



ADVANCING ECONOMIC PROSPERITY IN KLICKITAT COUNTY

10-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

KLICKITAT COUNTY PUBLIC ECONOMIC DEVELOPMENT AUTHORITY

ACKNOWLEDGEMENTS

TIP Strategies would like to thank the many individuals and entities in Klickitat County who took time to participate in the development of this plan. We are particularly grateful to the members of the project steering committee and leadership roundtable, listed below, for investing their time and energy to help the consulting team understand the County's unique economic development opportunities and challenges. We would also like to thank the numerous individuals and organizations who provided valuable input to this effort via interviews and focus groups. Finally, a huge thank you to the Klickitat County Public Economic Development Authority (EDA) for their insight and hospitality during our visits. We sincerely enjoyed working with you and the County Commissioners to develop this plan.



LEADERSHIP ROUNDTABLE

Betty Barnes, *Mayor of Bingen / EDA Member*
Mike Canon, *Mayor of Goldendale*
Doug Comstock, *Mount Adams Chamber of Commerce*
Dale Connell, *Riverview Bank / EDA Treasurer*
Dan Gunkel, *PUD Commissioner / EDA Member*
Amanda Hoey, *Mid-Columbia Economic Development Dist.*
Rex Johnston, *County Commissioner / EDA Chair*
Jerry Lewis, *White Salmon Superintendent*
Rob Kimmes, *Skyline Hospital*
Ryan Kreps, *Radcomp / EDA Member*
Andy Mack, *Zepher / EDA Member*
Art Mains, *Republic Services / EDA Member*
Rob Mercer, *Mercer Canyons / EDA Member*
Dana Peck, *Goldendale Chamber of Commerce*
Dave Poucher, *Mayor of White Salmon / EDA Member*
Dave Sauter, *County Commissioner / EDA Vice Chair*
Jim Sizemore, *County Commissioner*
Jason Spadaro, *SDS Lumber / EDA Member*
Wayne Vineyard, *Port of Klickitat Commissioner / EDA Member*

PROJECT STEERING COMMITTEE

Mike Canon, *Mayor of Goldendale / EDA Board*
Dale Connell, *Riverview Bank / EDA Treasurer*
Rex Johnston, *County Commissioner / EDA Chair*
Ryan Kreps, *Radcomp / EDA Member*
Rob Mercer, *Mercer Canyons / EDA Member*
Dave Poucher, *Mayor of White Salmon / EDA Member*
Dave Sauter, *County Commissioner / EDA Vice Chair*
Jim Sizemore, *County Commissioner*
Wayne Vineyard, *Port of Klickitat Commissioner*

KLICKITAT EDA STAFF

Dave McClure, *Executive Director*
Richard Foster, *Economic Development Specialist*
Kirsten Schilling, *Administrative Assistant*

FOR ADDITIONAL INFORMATION ABOUT THE KLICKITAT EDA, PLEASE CONTACT:

Dave McClure, Executive Director
Klickitat Public Economic Development Authority
127 W. Court Street, Goldendale, WA 98620

Phone: (509) 773-7060
Email: kcpeda@klickitatcounty.org
Web: klickitatcounty.org/216/Economic-Development



TIP STRATEGIES, INC. is a privately held Austin and Seattle based economic development consulting firm committed to providing quality solutions for public and private sector clients. Established in 1995, the firm's primary focus is economic development strategic planning.

CONSULTING TEAM:

Jeff Marcell
Senior Partner / Project Lead

Ashton Allison, CEcD
Consultant / Project Manager

TIP Strategies
2905 San Gabriel Street, Suite 550
Austin, Texas 78705
PH: 512.343.9113
FX: 512.343.9190
www.tipstrategies.com

Image credits: (front cover, left to right) Dallesport by Bruce Fingerhood via Flickr (CC BY 2.0); Columbia River Gorge from Mary Hill by Lee via Wikimedia Commons (CC BY-SA 2.0); Wind turbines by Ashton Allison (TIP staff photo); Vineyard and Mount Adams by Ashton Allison (TIP staff photo)

CONTENTS

INTRODUCTION	1
BACKGROUND	1
APPROACH.....	1
REVIEW OF MISSION & CORE PURPOSE	2
STRATEGIC PLAN OVERVIEW	3
IMPLEMENTATION	5
SUMMARY	5
STRATEGIC ACTION PLAN	6
GOAL 1. FOUNDATIONAL INITIATIVES	6
GOAL 2. CATALYST OPPORTUNITIES.....	13
GOAL 3. REAL ESTATE DEVELOPMENT	20
GOAL 4. WORKFORCE DEVELOPMENT.....	23
GOAL 5. KLICKITAT EDA PROGRAMS & SERVICES.....	26
APPENDIX 1. IMPLEMENTATION.....	30
IMPLEMENTATION PRIORITIES FOR 2017-2018.....	30
IMPLEMENTATION MATRIX.....	36
APPENDIX 2. ECONOMIC ASSESSMENT	52
APPROACH.....	52
KEY FINDINGS	52
SWOT ANALYSIS.....	54
POPULATION & DEMOGRAPHICS	55
EDUCATION, WORKFORCE, & INDUSTRY.....	58
APPENDIX 3. TARGET INDUSTRY ANALYSIS.....	66
INTRODUCTION.....	66
VALUE-ADDED AGRICULTURE & FOOD PROCESSING	69
CRAFT BEVERAGES.....	72
UNMANNED AIRCRAFT SYSTEMS & COMPOSITES	75
NATURAL RESOURCES & CLEAN TECHNOLOGY	78
SPORTING GOODS & OUTDOOR RECREATION	81
APPENDIX 4. KLICKITAT COUNTY PROJECT LIST.....	84

INTRODUCTION

BACKGROUND

The Klickitat County Public Economic Development Authority (Klickitat EDA) was formed as a public corporation in 1995 by the Klickitat County Board of Commissioners. Klickitat EDA’s Board of Directors has 15 voting members, including the 3 County Commissioners, an elected official from each incorporated city in the county, commissioners from both the Port of Klickitat and the Klickitat County Public Utility District (PUD), as well as 7 members appointed from the county at-large by the Board of County Commissioners.

In January 2016, the Klickitat EDA began the process of developing a strategic plan to guide the organization’s economic development activities over the next decade. The Klickitat EDA engaged economic development consulting firm TIP Strategies to lead the strategic planning process.

The resulting strategic plan is intended to guide Klickitat County’s economic development efforts over the next 10 years. The plan is organized around five goals, with supporting strategies and specific actions designed to grow the regional economy. It incorporates and supports the broader community vision and goals as articulated by community leaders, stakeholders, and Klickitat EDA staff.

