

ARTS, ENTERTAINMENT AND RECREATION: Downtown Federal Way

INTRODUCTION

The North American Industry Classification System (NAICS) identifies businesses engaged in the Arts, Entertainment, and Recreation sector within the Leisure and Hospitality super sector. They include a wide range of businesses that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector comprises the following:

- Establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing;
- Establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest; and
- Establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests.

Yet there are other NAICS codes that cover the full size and scale of the sector. These include NAICS Code 711, which is Performing Arts, Spectator Sports, and Related Industries, which are establishments that produce or organize and promote live presentations involving the performances of actors and actresses, singers, dancers, musical groups, artists, athletes, and other entertainers, including independent (i.e., freelance) entertainers and the establishments that manage their careers; or NAICS Code 712 where industries in the Museums, Historical Sites, and Similar Institutions subsector engage in the preservation and exhibition of objects, sites, and natural wonders of historical, cultural, and/or educational value. In addition to these, NAICS Code 713 involves industries in the Amusement, Gambling, and Recreation Industries subsector operating facilities where patrons can primarily engage in sports, recreation, amusement, gambling activities, and/or provide other amusement and recreation services.

For the purpose of this analysis, the two digit NAIC Code 71 was used to capture the broad array of establishments for this review.

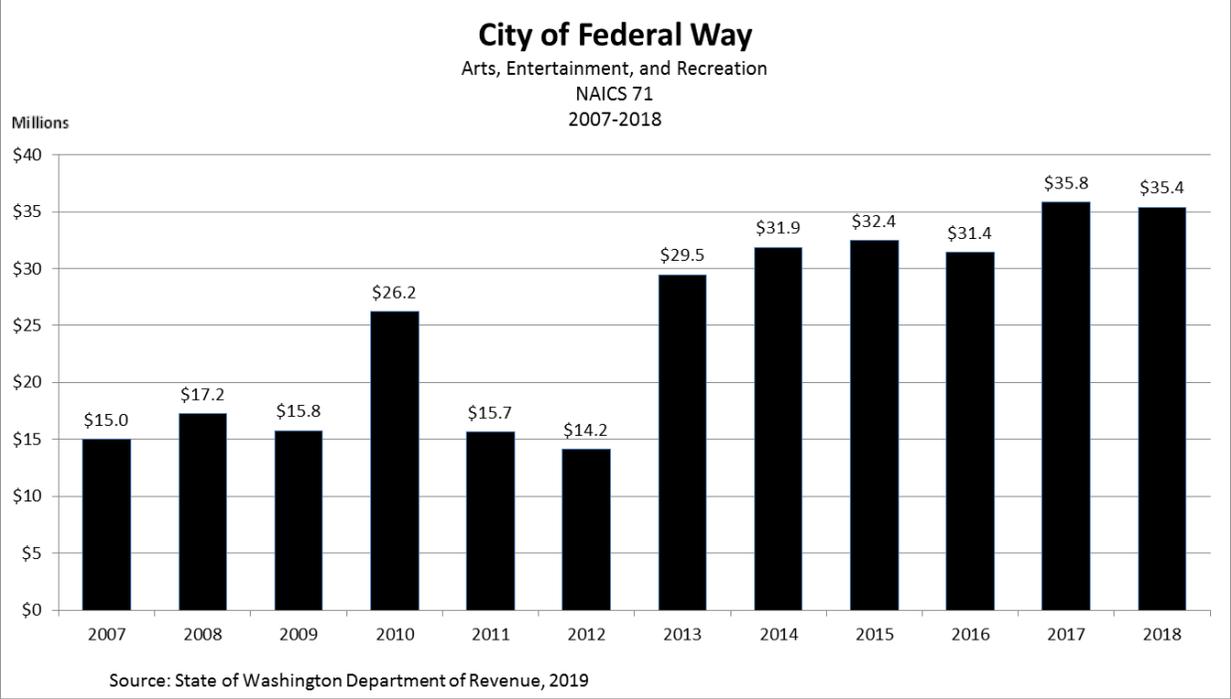
BACKGROUND

According to IBIS World, an industry research company, nationwide revenue in 2018 for this sector was an estimated \$309 billion. Current employment statistics from the Bureau of Labor Statistics identified that there are over 2.4 million people nationally employed in the Arts, Entertainment, and Recreation sector.

Economic research identifies that revenue in this sector is highly dependent upon available levels of discretionary spending and leisure time. Over a five year period, 2013 to 2018, the sector was positively affected by strong growth in per capita disposable income, propelling sector revenue to expand at an annualized rate of 3.3 percent as identified by the economic research firm Data USA.

Research on taxable retail sales from 2007 to 2018 in Federal Way, specifically before and through the recovery from the "Great Recession," fluctuated during 2007 to 2012. A significant spike occurred for an unknown reason in 2010. In 2013, the sales more than doubled from the previous year to reach \$29.5

million, and the upward trend has continued with the 2018 total at \$35.4 million. Given the fluctuations of the sales figures, it is hard to determine if the recession had any impact on sales.



