnings (e.g., dividends, interest & rent income) and 18.5% associated with transfer payments (e.g., Social Security, Medicare, Medicaid, income assistance, etc.). Transfer-related personal income has more than doubled in the last 40 years. These realities and trends have two very

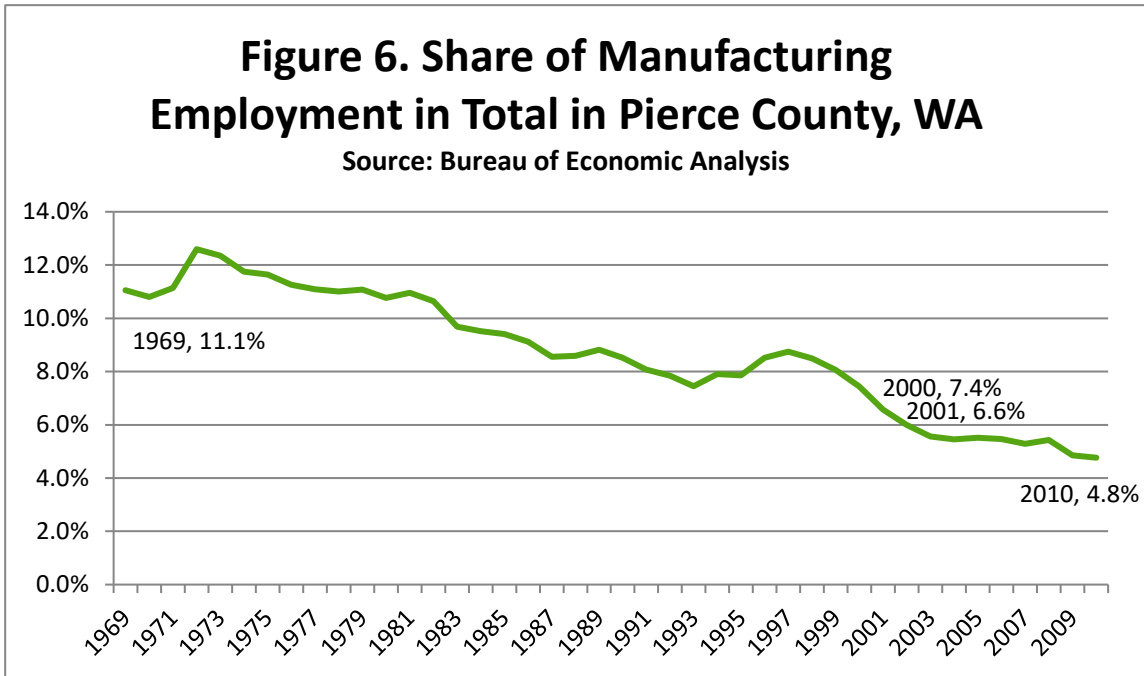


important implications for Tacoma's TOW opportunity. First, the community will be more challenged in creating new wealth in the coming five decades when compared to the past. Second, because of an aging population, the inter-generational transfer of wealth will accelerate.

The top five economic drivers in Tacoma/Pierce County based on sources of personal income in 2010 are as follows:

<b>Figure 5. Top Five Economic Sectors, Pierce County, 2010</b>	
<b>Source (Industry)</b>	<b>Income</b>
Government	\$8.4 billion
Retirees	\$4.6 billion
Health Care & Social Services	\$2.9 billion
Construction	\$1.5 billion
Manufacturing	\$1.3 billion
Retail Trade	\$1.3 billion
Notes: Health Care also includes Social Services, Professional includes Professional & Technical Services, Entertainment includes Arts, Entertainment, & Recreational Services. These ratios are based on 2010 personal income realized from each sector. Source: <i>A Profile of Socioeconomic Measures</i> , Headwaters Economics, Inc.	

**Manufacturing.** Tacoma and Pierce County has a tradition as an industrial community with relatively high rates of manufacturing and the activities associated with the Port of Seattle. Many industrialized communities across the United States have struggled (think of Detroit) with chronic and severe decline associated with manufacturing losses. As late as the 1970s nearly 13% of all employees in Pierce County were in the manufacturing sector. The share of manufacturing employment to total employment dropped to below 10% in the early 1980s, below 8% in the early 1990s and now rests at just under 5%. The following graphic illustrates the changes in manufacturing employment as a percentage of total County employment over the past 40 years. However, this view of manufacturing does not tell the whole story. The actual numbers of manufacturing-related workers has only declined from nearly 22,000 in 1969 just over 18,000 in 2010. This represents a net loss 3,428 workers or 15% net decline. These losses are important and significant. The percentage share change is more reflective of the growth on other employment. During this same period total employment grew by 95 percent. In absolute terms manufacturing declines are moderate and the share of manufacturing jobs to total jobs has declined more dramatically with the rise of non-manufacturing activities within the economy.



**Commuters.** Tacoma is part of the larger I-5 metropolitan corridor. Consequently, commuting is an important part of the economy and society. In 2010 about \$6.9 billion in earnings was realized by those who live outside of Pierce County and commute into the County for work. Roughly one-third of all 2010 earnings by place of work were associated with Pierce County residents working outside of the County. If these commuters were an economic sector, they would be the second largest source of personal income for the County. This makes Tacoma an employment hub. Conversely, about \$3.5 billion in earnings is associated with those who live in Pierce County, but commute outside of the County for work. These commuting patterns illustrate the very strong connections among the communities of the Puget Sound with each other. Bottom line, future wealth creation will be tied to an economy that crosses county boundaries-- as the region goes, so will the component communities.

The Great Recession has stressed the community's economy and society. It has adversely impacted wealth holdings. In January 2008 the County's unemployment rate was 5.4%. The unemployment rate grew and peaked in February 2010 at 11.7%. It continues to be above pre-recession levels running at 9.8% in March 2012.

**Gig Harbor.** The following table provides key wealth indicators related to our Gig Harbor community analysis:

<b>Figure 7. Gig Harbor Wealth Indicators</b>			
<b>Indicator</b>	<b>Gig Harbor</b>	<b>Pierce County</b>	<b>Washington</b>
Community's Share of County Population	7.77%	100%	-
2010 Population	61,785	795,225	6,724,540
2000-2010 Annualized Change in Population	1.36%	1.28%	1.33%
2000-2010 Annualized change in Households	1.72%	1.41%	1.44%
2000-2010 Annualized Change in Housing Units	1.86%	1.62%	1.65%
Population Under 19 Years of Age	22.6%	24.9%	23.5%
Population 19-64 Years of Age	61.7%	64.1%	64.2%
Population 65 and Older Years of Age	15.7%	11.0%	12.3%
Total Businesses	3,009	27,611	287,677
Businesses per 1000 Residents	48.04	34.43	42.32
Average Workers per Business	6.59	10.60	10.60
Percent of Creative Class Workers	7.70%	6.2%	10.1%
2012 Averaged Assessed Residential Value	\$266,149	\$178,021	-
Owner-occupied Units w/o Mortgages	4,424	40,418	428,656
Percent Owner-Occupied Housing Units	79.4%	63.0%	63.9%
Median Household CNW	\$226,381	\$100,911	\$112,030
Mean Household CNW	\$661,665	\$375,065	\$458,511
Peak Household CNW by Age Cohort	\$1,105,518	\$797,264	\$860,894
Age Cohort for Peak Household CNW	55-64	55-64	55-64
Millionaire Households as a Percent of Total	11.9%	5.5%	7.8%
Annualized Population Change:			
2000-2010	1.36%	1.35%	1.41%
2010-2020	0.99%	1.02%	1.02%
2020-2030	1.01%	1.04%	1.00%
2030-2040	0.84%	0.77%	0.78%
2040-2050	0.79%	0.69%	-
2050-2060	0.76%	0.64%	-

Gig Harbor is located in western Pierce County and is strongly influenced by its association with Puget Sound. In 2010 this community had a population of 61,785 permanent residents representing 7.7% of the county's population. During the past decade this community has seen stronger population, household and housing unit growth when benchmarked to both the county and Washington State. Gig Harbor is somewhat older with smaller youth and middle-age populations relative to the county and the state.

The following table provides the TOW opportunity for the community of Gig Harbor. It also provides benchmark values compared to the county and state using per household values. This community has significant philanthropic potential in both absolute values and when compared to the county and state.



**Figure 8. Summary of Findings for Gig Harbor**

Transfers of Wealth Opportunity Findings			
<b>2010 CNW</b> \$8.50 Billion		<b>10-Year TOW Opportunity</b> \$2.39 Billion	<b>50-Year TOW Opportunity</b> \$33.28 Billion
Per Household Comparative Values			
	<b>Gig Harbor</b>	<b>Pierce County</b>	<b>United States</b>
<b>CNW</b>	\$366,200	\$207,600	\$234,700
<b>10-Year TOW</b>	\$102,800	\$45,700	\$51,500
<b>50-Year TOW</b>	\$1,433,700	\$547,800	\$628,100
Philanthropic Potential			
<b>10% Capture Goal</b>		<b>5% Payout Potential</b>	
<b>10-Year TOW</b>	\$238.67 Million	<b>10-Year TOW</b>	\$11.93 Million
<b>50-Year TOW</b>	\$3.33 Billion	<b>50-Year TOW</b>	\$166.40 Million

The following table provides a profile of the kinds of households present in 2010 in this community using ESRI's Tapestry Profiles. We have included in the Project Electronic Library a more detailed ESRI Tapestry Report for this community and descriptive information in Tapestry household groups. This information can be useful in better understanding the kinds and numbers of households within a community. In turn this information can be used for donor identification, targeting and development.

This community is somewhat diverse with a very strong concentration of retirees and higher net-worth working households. These kinds of households match the high amenity quality of this community. There is a smaller segment of lower net worth and younger working households (e.g., Midland Crowd). We encourage the readers from this community to spend some time with the descriptions of those Tapestry groups found within your community for deeper understanding.