APPROACH

The team used TIP’s three-phase planning model—Discovery, Opportunity, and Implementation—to guide the engagement. During the strategic planning process, TIP Strategies worked closely with business, government, planning, economic development, workforce development, and education leaders to identify the region’s most promising opportunities for economic growth and diversification.

The first step was to establish a common understanding of assets and challenges. This “Discovery Phase” included 16 focus groups (multiple meetings with the same group, in some cases) and 11 interviews with individuals representing a broad cross section of stakeholders from Klickitat County. During this phase, the consulting team also compiled a demographic and economic assessment for the six-county region, including a SWOT analysis. The regional profile addresses issues such as population and workforce, jobs and economy, education and training, and infrastructure and assets.

In addition to the strategic plan, this report includes an implementation matrix (Appendix 1). The results of the economic assessment are provided as Appendix 2. Appendix 3 contains the target industry analysis, recommendations, and profiles. These profiles include industry definitions and trends, occupational characteristics, strategic considerations, and industry intelligence for each industry sector.

REVIEW OF MISSION & CORE PURPOSE

A component of this project’s scope was to conduct a visioning exercise and develop a purpose statement for the strategic plan. As a precursor to the visioning process, TIP Strategies took time to review and reflect on Klickitat County’s mission and core purpose.

MISSION

A mission statement should be a short, poignant statement that clearly communicates the ultimate objective of the organization. The following statement, developed by the Klickitat EDA, accomplishes this:

“Klickitat County Public Economic Development Authority’s mission is to enhance the economy of Klickitat County and the lives of its citizens by using all available resources to create opportunity and employment through sustained leadership, planning and strategic investment.”

CORE PURPOSE

The statement of core purpose should describe the central functions that will form the structure of operations and empower the organization to tactically achieve its mission. The following statement, developed by the Klickitat EDA, accomplishes this:

“The purposes of the Corporation are to develop and carry out programs (including but not limited to programs financed in whole or in part by federal grants) to rebuild or revitalize blighted areas; to expand housing, job and income opportunities; to develop housing programs including but not limited to home rehabilitation counseling and maintenance training services; to stimulate economic development through the use of all available resources; to improve the educational facilities and programs; to combat disease and ill health; to reduce the incidence of crime and delinquency; to enhance recreational and cultural opportunities; to establish better access between homes and jobs; and, through the most effective and economical concentration and coordination of federal, state and local public and private efforts, to improve the quality of life, particularly for the socially and economically disadvantaged of Klickitat County.”

STRATEGIC PLAN PURPOSE STATEMENT

A purpose statement should reflect the core values and desired future state of the community as a result of the strategic planning process. This statement should be clear, concise, and define the direction for the community’s growth. TIP Strategies proposed the following statement, which was adopted by the strategic plan leadership team:

“Achieve steady, balanced growth that benefits the entire county and protects the community’s character while providing employment opportunities to its citizens.”

STRATEGIC PLAN OVERVIEW

While the strategic plan’s purpose statement forms the basis of inspiration and guidance for a successful effort, it is only as good as the goals, strategies, and actions that help achieve it. The following five goals are the pillars of the strategic plan and are intended to provide a roadmap to accomplish the strategic plan’s stated purpose.

GOAL 1: FOUNDATIONAL INITIATIVES

The bedrock of any community’s economic success is its physical and civic infrastructure. Goal 1 makes recommendations for each. Physical infrastructure strategies focus primarily on transportation, communications, and water; civic infrastructure strategies relate to the broad concepts of policy development and county positioning.

GOAL 2: CATALYST OPPORTUNITIES

Goal 2 addresses opportunities identified as having the greatest short- and long-term promise to accelerate economic growth in each of the three geographic segments of Klickitat County: West, Central, and East. This goal contains strategies for leveraging opportunities in the high tech, forest products, wine, clean technology, viticulture, and fruit processing industries to attract additional investment and activity. The goal also lays out strategies and actions to take advantage of available large-scale industrial sites for business attraction and/or expansion. Finally, the goal describes strategies to ensure countywide HubZone status is utilized by qualifying businesses to gain preferential access to federal procurement opportunities.

GOAL 3: REAL ESTATE DEVELOPMENT

Throughout much of its history, the Klickitat EDA has encountered threats and barriers to industrial, commercial, and residential real estate development. Goal 3 focuses on strategies to forge new partnerships and enhance existing partnerships that will stimulate public and private real estate investment and development, create an inventory of buildable land, facilitate the utilization of various funding mechanisms, and increase the inventory of available workforce housing.

GOAL 4: WORKFORCE DEVELOPMENT

A skilled, educated workforce is an essential component of a strong and growing regional economy. Goal 4 outlines strategies and actions to enhance efforts regarding training and job placement, cultivating and maintaining strategic partnerships, and developing workforce attraction and retention tactics. It is essential that the Klickitat EDA work with the business community to identify talent needs and convene stakeholders and other partners to align activities toward a common goal.

