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Renton's growth spurt

City population increases 13 percent

Puget Sound Business Journal (Seattle) - by [Jeanne Lang Jones](#) Staff Writer

Once dismissed as a gritty, blue-collar company town, Renton has been adding new residents at a rapid rate, with ambitious plans one day to rival Bellevue in size.

Renton now ranks second only to Seattle in the number of residents gained since 2000, according to a recent report on population growth by the Puget Sound Regional Council. For the five-year period ending this December, Renton is expected to grow by 13.6 percent, adding a total of 6,788 new residents.

Renton's growth is being spurred by housing prices that are substantially less than those in neighboring communities on the Eastside or in Seattle -- and by an ambitious annexation campaign.

Renton is also benefiting from the city's own effort to reinvent itself by attracting employers unrelated to The Boeing Co., thereby broadening Renton's economic base and boosting its image.

The effort dates back to the aerospace crash and near recession of the early 1990s. That's when voters elected a pro-development administration that started changing City Hall's policies and culture.

Renton's reinvention campaign was further spurred by Boeing's decision to lay off more than 25,000 workers and relocate its headquarters to Chicago four years ago.

"(Renton) has really rolled its sleeves up," said Randy Bannecker, a housing specialist for the Washington Association of Realtors. "By taking what could have been a devastating blow in what happened with Boeing and thinking through to what they want to be, they are dealing with the challenge in a smart way."

While still Renton's largest employer, Boeing accounts for just 29 percent of its jobs, down from 59 percent of the city's work force back in 1990. The city has successfully courted other employers over the years, including retailer Ikea, which draws shoppers from as far away as Oregon; retailer Fry's Electronics Inc.; and, most recently, the Federal Reserve Bank.

While Renton plans to annex a number of surrounding communities eventually, only 677 of the new residents documented by the current study can be attributed to annexation.

In comparison, a substantial portion of the growth in other fast-growing cities, such as Bonney Lake in Pierce County, Everett and Bellevue, has been through annexation in recent years.

Much of Renton's growth is due to its relatively inexpensive housing.

"Renton's very affordable compared to everything to the north and east," said Marcie Maxwell, an associate broker in Windermere's Renton office. "It's quite a desirable place for first-time and

move-up buyers. There are also wonderful views, waterfront properties and affordable condos."

Another indication that more people are finding Renton an attractive address: There's been a sharp jump recently in converting apartments to condominiums. The city's first conversions occurred in 2000, when 83 apartments were turned into condos, according to Mike Scott, a principal in the Seattle apartment research and consulting firm, Dupre + Scott. There were no further conversions until last year, when 106 units switched from rental properties to condos. So far this year, 65 units have converted.

"What that tells me is that Renton is a market where people are looking for that kind of condo home ownership," Scott said.

The city learned an early lesson in the importance of housing when it tried to redevelop the Renton Highlands neighborhood, said Sam Pace of Executive Real Estate Inc. in Bellevue. Initially the city tried to encourage revitalization of the Highlands by attracting new businesses to the area. But officials found the neighborhood wasn't able to support them.

"What they discovered is that in order to get economic development in the Highlands area, they needed to start with housing," said Pace. "Then, as the housing and population grew, the employment base would follow."

Over the years, the city worked hard to revitalize its downtown, encouraging car dealerships to relocate and changing zoning to spur redevelopment. The city also has adjusted its regulations to "not only protect the future of the city but also provide predictability and reasonableness that developers are able to work with," Pace added.

Meanwhile, if the city follows through on all the annexations envisioned in its comprehensive plan, Renton could swell from just under 57,000 residents to more than 116,000 -- the size of present-day Bellevue.

Renton's economic development administrator, Alex Pietsch, said the challenge is finding enough money to provide services to new areas without lowering the level of service in existing neighborhoods.

Additionally, the city could gain as many as 900 new, multifamily residential units near downtown in the redevelopment of 46 acres of former Boeing property into a mixed-use retail/residential project by Dallas-based developer Transwestern Harvest Lakeshore LLC.

"I think Renton will continue on a steady climb for the next five or six years, but I think it will really take off in 10 years. People won't recognize it in 10 years," said Suzanne Britsch, a senior analyst with New Home Trends in Kirkland.

Britsch predicts that once the master-plan communities in Issaquah and Snohomish are built out, a substantial portion of the Puget Sound area's growth will funnel back to Renton, which is conveniently located at the south end of Lake Washington between Seattle, Bellevue and the Kent Valley's industrial parks.

Britsch also credits city planners with greasing the wheels for the city's redevelopment by changing zoning to allow more services that residential development needs.

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