**Figure 9. Gig Harbor Top 10 Tapestry Segmentation Percentages**

		Households		U.S. Households	
			Cumulative		Cumulative
Rank	Tapestry Segment	Percent	Percent	Percent	Percent
1	07. Exurbanites	36.5%	36.5%	2.5%	2.5%
2	17. Green Acres	15.8%	52.3%	3.1%	5.6%
3	06. Sophisticated Squires	10.6%	62.9%	2.5%	8.1%
4	31. Rural Resort Dwellers	8.2%	71.1%	1.7%	9.8%
5	30. Retirement Communities	6.7%	77.8%	1.6%	11.4%
	<b>Subtotal</b>	<b>77.8%</b>		<b>11.4%</b>	
6	26. Midland Crowd	6.7%	84.5%	3.2%	14.6%
7	13. In Style	5.5%	90.0%	2.3%	16.9%
8	09. Urban Chic	3.1%	93.1%	1.4%	18.3%
9	14. Prosperous Empty Nesters	2.7%	95.8%	2.1%	20.4%
10	12. Up and Coming Families	2.2%	98.0%	4.1%	24.5%
	<b>Subtotal</b>	<b>20.2%</b>		<b>13.1%</b>	

Source: Tapestry Segmentation Area Profile, ESRI 2012

**Lakewood.** The following table provides key wealth indicators related to our Lakewood community analysis.

<b>Figure 10. Lakewood Wealth Indicators</b>			
<b>Indicator</b>	<b>Lakewood</b>	<b>Pierce County</b>	<b>Washington</b>
Community's Share of County Population	8.16%	100%	-
2010 Population	64,863	795,225	6,724,540
2000-2010 Annualized Change in Population	-0.06%	1.28%	1.33%
2000-2010 Annualized Change in Households	0.05%	1.41%	1.44%
2000-2010 Annualized Change in Housing Units	0.40%	1.62%	1.65%
Population Under 19 Years of Age	21.8%	24.9%	23.5%
Population 19-64 Years of Age	64.1%	64.1%	64.2%
Population 65 and Older Years of Age	14.1%	11.0%	12.3%
Total Businesses	2,640	27,611	287,677
Businesses per 1000 Residents	40.65	34.43	42.32
Average Workers per Business	9.45	10.60	10.60
Percent of Creative Class Workers	6.3%	6.2%	10.1%
2012 Averaged Assessed Residential Value	\$196,379	\$178,021	-
Owner-occupied Housing Units w/o Mortgages	4,136	40,418	428,656
Percent Owner-Occupied Housing Units	49.8%	63.0%	63.9%
Median Household CNW	\$42,536	\$100,911	\$112,030
Mean Household CNW	\$351,467	\$375,065	\$458,511
Peak Household CNW by Age Cohort	\$858,825	\$797,264	\$860,894
Age Cohort for Peak Household CNW	65-74	55-64	55-64
Millionaire Households as a Percent of Total	6.0%	5.5%	7.8%
Annualized Population Change:			
2000-2010	-0.06%	1.35%	1.41%
2010-2020	0.45%	1.02%	1.02%
2020-2030	0.65%	1.04%	1.00%
2030-2040	0.57%	0.77%	0.78%
2040-2050	0.55%	0.69%	-
2050-2060	0.55%	0.64%	-

Lakewood is bounded by Puget Sound on the west and I-5 on the east. It adjoins parts of Joint Base Lewis-McChord. McNeil Island is included in this community. The 2010 population is 64,863. This community lost population during the 2000s but did post modest gains in households and housing units. The community has a comparable middle age cohort but fewer youth and more senior citizens when compared to the County. It has more businesses (compared to Pierce County) relatively to its population. Housing values and home ownership rates are significantly lower. Average household wealth is somewhat lower, but there is a higher incidence of millionaires in the community. Growth projections are very modest.

The following table provides the TOW opportunity for the community of Lakewood. It also provides benchmark values compared to the county and state using per household values. This community has moderate philanthropic potential in both absolute values and when compared to the county and state.

**Figure 11. Summary of Findings for Lakewood**

Transfers of Wealth Opportunity Findings					
2010 CNW \$5.39 Billion		10-Year TOW Opportunity \$1.21 Billion		50-Year TOW Opportunity \$10.46 Billion	
Per Household Comparative Values					
CNW	Lakewood \$194,500	Pierce County \$207,600		United States \$234,700	
10-Year TOW	\$43,600	\$45,700		\$51,500	
50-Year TOW	\$377,800	\$547,800		\$628,100	
Philanthropic Potential					
10% Capture Goal		5% Payout Potential			
10-Year TOW	\$120.87 Million	10-Year TOW		\$6.04 Million	
50-Year TOW	\$1.05 Billion	50-Year TOW		\$52.30 Million	

The following table provides a profile of the kinds of households present in 2010 in this community using ESRI's Tapestry Profiles. We have included in the Project Electronic Library a more detailed ESRI Tapestry Report for this community and descriptive information on Tapestry household groups. This information can be useful in better understanding the kinds and numbers of households within a community. In turn this information can be used for donor identification, targeting and development.

This community is somewhat less diverse when compared to other communities in the County. But like other communities there is considerable socio-economic diversity when the specific composition of households is assessed. Three groups -- "Prosperous Empty Nesters", "Main Street USA" and "Inner City Tenants"-- account for about 45% of all community households. There is a clear mix of households based on age cohorts with a strong set of older households.

**Figure 12. Lakewood Top 10 Tapestry Segmentation Percentages**

Rank	Tapestry Segment	Households		U.S. Households	
		Percent	Cumulative	Percent	Cumulative
1	14. Prosperous Empty Nesters	15.6%	15.6%	2.1%	2.1%
2	24. Main Street, USA	15.0%	30.6%	2.2%	4.3%
3	52. Inner City Tenants	14.2%	44.8%	1.4%	5.7%
4	36. Old and Newcomers	8.8%	53.6%	2.0%	7.7%
5	39. Young and Restless	8.4%	62.0%	1.5%	9.2%
	<b>Subtotal</b>	<b>62.0%</b>		<b>9.2%</b>	
6	13. In Style	6.7%	68.7%	2.3%	11.5%
7	28. Aspiring Young Families	5.7%	74.4%	2.3%	13.8%
8	18. Cozy and Comfortable	4.1%	78.5%	2.2%	16.0%
9	15. Silver and Gold	2.9%	81.4%	1.0%	17.0%
10	41. Crossroads	2.6%	84.0%	1.4%	18.4%
	<b>Subtotal</b>	<b>22.0%</b>		<b>9.2%</b>	

Source: Tapestry Segmentation Area Profile, ESRI 2012

**South County.** The following table provides key wealth indicators for the South County community:

<b>Figure 13. South County Wealth Indicators</b>			
<b>Indicator</b>	<b>South County</b>	<b>Pierce County</b>	<b>Washington</b>
Community's Share of County Population	22.34%	100%	-
2010 Population	177,635	795,225	6,724,540
2000-2010 Annualized Change in Population	1.62%	1.28%	1.33%
2000-2010 Annualized Change in Households	2.04%	1.41%	1.44%
2000-2010 Annualized Change in Housing Units	2.17%	1.62%	1.65%
Population Under 19 Years of Age	27.50%	24.9%	23.5%
Population 19-64 Years of Age	63.50%	64.1%	64.2%
Population 65 and Older Years of Age	9.0%	11.0%	12.3%
Total Businesses	3,966	27,611	287,677
Businesses per 1000 Residents	21.99	34.43	42.32
Average Workers per Business	7.31	10.60	10.60
Percent of Creative Class Workers	5.0%	6.2%	10.1%
2012 Averaged Assessed Residential Value	\$206,149	\$178,021	-
Owner-occupied Housing Units w/o Mortgages	7,951	40,418	428,656
Percent Owner-Occupied Housing Units	64.2%	63.0%	63.9%
Median Household CNW	\$94,872	\$100,911	\$112,030
Mean Household CNW	\$319,458	\$375,065	\$458,511
Peak Household CNW by Age Cohort	\$767,151	\$797,264	\$860,894
Age Cohort for Peak Household CNW	65-74	55-64	55-64
Millionaire Households as a Percent of Total	4.1%	5.5%	7.8%
Annualized Population Change:			
2000-2010	1.62%	1.35%	1.41%
2010-2020	1.18%	1.02%	1.02%
2020-2030	1.23%	1.04%	1.00%
2030-2040	1.03%	0.77%	0.78%
2040-2050	0.97%	0.69%	-
2050-2060	0.94%	0.64%	-

This community includes the southern portions of Pierce County adjoining Thurston and Lewis County and extending to the border of Mt. Rainier National Park. This community has a 2010 population of 177,635. This area's population is somewhat younger and has a smaller cohort of retirees. It includes Joint Base Lewis-McCord which helps explain the younger demographic profile. Home ownership is higher and there is a wider range between median and mean wealth holding illustrating socio-economic diversity. Growth is projected to be relatively strong into the future.

The following table provides the TOW opportunity for the South County area. It also provides benchmark values compared to the county and state using per household values. This community has moderate philanthropic potential in both absolute values and when compared to the county and state.

**Figure 14. Summary of Findings for South County**

Transfers of Wealth Opportunity Findings			
2010 CNW \$10.72 Billion		10-Year TOW Opportunity \$2.10 Billion	50-Year TOW Opportunity \$28.50 Billion
Per Household Comparative Values			
	South County	Pierce County	United States
CNW	\$176,800	\$207,600	\$234,700
10-Year TOW	\$34,700	\$45,700	\$51,500
50-Year TOW	\$470,200	\$547,800	\$628,100
Philanthropic Potential			
10% Capture Goal		5% Payout Potential	
10-Year TOW	\$210.23 Million	10-Year TOW	\$10.51 Million
50-Year TOW	\$2.85 Billion	50-Year TOW	\$142.49 Million

The following table provides a profile of the kinds of households present in 2010 in this community using ESRI's Tapestry Profiles. We have included in the Project Electronic Library a more detailed ESRI Tapestry Report for this community and descriptive information on Tapestry household groups. This information can be useful in better understanding the kinds and numbers of households within a community. In turn this information can be used for donor identification, targeting and development.