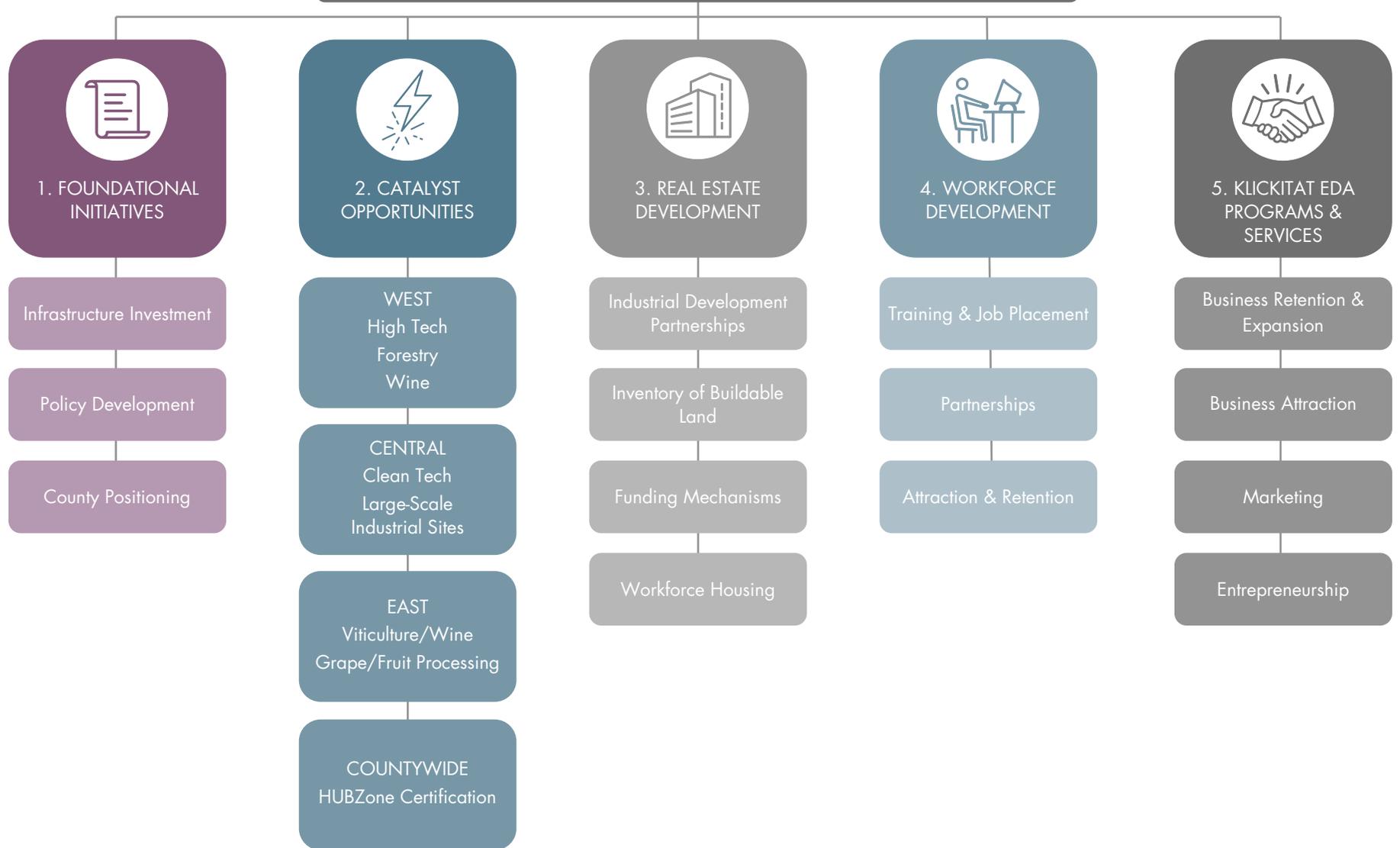
GOAL 5: KLICKITAT EDA PROGRAMS AND SERVICES

The first four goals are ambitious but attainable and will require a comprehensive community effort. Goal 5 focuses on organizational activities, which include four programs identified as priorities by the consulting team. These include business retention and expansion (BRE), business attraction, marketing, and entrepreneurship.

While the Klickitat EDA will certainly be a leader in this effort, it cannot act alone. The goals and strategies provide a roadmap for the Klickitat EDA to engage its education, workforce, and economic development partners in conversations about the region’s long-term economic vitality. This collaborative arrangement is represented in the following overview graphic as the “Klickitat County Economic Development Leadership Group.” (Please see the “Implementation” section on page 5 for more information about the Klickitat County Economic Development Leadership Group.)

STRATEGIC PLAN OVERVIEW GRAPHIC

KLICKITAT COUNTY ECONOMIC DEVELOPMENT LEADERSHIP GROUP



IMPLEMENTATION

Implementation is the most important process in strategic planning, as the plan is of little use without a means of putting its elements into motion. Implementation converts strategies into specific, intentional actions that will accomplish objectives and goals and, ultimately, meaningful outcomes for the County.

The Klickitat County Leadership Roundtable (formed as a part of this strategic planning effort) engaged in a discussion about the best way to approach implementation. The consensus was that the Klickitat EDA Executive Committee should directly oversee implementation and report on a quarterly basis to the Klickitat EDA Board of Directors. The Board should then report to the existing Leadership Roundtable on progress annually.

Like any standing committee, the Leadership Roundtable will evolve over time. As individuals transition in and out of the group, its membership should continue to be composed of key county stakeholders, including the County government, municipal government, Port, school superintendents, and Chambers of Commerce.

Several strategies contained in this plan recommend that the Klickitat EDA serve as a convener and facilitator of a number of stakeholder groups throughout the county. The consulting team understands that taking action on each of these recommendations immediately or in the short-term is unrealistic, especially considering the Klickitat EDA has limited resources and man hours. TIP therefore recommends that the Klickitat EDA Executive Committee prioritize the stakeholder groups based on their economic impact to the county.

SUMMARY

The strategic plan serves as a blueprint for attracting new industry, retaining existing business, developing the workforce, and enhancing the county's quality of place. Ultimately, the plan will help position Klickitat County as an ideal location to operate a successful business, make capital investment, find a job, raise a family, and enjoy all that life has to offer. The strategies were developed with the goal of creating new jobs in the county and significantly increasing the region's tax base.

To achieve success, this plan will require the commitment of the Klickitat EDA staff and a range of community and business partners.

STRATEGIC ACTION PLAN

GOAL 1. FOUNDATIONAL INITIATIVES

Lay the necessary groundwork to support all other economic development activities, achieve desired long-term economic growth, and accelerate positive outcomes for Klickitat County.

The following strategies and actions form the foundation of Klickitat County’s long-term economic success. They address systems and structures (both physical and organizational) that can ultimately constrain or accelerate the County’s economic development efforts. While some fall outside the Klickitat EDA’s immediate authority, they are within its sphere of influence. Foundational initiatives are broken into three categories: infrastructure investment, policy development, and county positioning.

INFRASTRUCTURE INVESTMENT

The quality of a community’s infrastructure (e.g. roads, communications systems, and electricity) can greatly affect industry vitality, quality of life, and in many cases, the capacity for economic growth. Therefore, it is important to understand the current condition and anticipated limitations of Klickitat County infrastructure. After gaining an understanding of existing infrastructure, the consulting team recommends the following strategies and actions to facilitate appropriate investment:

- 1.1.** Facilitate and/or advocate for investment in suitable infrastructure needed to support businesses, attract and retain talent, and facilitate economic growth. Place emphasis on investments that undergird the priorities of the strategic plan.

TRANSPORTATION INFRASTRUCTURE

- 1.1.1.** Identify critical countywide transportation infrastructure investment needs based on their potential impact on economic development efforts over the next 10 years.
 - 1.1.1.1.** Rank options for infrastructure investment in terms of present condition, need, and relation to identified priorities.
 - 1.1.1.2.** On an annual basis, identify and document the top five transportation improvements that will support economic development in targeted growth corridors¹. Publish this list on the Klickitat EDA website.
- 1.1.2.** Continue promoting investment in road infrastructure to improve the movement of workforce and goods throughout the county.
- 1.1.3.** Continue promoting investment in freight rail capacity in the county, especially rail that serves businesses and industrial parks.
 - 1.1.3.1.** Explore rail improvements around the community of Roosevelt, as they could benefit the landfill and adjacent sites in need of inexpensive rail transportation to and from Seattle.