MARKET

Businesses in this category include facilities or services that meet the varied cultural, entertainment, and recreational interests of their patrons. Downtown offers recreational facilities such as gyms and fitness facilities as well as entertainment centers such as arcades. Additionally, Downtown Federal Way serves residents through diverse cultural points of interest such as the Historical Society of Federal Way, Town Square Park and the newly built Federal Way Performing Arts & Events Center.

Downtown Federal Way has 16 arts, entertainment, and recreation establishments/facilities. Eight of these establishments are amusement and recreation related. One is the City’s performing arts facility, and one is the Federal Way Historical Society. Also there are two gyms, two yoga studios, three martial arts facilities, and one fitness-oriented daycare. For entertainment, there are two movie theatres and two arcades/video game cafes.

Downtown is marked by its cultural richness, emerging performance arts, and abundance of recreational activities. It is served by two parks, Town Square Park in the City Center Core and Steel Lake Park situated to the north along the City Center Frame. Downtown has the newest performing arts venue in the Puget Sound region — the Federal Way Performing Arts and Event Center.

TRENDS

Nationally advancements in consumer electronics have given rise to a growing variety of at-home entertainment options that compete with those offered by companies in the arts, entertainment, and

recreation sector. Smartphones, tablets, gaming consoles, video streaming services, and social media have made it easier to stay busy and have fun without leaving the house.

This is especially true of younger consumers, who represent a critical customer base for the industry. To lure people away from their screens, amusement parks, arcades, museums; businesses are investing in technology to create novel experiences that cannot be replicated at home. Many organizations are also using sophisticated data analysis applications to improve efficiency and guide decisions on marketing and programming.

SOURCES

- US Dept. of Labor, Bureau of Labor Statistics
- City of Federal Way
- Data USA
- ESRI
- IBIS World
- North American Industry Classification System
- Washington State Department of Revenue

Location of Arts, Entertainment, and Recreation



This map is intended for use as a graphical representation. The City of Federal Way makes no warranty as to its accuracy.
Aerial Photo: May 2018
Date Published: June 2019

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Year Built is the calendar year in which at least 50 percent of the original construction was complete.

Effective Year Built is the adjusted year built taking into account any subsequent new construction or major rehabilitation.

1. Historical Society of Federal Way

2645 S 312th St

Hours: Th-Sa 12-4PM

The Historical Society of Federal Way serves the public through researching, preserving, educating, and displaying the history of Greater Federal Way to build a sense of community identity and heritage.

2. Steel Lake Park

2645 S 312th St

52-acre park offering beach access, a playground, picnic areas, boat launch and various recreational activities.

3. AMC Classic Gateway 8¹

2501 Gateway Center Blvd S.

Located: Gateway Center Theater complex offering several screens, concessions and discounted matinee showings.

4. Hot Yoga Inc.

31839 South Gateway Center Plaza

Yoga studio offering various fitness classes and yoga workshops.

5. Elev8 Hot Yoga

2000 S 314th St

Located: Hillside Plaza Shopping Center

Locally owned yoga studio offering various yoga and fitness classes.

6. Federal Way Performing Arts Center

31510 Pete von Reichbauer Way South

Large, state-of-the-art venue with 700 seat capacity, grand lobby, multipurpose rooms, and full service bar and catering.

Year Built: 2017

Square Footage: 43,471

7. Town Square Park

31600 Pete von Reichbauer Way South

Recreation area with contemporary play equipment, including a splash pad & rope-climbing structure.

Year Built: 2016

8. Century Theatres¹

2001 S Commons, 320th &, Hwy 99

Located: The Commons Mall Theater complex with multiple screens, all-stadium seating & self-service ticketing kiosks.

9. Digital Reality Gaming

1909 S Commons E4

Located: The Commons Mall Modern video game lounge specializing in virtual reality games.

10. Tilt Arcade

1820 S Commons

Located: The Commons Mall Video game arcade chain offering old and new school games.

11. The Little Gym

1414 S 324th St

Located: Celebration Center Family friendly gym with exercise classes for early childhood aged children.

12. iLoveKickboxing

1320 S 324th St #A4

Located : Celebration Center

A small boutique Fitness Kickboxing studio. A non-combat studio with an instructor-led kickboxing program.

13. Master Na's Taekwondo Black Belt Academy

32900 Pacific Hwy S

Located : Celebration Center
Fitness facility specializing in adult and child mixed martial arts classes.

14. Freedom Fitness

1320 S 324th St #A11

Located: Celebration Center
Hybrid training gym offering bootcamps & a mix of cardio equipment & modern tools like kettlebells.

15. Planet Fitness

1211 S 320th St

Located: Sunset Square

Gym that offers classes, fitness training, hydromassage, tanning, total body enhancement (light therapy), and massage chairs

16. Master Shon's Tae Kwon Do

1035 S 320th St

Washington State's premier family martial arts academy with two locations in Federal Way.