Over 80% of all households are captured in the top 10 tapestry groups. Three groups – “Up and Coming Families”, “Main Street USA” and “Green Acres”-- account for nearly one in two households. But there are pocket communities including such diverse groups as “Inner City Tenants”, “Military Proximity” and “Sophisticated Squires.”

**Figure 15. South County Top 10 Tapestry Segmentation Percentages**

Rank	Tapestry Segment	Households		U.S. Households	
		Percent	Cumulative	Percent	Cumulative
1	12. Up and Coming Families	19.3%	19.3%	4.1%	4.1%
2	24. Main Street, USA	15.1%	34.4%	2.2%	6.3%
3	17. Green Acres	14.3%	48.7%	3.1%	9.4%
4	26. Midland Crowd	8.6%	57.3%	3.2%	12.6%
5	19. Milk and Cookies	6.3%	63.6%	2.2%	14.8%
	<b>Subtotal</b>	<b>63.6%</b>		<b>14.8%</b>	
6	52. Inner City Tenants	6.1%	69.7%	1.4%	16.2%
7	40. Military Proximity	5.4%	75.1%	0.2%	16.4%
8	28. Aspiring Young Families	3.6%	78.7%	2.3%	18.7%
9	41. Crossroads	2.4%	81.1%	1.4%	20.1%
10	06. Sophisticated Squires	2.0%	83.1%	2.5%	22.6%
	<b>Subtotal</b>	<b>19.5%</b>		<b>7.8%</b>	

Source: Tapestry Segmentation Area Profile, ESRI 2012

**Southwest.** The following table provides key wealth indicators for the Southwest Country community:

<b>Figure 16. Southwest Wealth Indicators</b>			
<b>Indicator</b>	<b>Southwest</b>	<b>Pierce County</b>	<b>Washington</b>
Community's Share of County Population	26.79%	100%	-
2010 Population	213,031	795,225	6,724,540
2000-2010 Annualized Change in Population	2.51%	1.28%	1.33%
2000-2010 Annualized Change in Households	2.50%	1.41%	1.44%
2000-2010 Annualized Change in Housing Units	2.71%	1.62%	1.65%
Population Under 19 Years of Age	26.5%	24.9%	23.5%
Population 19-64 Years of Age	63.8%	64.1%	64.2%
Population 65 and Older Years of Age	9.7%	11.0%	12.3%
Total Businesses	6,536	27,611	287,677
Businesses per 1000 Residents	30.49	34.43	42.32
Average Workers per Business	11.94	10.60	10.60
Percent of Creative Class Workers	5.1%	6.2%	10.1%
2012 Averaged Assessed Residential Value	\$183,104	\$178,021	-
Owner-occupied Housing Units w/o Mortgages	10,212	40,418	428,656
Percent Owner-Occupied Housing Units	69.6%	63.0%	63.9%
Median Household CNW	\$144,169	\$100,911	\$112,030
Mean Household CNW	\$411,405	\$375,065	\$458,511
Peak Household CNW by Age Cohort	\$898,664	\$797,264	\$860,894
Age Cohort for Peak Household CNW	55-64	55-64	55-64
Millionaire Households as a Percent of Total	5.7%	5.5%	7.8%
Annualized Population Change:			
2000-2010	2.51%	1.35%	1.41%
2010-2020	1.43%	1.02%	1.02%
2020-2030	1.25%	1.04%	1.00%
2030-2040	1.00%	0.77%	0.78%
2040-2050	0.93%	0.69%	-
2050-2060	0.89%	0.64%	-

The Southwest community includes part of urban Tacoma and extends into the more rural interior area of Pierce County including parts of Mt. Rainer National Park. The 2010 population was 213,031. This area has seen strong growth and is projected to see additional strong growth into the future. There is somewhat smaller concentration of businesses and the age demographics are a bit lower when compared to the County. Both median and mean wealth, along with housing values, are higher.

The following table provides the TOW opportunity for the Southwest community. It also provides benchmark values compared to the county and state using per household values. This community has significant philanthropic potential in both absolute values and when compared to the county and state.

**Figure 17. Summary of Findings for Southwest**

Transfers of Wealth Opportunity Findings			
<b>2010 CNW</b> \$17.44 Billion		<b>10-Year TOW Opportunity</b> \$3.80 Billion	<b>50-Year TOW Opportunity</b> \$52.40 Billion
Per Household Comparative Values			
	<b>Southwest</b>	<b>Pierce County</b>	<b>United States</b>
<b>CNW</b>	\$227,700	\$207,600	\$234,700
<b>10-Year TOW</b>	\$49,600	\$45,700	\$51,500
<b>50-Year TOW</b>	\$684,200	\$547,800	\$628,100
Philanthropic Potential			
<b>10% Capture Goal</b>		<b>5% Payout Potential</b>	
<b>10-Year TOW</b>	\$380.07 Million	<b>10-Year TOW</b>	\$19.00 Million
<b>50-Year TOW</b>	\$5.24 Billion	<b>50-Year TOW</b>	\$262.00 Million

The following table provides a profile of the kinds of households present in 2010 in this community using ESRI's Tapestry Profiles. We have included in the Project Electronic Library a more detailed ESRI Tapestry Report for this community and descriptive information on Tapestry household groups. This information can be useful in better understanding the kinds and numbers of households within a community. In turn this information can be used for donor identification, targeting and development.

There is a mix of household types and there are likely pocket communities within the relatively large geography. One in four households is classified by ESRI as "Up and Coming Families" followed by "Sophisticated Squires" and "Aspiring Young Families." Household wealth will increase as younger families mature and build estates. There are also pockets of older households including "Retirement Communities."

**Figure 18. Southwest Top 10 Tapestry Segmentation Percentages**

Rank	Tapestry Segment	Households		U.S. Households	
		Percent	Cumulative	Percent	Cumulative
<b>1</b>	12. Up and Coming Families	25.3%	25.3%	4.1%	4.1%
<b>2</b>	06. Sophisticated Squires	15.0%	40.3%	2.5%	6.6%
<b>3</b>	28. Aspiring Young Families	10.1%	50.4%	2.3%	8.9%
<b>4</b>	24. Main Street, USA	7.5%	57.9%	2.2%	11.1%
<b>5</b>	19. Milk and Cookies	5.0%	62.9%	2.2%	13.3%
	<b>Subtotal</b>	<b>62.9%</b>		<b>13.3%</b>	
<b>6</b>	17. Green Acres	5.0%	67.9%	3.1%	16.4%
<b>7</b>	36. Old and Newcomers	4.9%	72.8%	2.0%	18.4%
<b>8</b>	10. Pleasant-Ville	4.6%	77.4%	1.6%	20.0%
<b>9</b>	26. Midland Crowd	3.5%	80.9%	3.2%	23.2%
<b>10</b>	30. Retirement Communities	2.9%	83.8%	1.6%	24.8%
	<b>Subtotal</b>	<b>20.9%</b>		<b>11.5%</b>	

Source: Tapestry Segmentation Area Profile, ESRI 2012



**Tacoma.** The following table provides key wealth indicators for the Tacoma community:

<b>Figure 19. Tacoma Wealth Indicators</b>			
<b>Indicator</b>	<b>Tacoma</b>	<b>Pierce County</b>	<b>Washington</b>
Community's Share of County Population	19.03%	100%	-
2010 Population	151,299	795,225	6,724,540
2000-2010 Annualized Change in Population	0.27%	1.28%	1.33%
2000-2010 Annualized Change in Households	0.35%	1.41%	1.44%
2000-2010 Annualized Change in Housing Units	0.59%	1.62%	1.65%
Population Under 19 Years of Age	22.4%	24.9%	23.5%
Population 19-64 Years of Age	65.8%	64.1%	64.2%
Population 65 and Older Years of Age	11.8%	11.0%	12.3%
Total Businesses	6,294	27,611	287,677
Businesses per 1000 Residents	41.36	34.43	42.32
Average Workers per Business	12.71	10.60	10.60
Percent of Creative Class Workers	8.5%	6.2%	10.1%
2012 Averaged Assessed Residential Value	\$160,249	\$178,021	-
Owner-occupied Housing Units w/o Mortgages	7,193	40,418	428,656
Percent Owner-Occupied Housing Units	57.8%	63.0%	63.9%
Median Household CNW	\$65,946	\$100,911	\$112,030
Mean Household CNW	\$304,906	\$375,065	\$458,511
Peak Household CNW by Age Cohort	\$615,975	\$797,264	\$860,894
Age Cohort for Peak Household CNW	65-74	55-64	55-64
Millionaire Households as a Percent of Total	4.4%	5.5%	7.8%
Annualized Population Change:			
2000-2010	0.27%	1.35%	1.41%
2010-2020	0.81%	1.02%	1.02%
2020-2030	0.74%	1.04%	1.00%
2030-2040	0.64%	0.77%	0.78%
2040-2050	0.61%	0.69%	-
2050-2060	0.60%	0.64%	-

Tacoma is part of the urban core and includes the Port of Tacoma and significant real estate adjoining Puget Sound. In 2010 it sported a population of 151,299 residents. Its growth over the past decade is significantly lower when compared to either the County or the State. Its age population demographics are very comparable to the County-wide values. Housing ownership and household wealth values are somewhat lower when compared to both the County and the State. This is a mature community and future growth is projected to be very moderate.

The following table provides the TOW opportunity for the community of Tacoma. It also provides benchmark values compared to the county and state using per household values. This community has significant philanthropic potential in both absolute values and when compared to the county and state.



**Figure 20. Summary of Findings for Tacoma**

Transfers of Wealth Opportunity Findings			
2010 CNW \$10.21 Billion		10-Year TOW Opportunity \$2.29 Billion	50-Year TOW Opportunity \$21.41 Billion
Per Household Comparative Values			
	Tacoma	Pierce County	United States
CNW	\$168,700	\$207,600	\$234,700
10-Year TOW	\$37,900	\$45,700	\$51,500
50-Year TOW	\$353,800	\$547,800	\$628,100
Philanthropic Potential			
10% Capture Goal		5% Payout Potential	
10-Year TOW	\$229.30 Million	10-Year TOW	\$11.46 Million
50-Year TOW	\$2.14 Billion	50-Year TOW	\$107.06 Million

The following table provides a profile of the kinds of households present in 2010 in this community using ESRI's Tapestry Profiles. We have included in the Project Electronic Library a more detailed ESRI Tapestry Report for this community and descriptive information on Tapestry household groups. This information can be useful in better understanding the kinds and numbers of households within a community. In turn this information can be used for donor identification, targeting and development.