¹ Targeted growth corridors include select geographic areas where catalyst opportunities have been identified (See Goal 2). Growth corridors may also be characterized as areas where projected regional key industry growth is expected to exceed the state and/or national growth rate.

- 1.1.4.** Explore opportunities to expand barge transportation access along the Columbia River. Identify any existing barriers to such expansion.
 - 1.1.4.1.** Promote investment in a barge terminal to serve the landfill and potential business attraction and/or expansion projects at the former aluminum plant site and/or other site(s) in central and eastern portions of Klickitat County. Barge transportation is one of the factors currently limiting the landfill’s ability to achieve full capacity.
- 1.1.5.** Identify and seek federal and/or state funding to augment infrastructure investments.
 - 1.1.5.1.** Identify an infrastructure project or projects that qualify for funding under the US EDA Public Works Program. These grants provide investments to help distressed communities build, design, and engineer critical infrastructure and facilities that encourage regional prosperity. This program also provides resources to meet the construction and/or infrastructure design needs of communities to enable them to become more economically competitive.
 - 1.1.5.2.** Explore the Community Development Block Grant (CDBG) programs described below as potential infrastructure funding options.
 - Grant funding for public Infrastructure to support economic development. This program provides funding to extend public sewer, water, utilities, transportation, and other infrastructure or facilities necessary to support economic development activities resulting in job creation.
 - Direct economic development assistance to for-profit entities provides assistance to businesses and other for-profit entities in the form of grants, loans, loan guarantees, and interest supplements to acquire land, construct private buildings or infrastructure, purchase equipment, purchase inventory, or working capital.

HIGH-SPEED INTERNET ACCESS

Klickitat County faces challenges to establishing affordable countywide high-speed internet access, especially in remote areas of the county with variable terrain. The following strategies address further development of broadband infrastructure within the county.

- 1.1.6.** Promote and/or facilitate outside investment (public and/or private sector) in providing the infrastructure necessary to ensure high-speed internet availability in all populated areas of the county.
- 1.1.7.** Explore and identify potential federal and state funding sources to assist in broadband advisement, infrastructure build-out, technical assistance, and/or community organizing. Possible sources include:
 - Community Development Block Grant (CDBG) including a potential private partnership
 - Community Economic Revitalization Board (CERB)

THE BENEFITS OF BROADBAND

Increasingly, broadband access is viewed as a baseline service and not just an amenity. Broadband has become an essential component of modern-day infrastructure and a primary communications tool for jobs, innovation, economic growth, education, healthcare, public safety, and building communities. Broadband access connects people to the world, supporting e-commerce among businesses and consumers. Telecom service providers make substantial capital investment and create jobs. According to an April 2016 article published in *Telecompetitor*, the rural broadband industry supported 69,600 jobs and \$100 billion in e-commerce in 2015.

Source: Engebretson, Joan. "Broadband Economic Impact Report: Rural Broadband Supports 70K Jobs, \$100B in E-Commerce." *Telecompetitor*. April 2016.

- National Telecommunications and Information Administration (NTIA)
- United States Department of Agriculture (USDA)
 - Community Connect Grants
 - Distance Learning and Telemedicine Grants
 - Farm Bill Broadband Loans & Loan Guarantees
 - Telecommunications Infrastructure Loans and Guarantees
 - Rural Utilities Program
- Economic Development Administration (EDA)
- Federal Communications Commission (FCC)
 - Connect America Fund
 - Universal Access Program

1.1.8. Continue involvement with the Columbia Gorge Broadband Consortium to understand and address gaps in broadband access in Klickitat County.

1.1.8.1. Continue supporting actions based on findings from the 2013 Klickitat-Skamania Local Technology Planning Team (LTPT) Community Broadband Report.

1.1.8.2. Review the Consortium’s broadband asset inventory, which documents current high-speed internet assets and recommends strategies to increase asset development in the county.

1.1.8.3. Based on responses from LTPT broadband demand surveys, determine the threshold population level at which to provide broadband services in the county, and develop a plan for phases of build-out, if needed.

1.1.9. Leverage existing broadband mapping that has occurred at regional, state, and national levels to inform planning and decision-making.

1.1.10. Explore utilizing existing 911 cell tower infrastructure in the county to develop a broadband network.

1.1.11. Stay informed on 5G availability in the county and its impact on planned broadband infrastructure initiatives.

WATER AND WASTEWATER

As with many agricultural regions, water availability and water supply present issues to economic growth. During qualitative data gathering, the consulting team frequently heard that these issues were especially threatening to communities in the eastern portion of the county.

1.1.12. Document and refine the County’s long-term water strategy, especially related to water supply and wastewater in eastern portions of Klickitat County.

1.1.12.1. Consider developing a countywide water supply strategic plan in coordination with existing watershed planning units.

- 1.1.12.2.** Create a working group to identify opportunities and challenges related to maintaining a long-term water supply capable of supporting the county’s economic growth. The group could meet on a semiannual basis and report its findings.
- 1.1.12.3.** Explore possible USDA and Department of Ecology rural financial and/or technical assistance programs to augment residential water supply initiatives.

TECHNICAL ASSISTANCE

Technical assistance can play an important role in enhancing and expediting the infrastructure development process.

- 1.1.13.** To ensure successful completion of infrastructure projects, increase awareness of the Mid-Columbia Economic Development District’s (MCEDD) technical assistance program for implementing and managing state and federally funded infrastructure projects.