There is considerable household diversity within this community. But nearly one in five are classified as "Main Street, USA" households. Reflecting the mature and industrial character of this community, there is a mix of households ranging from "Inner City Tenants" and "Social Security Set" to "Prosperous Empty Nesters" and "Metropolitans." We assume there are pocket neighborhoods within this community with unique household groups and associated giveback characteristics.

**Figure 21. Tacoma Top 10 Tapestry Segmentation Percentages**

Rank	Tapestry Segment	Households		U.S. Households	
		Percent	Cumulative Percent	Percent	Cumulative Percent
1	24. Main Street, USA	20.5%	20.5%	2.2%	2.2%
2	36. Old and Newcomers	8.4%	28.9%	2.0%	4.2%
3	22. Metropolitans	5.5%	34.4%	1.4%	5.6%
4	65. Social Security Set	5.2%	39.6%	0.7%	6.3%
5	38. Industrious Urban Fringe	5.0%	44.6%	1.7%	8.0%
	<b>Subtotal</b>	<b>44.6%</b>		<b>8.0%</b>	
6	30. Retirement Communities	4.7%	49.3%	1.6%	9.6%
7	52. Inner City Tenants	4.5%	53.8%	1.4%	11.0%
8	14. Prosperous Empty Nesters	3.8%	57.6%	2.1%	13.1%
9	07. Exurbanites	3.7%	61.3%	2.5%	15.6%
10	27. Metro Renters	3.6%	64.9%	1.6%	17.2%
	<b>Subtotal</b>	<b>20.3%</b>		<b>9.2%</b>	

Source: Tapestry Segmentation Area Profile , ESRI 2012

**West Tacoma.** The following table provides key wealth indicators for the West Tacoma community:

**Figure 22. West Tacoma Wealth Indicators**

Indicator	West Tacoma	Pierce County	Washington
Community's Share of County Population	4.73%	100%	-
2010 Population	37,641	795,225	6,724,540
2000-2010 Annualized Change in Population	0.46%	1.28%	1.33%
2000-2010 Annualized Change in Households	0.52%	1.41%	1.44%
2000-2010 Annualized Change in Housing Units	0.70%	1.62%	1.65%
Population Under 19 Years of Age	23.6%	24.9%	23.5%
Population 19-64 Years of Age	61.8%	64.1%	64.2%
Population 65 and Older Years of Age	14.6%	11.0%	12.3%
Total Businesses	1,252	27,611	287,677
Businesses per 1000 Residents	33.25	34.43	42.32
Average Workers per Business	7.12	10.60	10.60
Percent of Creative Class Workers	8.4%	6.2%	10.1%
2012 Averaged Assessed Residential Value	\$233,604	\$178,021	-
Owner-occupied Housing Units w/o Mortgages	2,319	40,418	428,656
Percent Owner-Occupied Housing Units	59.0%	63.0%	63.9%
Median Household CNW	\$117,775	\$100,911	\$112,030
Mean Household CNW	\$472,764	\$375,065	\$458,511
Peak Household CNW by Age Cohort	\$953,575	\$797,264	\$860,894
Age Cohort for Peak Household CNW	55-64	55-64	55-64
Millionaire Households as a Percent of Total	7.7%	5.5%	7.8%
Annualized Population Change:			
2000-2010	0.46%	1.35%	1.41%
2010-2020	0.62%	1.02%	1.02%
2020-2030	0.77%	1.04%	1.00%
2030-2040	0.64%	0.77%	0.78%
2040-2050	0.60%	0.69%	-
2050-2060	0.58%	0.64%	-

West Tacoma is located opposite Fox Island on Puget Sound. The 2010 population was 37,641. This community experienced modest growth during the past decade and is projected to continue this growth into the future. This community is somewhat older when compared to the County and some other communities. Both median and mean wealth holding is higher when compared to the County. This is reflected in higher than average housing values. There is a higher concentration of high net-worth households.

The following table provides the TOW opportunity for the West Tacoma community. It also provides benchmark values compared to the county and state using per household values. This community has moderate philanthropic potential in both absolute values and when compared to the county and state.

**Figure 23. Summary of Findings for West Tacoma**

Transfers of Wealth Opportunity Findings			
<b>2010 CNW</b> \$4.13 Billion		<b>10-Year TOW Opportunity</b> \$1.01 Billion	<b>50-Year TOW Opportunity</b> \$9.54 Billion
Per Household Comparative Values			
	<b>West Tacoma</b>	<b>Pierce County</b>	<b>United States</b>
<b>CNW</b>	\$261,600	\$207,600	\$234,700
<b>10-Year TOW</b>	\$64,100	\$45,700	\$51,500
<b>50-Year TOW</b>	\$604,700	\$547,800	\$628,100
Philanthropic Potential			
<b>10% Capture Goal</b>		<b>5% Payout Potential</b>	
<b>10-Year TOW</b>	\$101.16 Million	<b>10-Year TOW</b>	\$5.06 Million
<b>50-Year TOW</b>	\$0.95 Billion	<b>50-Year TOW</b>	\$47.70 Million

The following table provides a profile of the kinds of households present in 2010 in this community using ESRI's Tapestry Profiles. We have included in the Project Electronic Library a more detailed ESRI Tapestry Report for this community and descriptive information on Tapestry household groups. This information can be useful in better understanding the kinds and numbers of households within a community. In turn this information can be used for donor identification, targeting and development.

Given the population size and more compact geography this community has less household diversity when compared to most other communities in the County. Ninety-seven percent of all households are captured in ESRI's top 10 Tapestry groups. But within these 10 groups are pocket communities ranging from one in four households falling into the "In Style" group to "Inner City Tenants" and "Cozy and Comfortable" groups.

**Figure 24. West Tacoma Top 10 Tapestry Segmentation Percentages**

Rank	Tapestry Segment	Households		U.S. Households	
			Cumulative		Cumulative
		Percent	Percent	Percent	Percent
<b>1</b>	13. In Style	25.1%	25.1%	2.3%	2.3%
<b>2</b>	24. Main Street, USA	13.1%	38.2%	2.2%	4.5%
<b>3</b>	07. Exurbanites	12.8%	51.0%	2.5%	7.0%
<b>4</b>	10. Pleasant-Ville	12.2%	63.2%	1.6%	8.6%
<b>5</b>	36. Old and Newcomers	9.9%	73.1%	2.0%	10.6%
	<b>Subtotal</b>	<b>73.1%</b>		<b>10.6%</b>	
<b>6</b>	52. Inner City Tenants	9.2%	82.3%	1.4%	12.0%
<b>7</b>	06. Sophisticated Squires	5.6%	87.9%	2.5%	14.5%
<b>8</b>	20. City Lights	4.4%	92.3%	1.1%	15.6%
<b>9</b>	18. Cozy and Comfortable	2.6%	94.9%	2.2%	17.8%
<b>10</b>	14. Prosperous Empty Nesters	2.1%	97.0%	2.1%	19.9%
	<b>Subtotal</b>	<b>23.9%</b>		<b>9.3%</b>	

Source: Tapestry Segmentation Area Profile, ESRI 2012

**East.** The following table provides key wealth indicators for the eastern part of the county:

<b>Figure 25. East Wealth Indicators</b>			
<b>Indicator</b>	<b>East</b>	<b>Pierce County</b>	<b>Washington</b>
Community's Share of County Population	2.02%	100%	-
2010 Population	16,036	795,225	6,724,540
2000-2010 Annualized Change in Population	0.73%	1.28%	1.33%
2000-2010 Annualized Change in Households	1.17%	1.41%	1.44%
2000-2010 Annualized Change in Housing Units	1.15%	1.62%	1.65%
Population Under 19 Years of Age	25.1%	24.9%	23.5%
Population 19-64 Years of Age	64.7%	64.1%	64.2%
Population 65 and Older Years of Age	10.2%	11.0%	12.3%
Total Businesses	385	27,611	287,677
Businesses per 1000 Residents	23.94	34.43	42.32
Average Workers per Business	11.09	10.60	10.60
Percent of Creative Class Workers	3.0%	6.2%	10.1%
2012 Averaged Assessed Residential Value	\$150,331	\$178,021	-
Owner-occupied Housing Units w/o Mortgages	932	40,418	428,656
Percent Owner-Occupied Housing Units	80.1%	63.0%	63.9%
Median Household CNW	\$176,021	\$100,911	\$112,030
Mean Household CNW	\$413,333	\$375,065	\$458,511
Peak Household CNW by Age Cohort	\$864,372	\$797,264	\$860,894
Age Cohort for Peak Household CNW	65-74	55-64	55-64
Millionaire Households as a Percent of Total	5.2%	5.5%	7.8%
Annualized Population Change:			
2000-2010	0.73%	1.35%	1.41%
2010-2020	-0.15%	1.02%	1.02%
2020-2030	0.88%	1.04%	1.00%
2030-2040	0.71%	0.77%	0.78%
2040-2050	0.65%	0.69%	-
2050-2060	0.62%	0.64%	-

This area includes a larger and mostly rural geography east of Bonne Lake running along the northern boundary of the County and including parts of Mt. Rainier National Park. Given the rural nature of these areas the overall population is only 16,036 in 2010. But this area has seen moderate growth and is projected to have continued moderate growth into the future. It has comparable age demographics to the County. There are fewer businesses in the east, but wealth holding for both median and mean households is actually higher.

The following table provides the TOW opportunity for the eastern part of the county. It also provides benchmark values compared to the county and state using per household values. This community has moderate philanthropic potential in both absolute values and when compared to the county and state.

**Figure 26. Summary of Findings for East**

Transfers of Wealth Opportunity Findings			
2010 CNW \$1.41 Billion	10-Year TOW Opportunity \$309 Million		50-Year TOW Opportunity \$3.97 Billion
Per Household Comparative Values			
	East	Pierce County	United States
CNW	\$228,800	\$207,600	\$234,700
10-Year TOW	\$50,100	\$45,700	\$51,500
50-Year TOW	\$643,300	\$547,800	\$628,100
Philanthropic Potential			
10% Capture Goal		5% Payout Potential	
10-Year TOW	\$30.93 Million	10-Year TOW	\$1.55 Million
50-Year TOW	\$0.40 Billion	50-Year TOW	\$19.86 Million

The following table provides a profile of the kinds of households present in 2010 in this community using ESRI's [Tapestry Profiles](#). We have included in the Project Electronic Library a more detailed ESRI Tapestry Report for this community and descriptive information on Tapestry household groups. This information can be useful in better understanding the kinds and numbers of households within a community. In turn this information can be used for donor identification, targeting and development.

This is one of the least diverse areas within the County with over 93% of all households falling into the top five tapestry groups. Three groups – “Up and Coming Families”, “Green Acres” and “Midland Crowd” account for more than 75% of all households. Within these three groups there is considerable age and lifestyle diversity ranging from rural working class households to several different types of retirees.

**Figure 27. East Top 10 Tapestry Segmentation Percentages**

Rank	Tapestry Segment	Households		U.S. Households	
		Percent	Cumulative Percent	Percent	Cumulative Percent
1	12. Up and Coming Families	32.1%	32.1%	4.1%	4.1%
2	17. Green Acres	28.0%	60.1%	3.1%	7.2%
3	26. Midland Crowd	15.2%	75.3%	3.2%	10.4%
4	24. Main Street, USA	9.5%	84.8%	2.2%	12.6%
5	33. Midlife Junction	8.3%	93.1%	2.6%	15.2%
	<b>Subtotal</b>	<b>93.1%</b>		<b>15.2%</b>	
6	10. Pleasant-Ville	5.4%	98.5%	1.6%	16.8%
7	31. Rural Resort Dwellers	1.6%	100.1%	1.7%	18.5%
8					
9					
10					
	<b>Subtotal</b>	<b>7.0%</b>		<b>3.3%</b>	

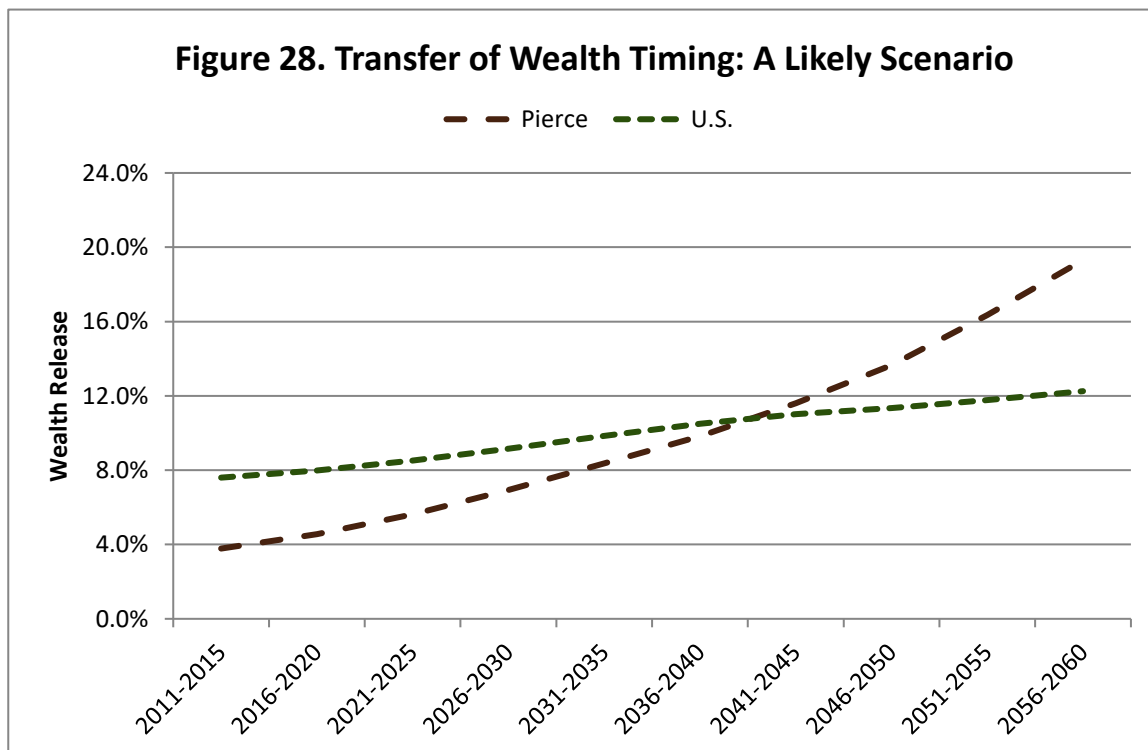
Source: Tapestry Segmentation Area Profile, ESRI 2012

## TOW Opportunity Timing

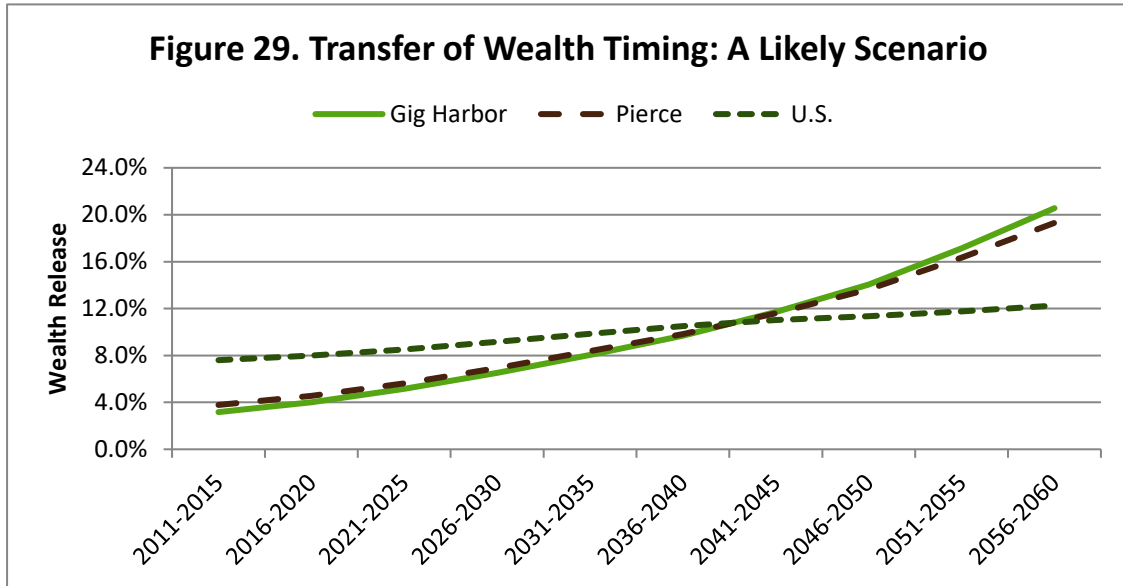
Like a finger print, every community has a unique “TOW opportunity timing.” This trend line illustrates the likely transfer of household estate wealth from one generation to the next. During these periods of transfer there is often greater opportunity for philanthropic planning and giveback. The following TOW Timing Charts estimate the likely release of TOW opportunity over the coming five decades. Each TOW Timing Chart includes the TOW opportunity trend line for United States based on the Center’s most recent U.S. TOW scenarios.

**What are we measuring?** The TOW Timing Charts illustrate the likely transfer of the total 50-year TOW opportunity by year on a percentage of total basis. So for Pierce County, roughly 4% of the entire 50-year TOW opportunity is transitioning during the 2011 through 2015 timeframe and about 20% is transitioning during the 2056-2060 timeframe.

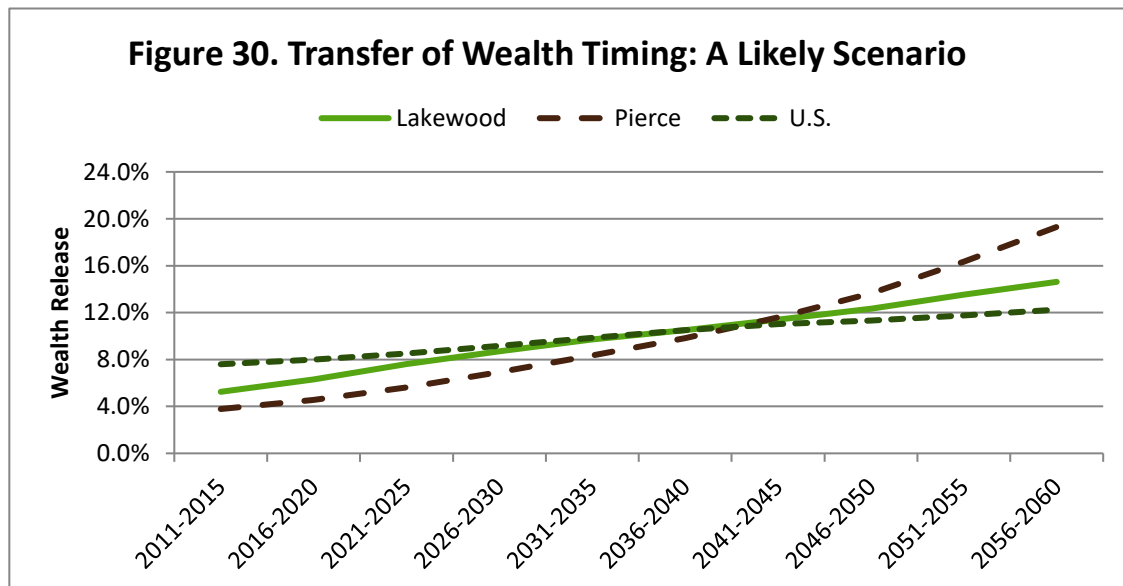
**Pierce County.** Pierce County, when compared to the United States, has a more dynamic and growing economy. Relative to the U.S., Pierce County and its dominate urban Center, the City of Tacoma, will create new wealth faster than old wealth is transferred. While this is true for the U.S., the rate of new wealth creation in Pierce County will be stronger and actually strengthen over time based on our assumed continued socio-economic growth.