POLICY DEVELOPMENT

Government policy can greatly influence a community’s business climate and the trajectory of its economic growth. While the Klickitat EDA is not a policymaking body, it can affect policy change through its existing relationships with other local, county, and state policymaking bodies. The following strategies and actions make recommendations to this end. *(Additional policy ideas for real estate development appear in Goal 3.)*

- 1.2.** Encourage and sustain policymaking that supports the County’s economic development efforts. Propose ways to streamline processes, reduce out-of-pocket expenses, and ease regulations that create barriers for business growth.
 - 1.2.1.** As a part of Klickitat EDA’s business retention and expansion visitation program, poll representatives of existing businesses to understand the most significant policy opportunities and challenges. Communicate responses to the County’s policymaking bodies.
 - 1.2.2.** Explore models for industrial site pre-permitting or expedited permitting. Refer to the Klickitat County Energy Overlay and The Dalles regional wetlands permits for ideas.
 - 1.2.3.** Encourage Klickitat County and other local governments to continue implementing lean processes and organizational efficiencies in an effort to remove barriers and streamline the regulatory environment.
 - 1.2.4.** Partner with the Washington Department of Commerce on its “Regulatory Roadmap” to improve the regulatory experience for the county’s new businesses.
 - 1.2.5.** Advocate for becoming an additional pilot program for the state’s property tax abatement incentive to encourage new construction for advanced manufacturing *(See callout box to the right).*

WASHINGTON TAX INCENTIVE PILOT PROGRAM

In 2015, the Washington State Legislature passed a bill that allows a tax incentive for economic development to be tested in the state. Snohomish County leaders are currently testing the program, which allows for a 10-year property tax abatement for companies that bring new jobs to manufacturing and industrial areas. Qualifying companies must build a new operation or expand an existing operation and add at least 25 jobs paying \$18 or more an hour. The pilot program is taking place in “target areas” in Marysville, Arlington, Lake Stevens, and Mill Creek, WA.

- 1.2.6.** Protect land already designated for industrial or commercial uses from rezoning.

COUNTY POSITIONING

- 1.3.** Ensure Klickitat County and the Klickitat EDA are broadly visible and strategically positioned among four audience groups: 1) intra-county; 2) Mid-Columbia and South Central Washington regions; 3) state; and 4) federal.

INTRA-COUNTY

The strategies and actions below relate to positioning within Klickitat County.

- 1.3.1.** Ensure lines of communication (e.g. communication with Ports, local governments, and County departments) are open, clear, and consistent to guarantee needs are understood and their impact on economic development efforts is communicated. Cultivate ongoing relationships with individuals and parties within the appropriate entities.

- 1.3.1.1.** Prepare talking points to communicate economic development needs and issues.

- 1.3.1.2.** Conduct annual calls and/or visits with Port directors and/or Commissioners, mayors, city managers, County planning and public works officials, school superintendents, and critical local businesses to gauge the quality of current infrastructure and need for future infrastructure improvements.

MID-COLUMBIA & SOUTH CENTRAL WASHINGTON REGION

The five-county Mid-Columbia region includes three counties in Oregon (Hood River, Wasco, and Sherman) and two counties in Washington (Skamania and Klickitat) that share a common geography and similar economic development issues.

The Mid-Columbia Economic Development District (MCEDD) is the area's designated economic development district and the only regionally focused economic development agency in the area. The organization brings an important regional approach to economic development issues and provides access to economic development loans and grants, pooled technical assistance, marketing, and administrative resources.

- 1.3.2.** Maintain current working relationships with MCEDD entities to stay abreast of regional issues and ensure Klickitat County's voice is heard.

- 1.3.2.1.** Continue to remain engaged in the MCEDD's activities, and ensure adequate County representation on its board.

- 1.3.2.2.** Work with MCEDD to remain engaged with the US Economic Development Administration's (US EDA) Economic Development Representative in Portland and the Seattle Regional Office. The US EDA offers much in the way of financial assistance for various economic development initiatives, including infrastructure development. The MCEDD is the US EDA's first point-of-contact for the Klickitat County service area.

- 1.3.2.3.** Continue sponsorship of the Gorge Technology Alliance (GTA) to support the regional high-tech industry and the GTA's efforts, as well as further the County's relationship with MCEDD.

- 1.3.2.4.** Continue to remain engaged with other current and potential economic development partners including Benton, Hood River, Sherman, Skamania, and Wasco counties.

STATE AUDIENCES

Because Klickitat County is somewhat isolated from major population centers in Washington State, it can potentially be overlooked by key state-level audiences. Staying visible and ensuring the region’s voice is heard on an ongoing basis is crucial. The resounding message that all key state audiences should receive is that economies of rural and urban parts of any state are interdependent and vital to each other’s existence, as well as the state’s overall economic viability.

An important state-level audience to remain engaged with is the Washington Economic Development Association (WEDA). WEDA is a statewide, non-profit association of private businesses, economic development councils, ports, governments, and others committed to enhancing the state’s climate for economic development.

- 1.3.3.** Cultivate a deeper relationship with WEDA.

- 1.3.3.1.** Continue to remain involved in WEDA’s activities for enhanced organizational and professional development and relationship cultivation purposes.
- 1.3.3.2.** Consider becoming active on the WEDA board and/or committees.
- 1.3.3.3.** Consider sponsoring a future event and/or hosting a WEDA Summer Conference in the county to raise awareness among statewide audiences.

State lawmakers and the Washington Department of Commerce (Commerce) are additional key state audiences with which to remain well positioned. Commerce’s industry sector leads work closely with the governor, industry, and government leaders to promote public-private partnerships, enhance workforce, and advance strategies that support small business growth and expansion statewide. The Klickitat EDA has already done an exemplary job forging relationships with these groups and should continue these efforts, as noted below:

- 1.3.4.** Stay in close contact with relevant key sector leads at Commerce.

- 1.3.4.1.** Host annual forums with the aerospace, agriculture (including representation from the US Department of Agriculture), clean technology, and forest products sector leads to ensure they understand county issues and needs. One forum should take place in the Puget Sound area and one in the county. Invite county and regional stakeholders that represent various sectors.

- 1.3.5.** Remain engaged with the activities of the Washington Department of Ecology.

- 1.3.6.** Klickitat County’s voice should be heard by state-level lawmakers. Klickitat EDA should organize a trip to Olympia at least once a year. The group should include private citizens, businesses, and regional government representatives.

- 1.3.6.1.** Create targeted economic development messages and update on an annual basis. Limit the list to three or four topics, and develop a script and/or common language to ensure consistency and a unified voice regarding the economic condition, opportunities, and challenges in the county.

FEDERAL AUDIENCES

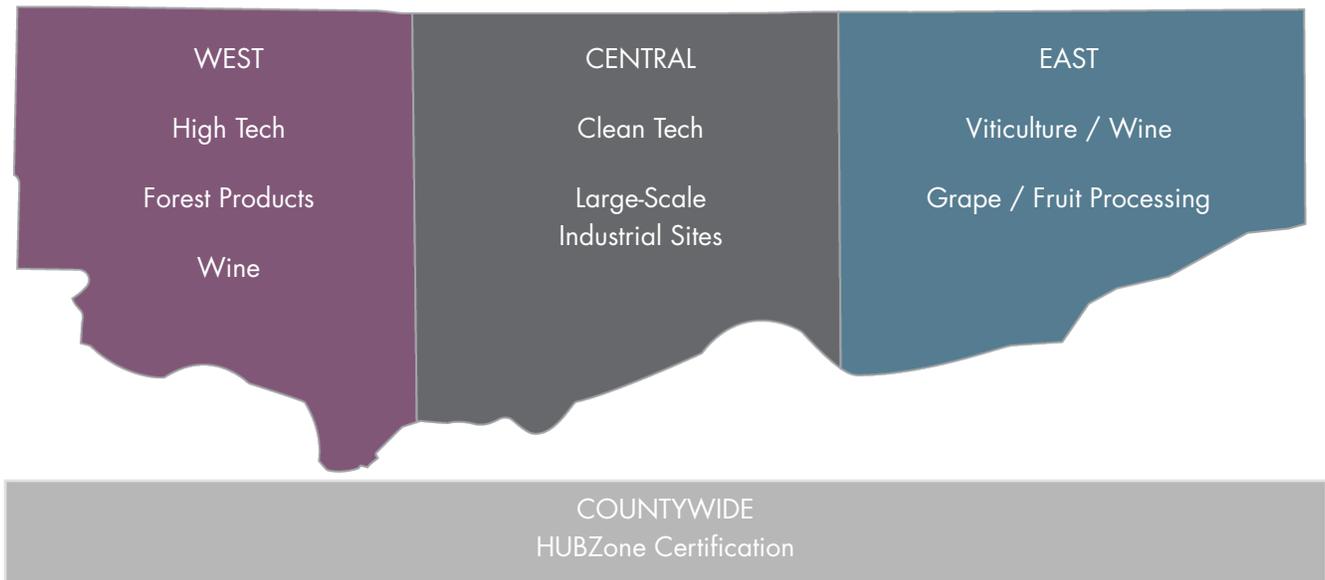
Klickitat County has already developed strong relationships with select federal organizations, both directly and in tandem with other entities. The consulting team recommends continuing these efforts.

- 1.3.7.** The US Department of Agriculture (USDA) offers much in the way of financial and technical assistance for a number of rural economic development programs, including housing and telecom. During the previously mentioned legislative trip to Olympia (Action 1.3.6), make time to visit the offices of state directors of this program. Also further relationships with USDA program staff on the regional level.

GOAL 2. CATALYST OPPORTUNITIES

Identify competitive advantages in each geographic area of the county. Place priority on opportunities that represent the highest potential short- and long-term return on investment to the community. Form thoughtful initiatives based on recommended target industry clusters.

Klickitat County is geographically diverse and can be divided into three sections: west, central, and east. Each segment possesses a core set of opportunities that could greatly impact the economic future of the entire county. These opportunities are not exclusive to the geography they are recommended for; they have potential in other portions of the county as well. The Klickitat EDA should serve as a convening organization to engage stakeholders and facilitate initiatives around these catalyst opportunities.



WEST COUNTY

The western portion of Klickitat County, also known as “The Land Where the Sun Meets the Rain,” encompasses the Bingen-White Salmon area and is one of two population centers in the county. It is characterized by its growing population, vibrant technology cluster, and proximity to the Hood River area, also known as the “Wind-Surfing Capital of the World.”

THE HIGH-TECH INDUSTRY

The high-tech industry (especially the unmanned aircraft systems (UAS) and composites industries) is one of the most promising opportunities for the economic growth of the county. TIP recommends the following strategies to support industry growth:

- 2.1.** Focus efforts on the high-tech industry (esp. unmanned systems and composites) as a primary catalyst opportunity for the west segment of the county.
 - 2.1.1.** Convene a coalition of business leaders, elected officials, Port representatives, etc. to focus on the retention and expansion of existing high-tech business in the county.
 - 2.1.2.** Prepare a targeted marketing initiative aimed at recruiting high tech companies to the county.

- 2.1.3.** Tailor entrepreneurship-related activities outlined in Strategy 5.6 to encourage the formation of high tech businesses.

UNMANNED AERIAL SYSTEMS (UAS)

As an emerging industry, UAS is in a state of flux; long-term federal regulations are not in currently in place. The Federal Aviation Administration (FAA) has plans to fully integrate UAS into the National Airspace System (NAS) and roll back limitations (versus its current system of operational segregation), which will open up additional commercial opportunities for the industry.

TECH INDUSTRY BARRIERS

Workforce housing and available talent are two of the most pressing barriers to growth of the technology industry, according to a July 2016 Gorge Technology Alliance Roundtable. During a discussion on the issues affecting technology companies’ ability to hire, “lack of rental housing” and “lack of affordable housing” were revealed as the top two. (*Workforce housing is addressed in more detail in Strategy 3.4.*)

- 2.1.4.** Promote the county as a major center of the UAS industry.
 - 2.1.4.1.** Continue membership and sponsorship of the Gorge Technology Alliance (GTA). A Klickitat EDA staff member should consider seeking election to the GTA board. The GTA is an important partner for the Klickitat EDA.
 - 2.1.4.2.** Consider organizing a Klickitat County UAS council, with representation from industry and local government, to meet on a regular basis and discuss pressing issues and opportunities.
 - 2.1.4.3.** Take an active role in the Washington State Department of Commerce’s newly developed state-level “Unmanned Systems Industry Council” to foster commercial drone operations in the state. The Klickitat EDA should be front-and-center on this. This council is comprised of government, business, and academia with the goal of growing the business ecosystem around UAS.
 - 2.1.4.4.** Focus business attraction efforts on recruiting additional UAS supply chain companies to Klickitat County. Focus additional marketing and business attraction efforts on diversifying the UAS supply chain, such as recruiting services and software development companies to develop agriculture, utilities, and railroad applications for the UAS industry.
 - 2.1.4.5.** Encourage both industry and local government partnerships with the FAA-selected Center of Excellence for UAS Research, called the Alliance for System Safety of UAS through Research Excellence (ASSURE).
 - 2.1.4.6.** Facilitate easy access to the UAS test ranges in Pendleton and Warm Springs, Oregon.
 - 2.1.4.7.** Consider applying for an Innovation Partnership Zone (IPZ) designation through the Department of Commerce.

COMPOSITES

Demand for composite materials in the US market has consistently grown over the last five years. There are significant opportunities to leverage the county’s existing composites industry to attract new companies and expand existing operations.

2.1.5. The Klickitat EDA should stay engaged with local composites businesses and keep a finger on the pulse of growth and change in the industry.

2.1.5.1. As a part of the Klickitat EDA’s business retention and expansion program, work with local composites businesses to understand needs and facilitate potential expansion projects.

2.1.5.2. As a part of the Klickitat EDA’s business attraction and marketing programs, identify composites firms with potential plans to relocate or expand, and develop a yearlong direct marketing campaign.