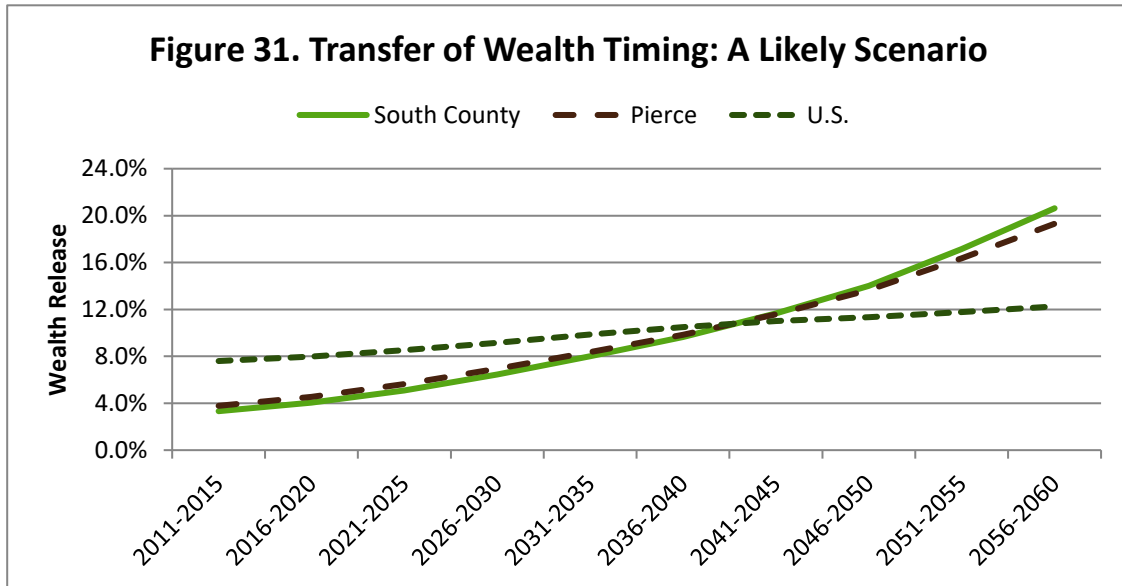
**Gig Harbor.** Gig Harbor has more wealth today and is projected to create more wealth when compared to the U.S. and Pierce County. Its TOW opportunity trend line is sharply increasing over time. This indicates an ever-increasing TOW giveback opportunity during the study period.



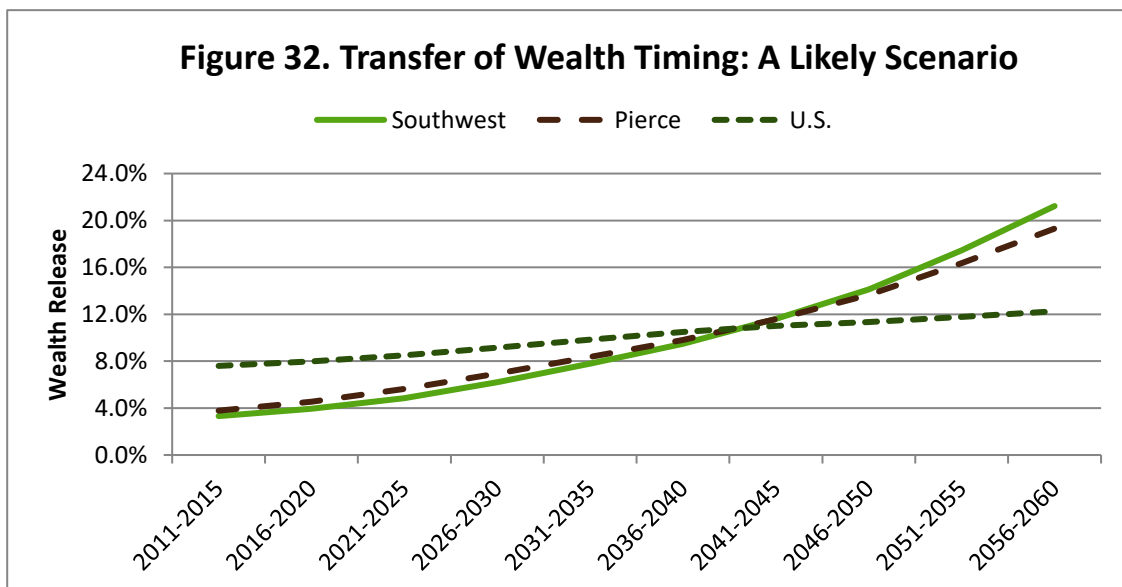
**Lakewood.** The community of Lakewood is projected to see wealth transfer occurring more early in the 50-year timeframe and moderate growth in the out years when compared to Pierce County and the U.S.. There is increasing TOW opportunity over time, but there is an urgency to act sooner as more of this community's wealth will transfer sooner.



**South County.** South County compared very strongly with the Pierce County TOW opportunity trend line. Its TOW opportunity is projected to increase rapidly over time as this community develops and creates increasing levels of household wealth. However, transfer is occurring now and their value is creating a giveback strategy that can grow with this opportunity.

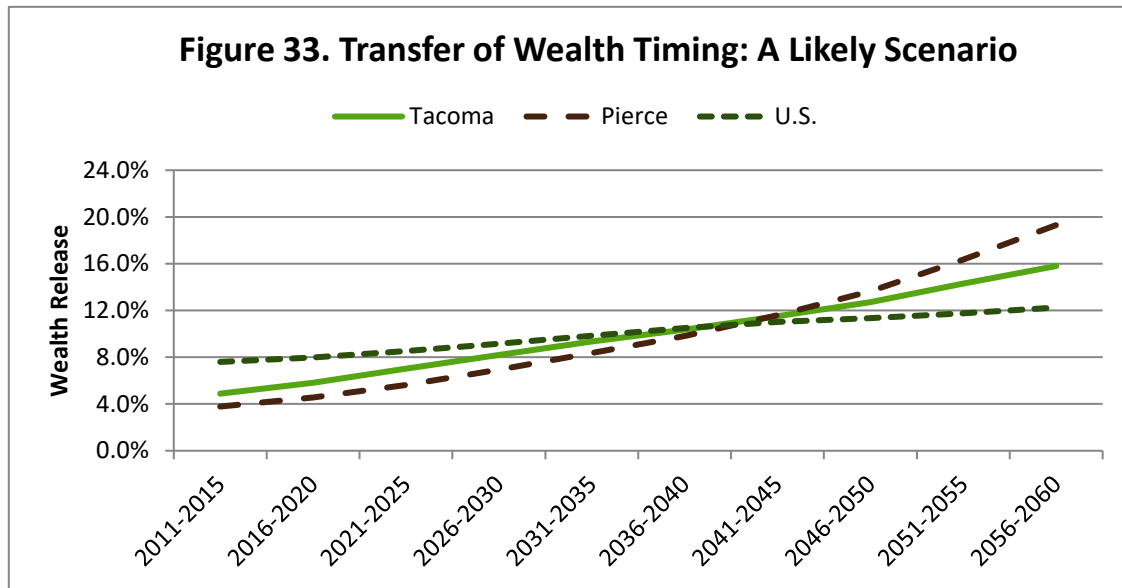


**Southwest.** The Southwest region has a similar trend line when compared to the Pierce County and the South County region. Wealth transfer opportunity will increase over time. This trend line indicates a growing community that will create new wealth on a much quicker pace than old wealth is transferred.