THE COMPOSITES INDUSTRY

The composites materials industry grew 5.6 percent in 2015 and is expected to grow by approximately 5.4 percent in 2016. Approximately 5.7 billion pounds of composite materials were shipped in the US in 2015, and that number is forecast to grow to 6.9 billion pounds by 2021 at a compound annual growth rate of 3.2 percent. This represents a substantial opportunity for existing composite businesses in Klickitat County.

Source: Mazumdar, Dr. Sanjay. “State of the Composites Industry.” *Composites Manufacturing Magazine*. January 1, 2016.

FOREST PRODUCTS INDUSTRY

Forest products has been a key industry in Klickitat County for hundreds of years. The industry is primarily concentrated in the western portions of the county, although there is representation throughout the county. Increasing foreign competition, aging assets, high environmental compliance costs, and narrowing profit margins have all presented challenges in recent years. However, the forestry industry remains an important focus for Klickitat County. The following strategies and actions describe how the Klickitat EDA can play a role in enhancing this vital industry:

2.2. Continue to promote the importance of the forest products industry to the county, while staying aware of opportunities for enhancement and expansion.

2.2.1. Maintain open lines of communication with state and federal lawmakers to stress the importance of balancing sustainable forestry with economic opportunity.

2.2.2. Continue to explore new innovations and developing technologies as a means to diversify and expand the forestry industry in the county. Stay informed on developments in:

- Engineered wood products (e.g. cross-laminated timber)
- Bioenergy/forest-based biorefineries
- Wood-based nanomaterials
- Wood modification treatments

2.2.2.2. Consider applying for the US Forest Service’s Wood Innovation Program grant funding, aimed at expanding wood energy and wood products markets throughout the US.

2.2.2.3. Facilitate collaboration between the County and landowners to sustain the industry in the region.

- 2.2.2.4.** Increase awareness of transportation issues impacting the industry and advocate for infrastructure development that supports the industry.
- 2.2.2.5.** Continue to promote a fair regulatory environment to protect the interests of the forest industry.
- 2.2.2.6.** Continue to explore opportunities in the China pine export market.
- 2.2.2.7.** Encourage commercial landowners to have their land designated as forestland. This designation often results in a lower assessed value and lower taxes.
- 2.2.2.8.** Develop a public information campaign to clarify that forestland is not public property and promote courteous and respectful behavior.
- 2.2.2.9.** Partner more closely with the Mount Adams Resource Stewards to promote stewardship-based economic development programs, including the Small Wood Utilization Initiative, Business Incubator and Log Yard, and Forest Stewardship Network.
- 2.2.2.10.** Facilitate programs that educate younger generations about forest stewardship.
- 2.2.2.11.** Promote and implement policies that will mitigate wildfire risks.

CENTRAL COUNTY

Central Klickitat County contains the other major population center, Goldendale, which also serves as the county seat. After the aluminum plant closed in 2003, this area experienced challenges economically, including a decreasing population, an industrial base lacking diversification, and increasing areas of blight. However, forestry and agriculture are still key industries, and clean technology has emerged as a promising sector in the area.

CLEAN TECHNOLOGY

With wind energy, landfill gas, and a planned pumped storage hydroelectricity operation in close proximity, clean technology is one of the most promising industry sectors in central Klickitat County. Considering Washington State has aggressive greenhouse gas, carbon reduction, and clean energy goals with the possibility of increasing its Renewable Portfolio Standard (RPS), this sector makes perfect sense as a catalyst opportunity.

- 2.3.** Concentrate efforts on the clean technology industry as a catalyst opportunity, with an emphasis on 1) wind and solar; 2) waste-to-energy; and 3) hydroelectric power.
 - 2.3.1.** Capitalize on the next stage of growth for the wind and solar energy industry.
 - 2.3.1.1.** Facilitate the next phase of wind development projects in the area.
 - 2.3.1.2.** Consider efforts to recruit a major wind turbine component manufacturing firm.

“WIND ENERGY CAPITAL OF THE PNW”

In addition to being the capital of windsurfing, Klickitat County should be positioned as the “Wind Energy Capital of the Pacific Northwest.” Central and eastern portions of Klickitat County are home to seven active wind projects, which have been driving employment in the area. It is estimated that over 500 permanent, high-paying jobs could be created because of these projects, generating nearly \$15 million in annual property taxes and the capacity to produce 1,250 megawatts. This is enough to potentially power more than 250,000 homes.

The US recently reached 75 gigawatts (GW) of installed wind power capacity, triple the 2008 figure and enough to supply electricity for 20 million average American homes, according to American Wind Energy Association (AWEA). The cost of generating wind energy has also dropped significantly, and the perception of wind as a viable energy source among the American public is at an all-time high.

- 2.5.8.** Explore the possibility of creating a Port District dedicated to the central and/or eastern portions of the county.
- 2.5.9.** Encourage agriculture operations to post jobs on WorkSourceWA.com or connect with H-2A to fill available positions.
- 2.5.10.** Work with the farmworker staff at WorkSource's White Salmon or Yakima Valley office to help farmworkers find jobs and connect with important community resources.
- 2.5.11.** Leverage the international brand equity of the three American Viticulture Areas (AVA) located in the county to support and grow the winemaking and wine tourism industries in the county.
 - 2.5.11.1.** Partner with county Chambers of Commerce to explore hosting an international wine competition in the county.
- 2.5.12.** Consider establishing a food manufacturing cluster. Explore attracting grape processing and other fruit processing operations.
 - 2.5.12.1.** Stay abreast of new technologies and expansion in viticulture processing.

ENTIRE COUNTY

HUBZONE CERTIFICATION

The Small Business Administration (SBA) HUBZone program provides qualified businesses with prioritized access to federal contracting opportunities. Each of Klickitat County's geographic segments are qualified HUBZones. HUBZone certification is a significant opportunity for the county's businesses to receive preferential access to federal contracts.

- 2.6.** Consider countywide strategies related to HUBZone designation.
 - 2.6.1.** As a part of the Klickitat EDA BRE program, conduct outreach to government-contracting businesses countywide to educate them on the benefits of obtaining HUBZone status.
 - 2.6.2.** Partner with the local Procurement Technical Assistance Center (PTAC) office to conduct small business outreach, provide registration and certification help, and assist with securing contracts.
 - 2.6.3.** Create an inexpensive countywide marketing campaign to encourage local businesses to become HUBZone-certified. Produce printed materials and distribute to local governments countywide.
 - 2.6.4.** Utilize HUBZone designation to recruit new business and industry to the region.