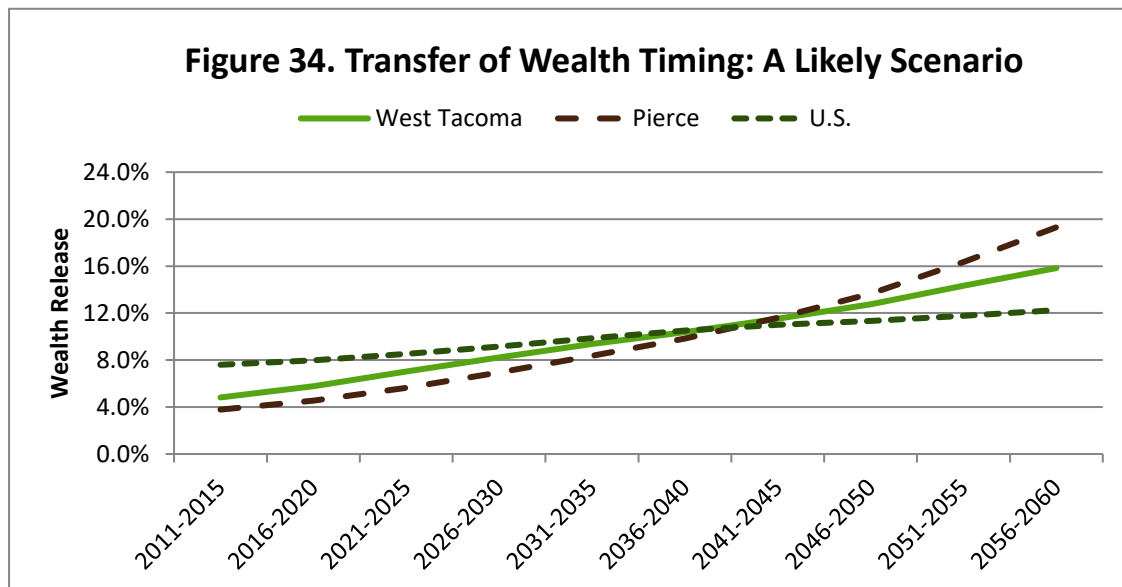




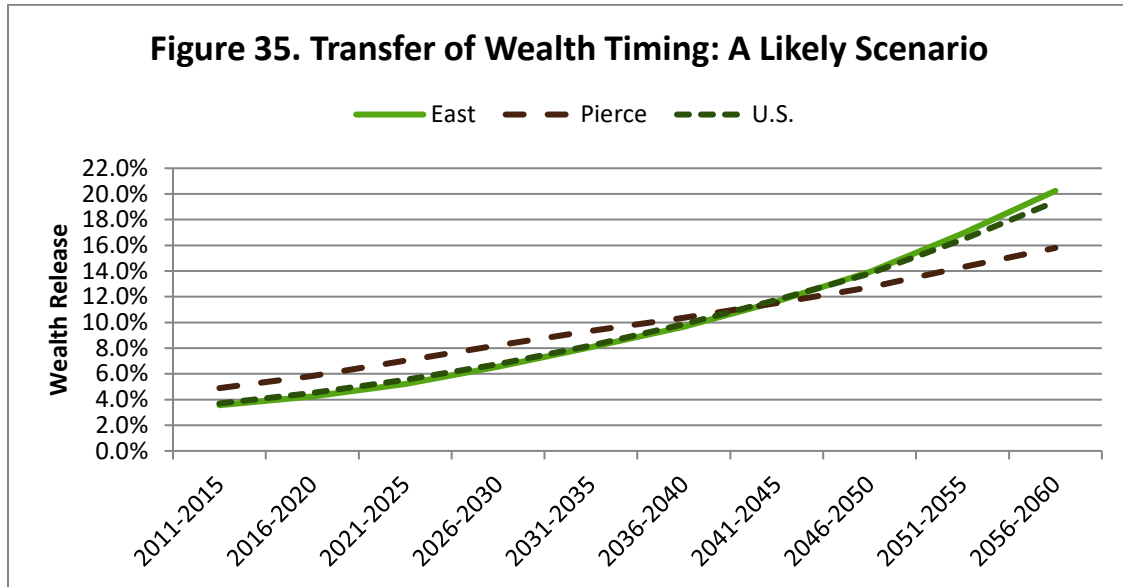
**Tacoma.** The community of Tacoma is projected to create new wealth faster than old wealth is transferred. This trend line is stronger when compared to the United States, but somewhat weaker when benchmarked to Pierce County's TOW Timing Chart. Overall, the TOW opportunity for Tacoma is now occurring and will accelerate over time.



**West Tacoma.** West Tacoma, also, is projected to create new wealth faster than old wealth is transferred. TOW opportunity will increase over time, but less so when compared to the U.S. trend line. There is more urgency to act based on substantial TOW opportunity during the earlier decades of the study period.



**East.** The east includes those parts of the County not captured in the previous five communities or regions. The eastern part of the County is projected to grow rapidly during the coming five decades. New wealth will be created more rapidly than old wealth is transferred. Rural-to-urban conversion will be occurring and the “rootedness” of new residents will be less when compared to more established older communities.



## Scenario Changers

Our TOW Team has worked hard to understand the realities of Tacoma and Pierce County in preparing your TOW opportunity scenarios. We believe these scenarios represent conservative forecasts of your TOW opportunity based on reasonable and transparent assumptions of future trends in your community. We live in a dynamic and complex world that has a history of change. Much will change in Tacoma and Pierce County over the next two generations and the coming five decades of time.

We have identified five key issues or what we call “scenario changers” that we recommend the users of this research track. While many factors could impact the future accuracy of our scenarios, we believe these five could have the greatest impact either materially increasing or decreasing your community’s TOW opportunity.

Our scenario changers for Tacoma and Pierce County are:

**Progress of the National Reset**  
**Development of Puget Sound**  
**Trends in International Trade**  
**Creative Class Entrepreneurship**  
**Military Trends**

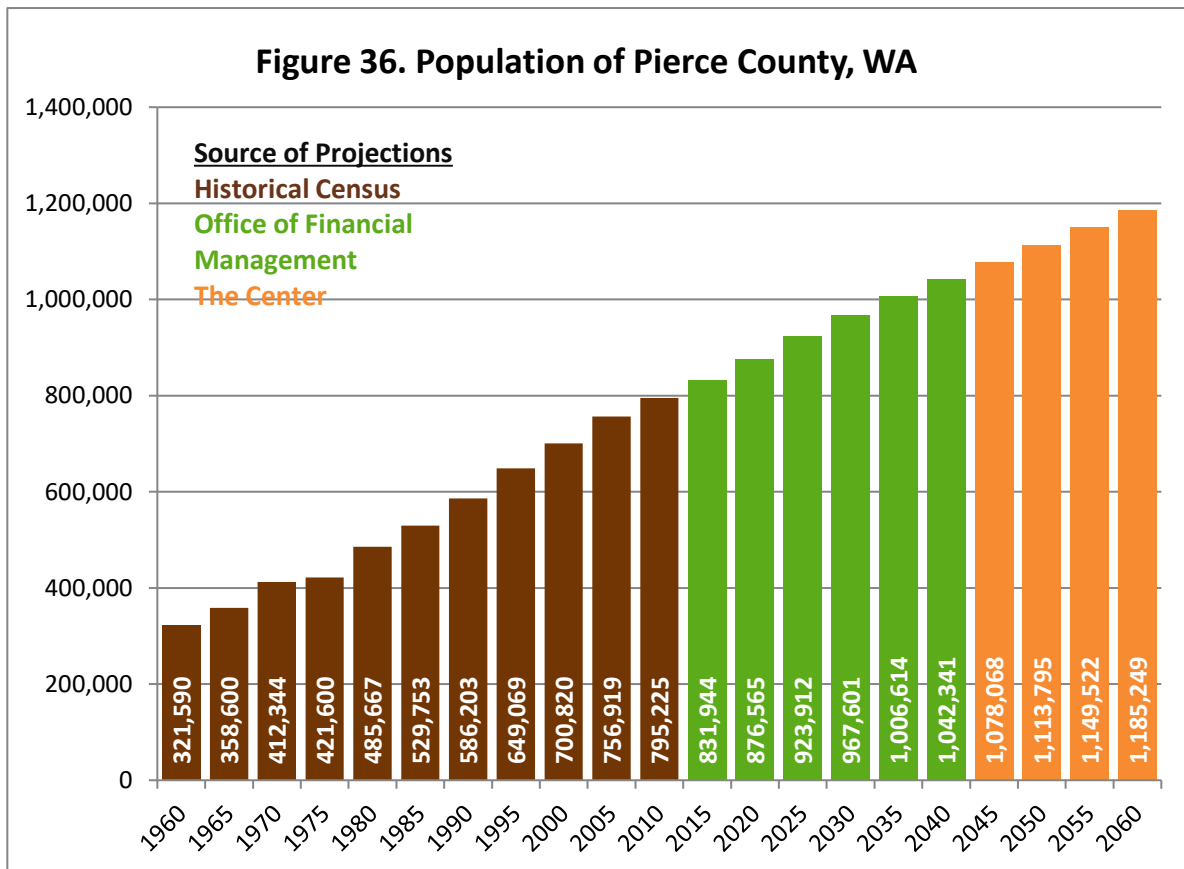
Let’s explore each of these scenario changers to better understand how they could impact your community’s TOW opportunity over time.

**Progress of the National Reset.** Richard Florida, the author of the “creative class” books is also the author of the *Great Reset*. In this book Florida explores what happens following a dramatic economic downturn. Florida argues that when you have a typical recession it is followed by a recovery. The term recovery suggests a return to a pre-recession normal. But when there is an economic downturn as deep and long as the Great Recession you do not have a recovery – you have a “reset.” The reset idea suggests profound and lasting changes in the economy, society and government arenas. In the *Great Reset*, Florida describes the profound changes or resets following the Long Depression of the 1870s and the Great Depression of the 1930s. We believe that the United States and the world are undergoing a reset following the Great Recession of 2007. This implications and impacts of the reset are still largely unclear. But the resets that are emerging will create even greater change that could impact the TOW opportunity in Tacoma and Pierce County. Some communities thrive in the open reset environment. Others are challenged and compromised as they are unable to perceive the emerging trends and adapt in ways that ensure growth and prosperity.

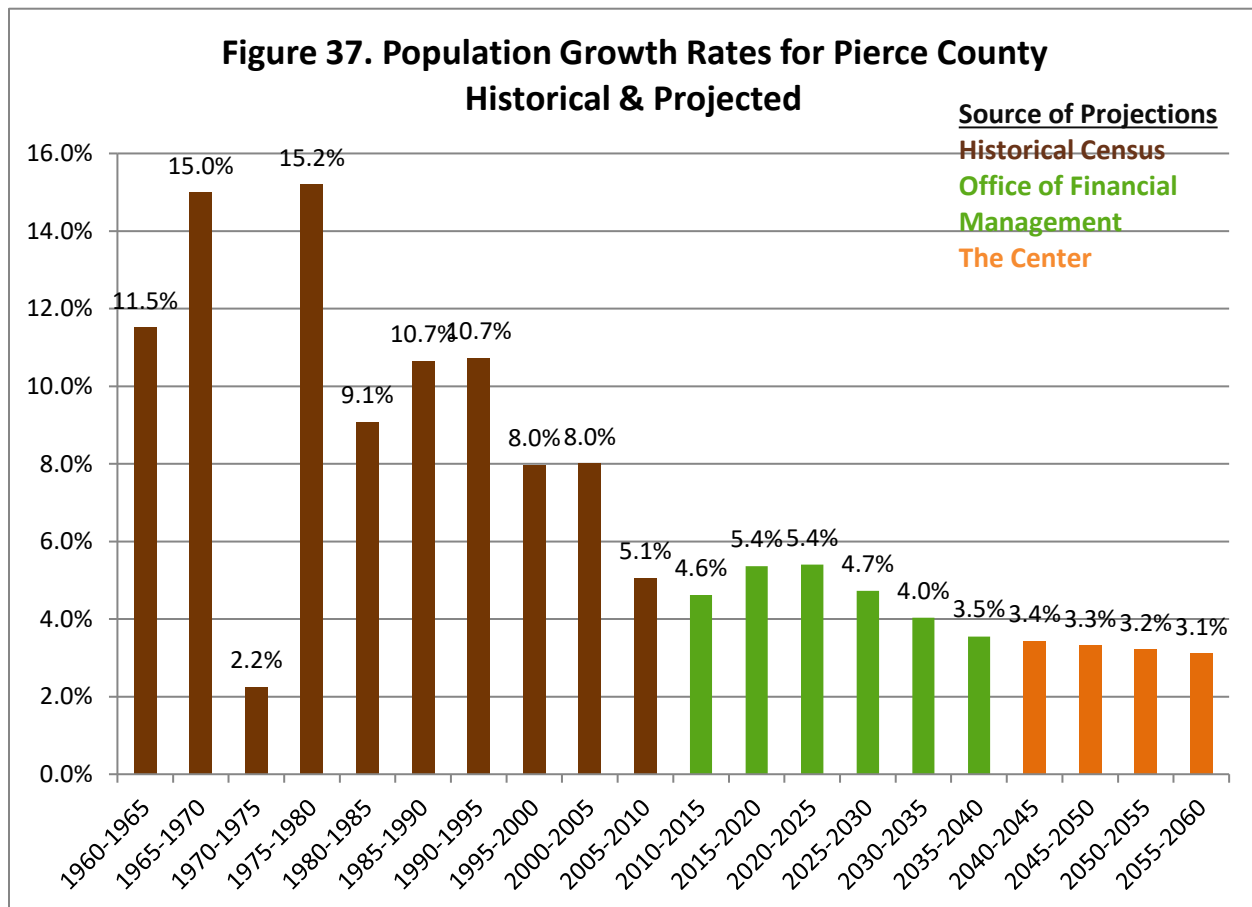
**Development of Puget Sound.** This community is part of a rather large and dynamic metropolitan corridor stretching from Portland, Oregon to Vancouver in Canada. This metroplex is part of the rapidly changing and expanding Pacific Rim global community and economy. The future development of this corridor will create both opportunities and threats for Tacoma’s development. The ability of

Tacoma to develop a more prosperous and wealthy community within this larger development context will likely impact for better or worse this community's longer-term TOW opportunity.

Demographic growth is one of the most important drivers that shape future TOW opportunity. Growing and more prosperous communities typically have more rooted household wealth and are more likely to create new wealth at a faster pace into the future. It is important that we are transparent in our assumptions about demographic trends as they are the foundation for our TOW scenarios. The first graphic illustrates actual or historical population change for Tacoma and Pierce County between 1960 through 2010 (green) and then our growth projections for 2010 through 2060 (brown).



Over the past 50 years Tacoma and Pierce County grew from nearly 320,000 to just over 795,000 residents representing a 2.48 times increase. Our projections for the next 50 years call for the community's population to increase to 1.2 million representing a 1.49 times increase (or slower future growth compared to past growth). The next graphic illustrates the percent change rates by five-year periods for both the historical and future timeframes. Our scenarios call for population growth to pick up following the Great Recession and then are moderate into the out years. This is a typical development pattern for maturing metropolitan counties. As Metropolitan County develops there is less opportunity for future development and population growth rates are typically moderate. This is also a conservative estimate. Faster growth could contribute to higher TOW opportunities.



**Trends in International Trade.** International connections and international trade are very important to Tacoma and Pierce County. Some studies suggest that the total (direct, indirect and induced impacts) employment impact associated with the Port of Tacoma is in excess of 40,000 jobs. Regardless of the specific number, the impact is real and significant. Issues and trends related to international trade and the development of both U.S. and Pacific Rim markets and suppliers will shape this trade activity over time. Its long-term development will in turn shape wealth formation and transfer opportunities over time.

**Creative Class Entrepreneurship.** The networking of creative class talent with entrepreneurs typically leads to innovation and new products and services. Such innovation can create entirely new markets and significant wealth for not only the creators and their employees, but the host community. The Portland to Vancouver corridor is home to significant creative class talent. Some of this talent is rooted in Tacoma and Pierce County. The intentional development of the creative class entrepreneurial cluster could increase new wealth formation and expand TOW opportunity in both the near term and long term.

**Military Trends.** Tacoma is home to Joint Base Lewis-McChord. In 2010 roughly 10 percent of all direct county employment was tied to the military. Changes in military spending and the use of the Joint Base could have dramatic implications for growth and development of Tacoma. There is a history of boom and bust associated with the military in this community. America is scaling down two major wars and defense spending and activity is projected to moderate in the near term. Regardless of trends associated with the Joint Base, there is a military legacy associated with over 100 years of military presence in the community – military retirees. There is a large community of retirees who have settled in Tacoma and Pierce County. These retirees have a significant impact on the current economy and some represent potential donors.

## Donor Opportunity Areas

The Center has had the opportunity to conduct TOW analysis in a remarkably diverse collection of communities throughout the United States. As part of this experience we have documented 25 distinct donor opportunity areas. These donor opportunity area profiles can be found in our paper on this topic located in the Project Electronic Library. Tacoma and Pierce County are a very diverse collection of communities. Based on our TOW analysis we have identified the following eight donor opportunity areas:

<p><b>Thrifty Retirees</b></p> <p>Every community has them. They are the households who work hard, spend less than they make, save and invest well thereby creating in most cases modest estates. In many cases they are rooted and have strong affinity for their community and institutions. They are often giving annually to church and favorite charities. They are not typically high net-worth and they are often unfamiliar with planned legacy giving. But they have capacity and motivation to give back.</p>	<p><b>Old Wealth Families</b></p> <p>Any community that is old enough and has experienced periods of sustained prosperity have well known families with old wealth. They have deep roots and often a history of charitable giving. They are the families that support United Way, the arts and humanities and any other community betterment project. Often they are high net-worth but control of family wealth is diffused due to multiple family members. They have capacity and giveback tradition.</p>
<p><b>Creative Class Entrepreneurs</b></p> <p>From Portland in the South to Vancouver in the North, the I-5 corridor is known internationally for innovation and new commercial ventures ranging from Microsoft to Starbucks. Tacoma is known as a blue collar community. But like its sister cities north and south, it has a growing creative class that is entrepreneurial, generating new wealth and gaining capacity for giveback. Giveback motivation requires focus and development.</p>	<p><b>Specialized Professionals</b></p> <p>In 1970 Pierce County was home to 322,000 residents. Today nearly 800,000 people call this home. A community of this size has a large and robust grouping of highly specialized professionals like doctors, engineers, architects and CPAs. For those that also own their own business, these entrepreneurial ventures on average have significant wealth, capacity to give back and likely deep affinity for their home communities.</p>



### Military Brass

Significant military installations have existed in Pierce County since the early 1900s. There are an estimated 38,000 military related personnel generating over \$4 billion in personal income (2010) associated with Joint Base Lewis-McChord. Wherever there is a long standing and substantial military installation there are retirees. Some have the estate wealth to become donors.

### Part-Time Regular Visitors

This community is part of the remarkable landscape called Puget Sound. Water, trees, green valleys and mountains create a high amenity landscape that is desired by regular and part-time visitors. These visitors have their permanent residence elsewhere, but they often have capacity and affinity for their part-time homes making them potential legacy donors.

There are two additional potential unique donor opportunity areas for Tacoma and Pierce County: Immigrant entrepreneurs and Safe Harbor Immigrants.

### Immigrant Entrepreneurs

America's west coast has long had a strong connection to the Pacific Rim Countries to the west. International immigration is part of Puget Sound history and the development of Tacoma and Pierce County. America continues to be an attractive place where immigrants with talent and motivation believe they can succeed. There are pockets of immigrant entrepreneurs in this community. In time they will have greater capacity and motivation for giveback to their adopted homes.

### Safe Harbor Immigrants

McKinsey & Associates estimate that by 2030 there will be an additional three billion middle class households worldwide. The Pacific Rim, China, India and other developing nations are creating a new generation of high net-worth million and billionaires. Some will create residency status through family in the United States as a safe harbor against instability back home. Communities like Los Angeles and Seattle are west coast safe harbor communities. Chances are good that Tacoma is experiencing some of this development as well.

*We share these donor opportunity areas to stimulate wider thinking about Tacoma and Pierce County's philanthropic opportunities. We are not able as part of our research to share specific names or even quantification around these opportunities. But our analysis clearly indicates giveback potential in these eight areas. We hope this information is helpful in crafting your community's philanthropic strategy.*

**The Center for Rural Entrepreneurship's** vision for rural America is one of vibrant communities and regions that embrace entrepreneurship, that find new sources of competitive advantage in their inherent assets, and that invest in a new more sustainable future for both present and future generations. The Center's mission is to help our local, regional and state partners achieve this future by connecting economic development practitioners and policy makers to the resources needed to energize entrepreneurs and implement entrepreneurship as a core economic development strategy.

These development efforts require financial resources. Most traditional sources of funding are challenged as governments, businesses and foundations struggle to meet rising community needs. A core program area for the Center is Community Development Philanthropy, where our team helps your community, region or state build a community wealth road map. Our Transfer of Wealth (TOW) research offers insight into possibly the greatest opportunity to tap new, significant and sustainable funding streams in support of growing better and stronger communities. For many communities and regions, TOW research can help jump start important conversations leading to greater community giveback.

The Center has conducted TOW studies for clients around the nation for more than 10 years, and has published a book titled, *Transfer of Wealth in Rural America: Understanding the Potential, Realizing the Opportunity, Creating Wealth for the Future*. More product offerings are planned under our Community Development Philanthropy area.

To learn more about the Center's history and program areas, go to [www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org).

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**The Rural Policy Research Institute (RUPRI)** provided founding support to create the Center for Rural Entrepreneurship in 2001. RUPRI's mission is to provide independent analysis and information on the challenges, needs, and opportunities facing rural people and places. The work of the Center for Rural Entrepreneurship, along with other centers and collaborations, helps RUPRI achieve this mission. To learn more about RUPRI, visit [www.rupri.org](http://www.rupri.org).