HUBZONE-CERTIFIED BUSINESSES

The Historically Underutilized Business Zones (HUBZone) is a program of the US Small Business Administration (SBA) that helps small businesses in urban and rural communities gain preferential access to federal procurement opportunities.

According to USASpending.gov, Klickitat County businesses held 7 federal contracts and completed 293 transactions in 2015, worth an estimated \$23.4 million. However, only 1 Klickitat County business is currently HUBZone-certified.

GOAL 3. REAL ESTATE DEVELOPMENT

Facilitate successful industrial, commercial, and residential development that serves the needs of a growing economy.

INDUSTRIAL DEVELOPMENT PARTNERSHIPS

The following strategies and actions relate to forging and strengthening partnerships that will increase development of industrial lands in Klickitat County.

- 3.1.** Identify potential partnerships with public and private entities to promote industrial development.
 - 3.1.1.** Consider creating a countywide coalition similar to an Industrial Commission to identify, promote, and invest in infrastructure for industrial sites and buildings.
 - 3.1.2.** Partner with the Port of Klickitat to explore opportunities to build additional speculative industrial space at the Port or other industrial site.
 - 3.1.3.** Cultivate relationships with potential real estate developers and position the Klickitat EDA to be a conduit between these entities and the County.
 - 3.1.4.** Facilitate further development of the county’s four primary business/industrial parks. Consider one or two high-potential properties for certification and/or shovel-readiness. *(See definitions in box to the right.)*
 - Port of Klickitat, Bingen Point Business Park (commercial & light industrial)
 - Port of Klickitat, Dallesport Industrial Park (light & heavy industrial)
 - Columbia Gorge Regional Airport Business Park (commercial)
 - Goldendale Industrial Park (light industrial)
 - 3.1.5.** Use existing incentives to promote industrial development and explore the potential to add new incentives.
 - 3.1.5.1.** To promote new private commercial and industrial development, consider implementing a “Fee-Free” program, which could apply to plan review fees, development inspection fees, building fees, etc.

SITE-RELATED TERMS

SHOVEL-READY SITE

A shovel-ready site is a commercial or industrial site considered fully serviced by all utilities, fully permitted for the intended use, and offering no impediments for immediate development.

CERTIFIED SITE

A certified site is a commercial or industrial site that is vetted and certified by a third party to ensure business and/or industry readiness. The criteria used to certify sites varies; sites can be certified for a particular industry or type of company.

BUILDABLE LAND INVENTORY & FUNDING

Currently, there is no central document or catalog of all available, buildable land for economic development in Klickitat County. Neither is there a strategy for identifying funding tools for real estate development. For more strategies and actions related to funding availability for workforce housing, see Strategy 3.4.

- 3.2.** Create an inventory of buildable land.

- 3.2.1.** The EDA should create a searchable online database of industrial and commercial office properties in the county. Additional property search and GIS mapping capabilities should be incorporated into the tool.
- 3.2.2.** Increase the inventory of shovel-ready industrial and commercial office sites in the county.
- 3.3.** Identify funding mechanisms to facilitate an increased supply of shovel-ready land in the county.
 - 3.3.1.** Consider allocating proceeds from the Real Estate Excise Tax for Local Capital Projects (REET) to fund critical economic development infrastructure in the county. A potential use of the REET funds would be funding infrastructure development at the county’s business/industrial parks.

WORKFORCE HOUSING

An important asset for supporting the attraction, retention, and expansion of jobs is a diverse housing stock in close proximity to employment centers. A gap exists in the housing supply that supports the workforce of existing businesses in the county, and portions of Klickitat County are rapidly becoming less affordable. Subsidies alone cannot close the affordable housing gaps, so specific strategies and actions must be implemented.

- 3.4.** Collaborate with the Klickitat County Housing Authority to identify and expand funding sources and incentives for housing development.
 - 3.4.1.** Examine factors that influence housing growth.
 - 3.4.2.** Explore available programs through the Washington Housing Finance Commission. Examples include:
 - Housing Tax Credit
 - Housing Tax Credit with Bonds
 - Nonprofit housing financing for developers of nonprofit 501(c)(3) housing
 - 80/20 housing bonds provides developers with access to bond financing
 - 3.4.3.** Explore funding options available from the USDA Rural Community Development Initiative, which provides technical assistance and training funds to qualified intermediary organizations to develop their capacity to undertake housing, community facilities, and community and economic development projects in rural areas.
- 3.5.** Conduct a countywide workforce housing analysis to assess the existing housing market, evaluate the regulatory environment, identify potential capacity for new development, and provide clear recommendations on ways the County can attract new housing. The analysis should do the following:
 - 3.5.1.** Provide a supply and demand analysis, which includes a review of historical trends and a discussion of potential capacity where new development could be supported.
 - 3.5.2.** Utilize the existing economic and workforce analysis performed in this strategic plan.
 - 3.5.3.** Assess the county’s existing housing market, including a review of demand drivers such as pricing (ownership and rental), education, and quality of life.
 - 3.5.4.** Evaluate the regulatory environment and seek to understand the existing municipal code, land-use code, impact fee structures, and permitting process. Identify any code elements that are negatively influencing development feasibility.

- 3.5.5.** Conduct outreach to market participants (e.g. builders and local officials) and stakeholders (e.g. employers and community groups) to understand relevant local perspectives on opportunities and challenges.
- 3.5.6.** Create an implementation plan for correcting any regulatory issues and approaches for engaging the market.

GOAL 4. WORKFORCE DEVELOPMENT

Attract, retain, and equip talent to create long-term, sustainable economic vitality. Beyond just creating a skilled workforce for Klickitat County employers, recruit and cultivate people with education, experience, and interest in helping the community remain competitive.

The success of business and industry is highly dependent on the strength of its workforce. The strength of a community's workforce relies upon its education and training assets. The following strategies and actions make recommendations on bolstering Klickitat County's workforce development efforts.

TRAINING

4.1. Collaborate with state higher education providers to expand workforce training availability and build awareness of workforce training and placement resources.

4.1.1. Explore available models for renovating an existing building or constructing a new building to house a shared training facility for use by all county educational entities. The facility should have technology to accommodate distance learning from nearby higher education institutions such as Columbia Gorge Community College, Clark College, Yakima Valley Community College and/or WSU. The Columbia Basin Technical Skills Center in Grant County is an example of such an initiative. Explore Workforce Investment Act or Wagner Peyser 7(b) grants help fund this effort. *(See callout box to the right.)*

COLUMBIA BASIN TECHNICAL SKILLS CENTER

The \$19.4 million Columbia Basin Technical Skills Center in Moses Lake, WA, will benefit approximately 300 high school students from 12 regional school districts each term, by preparing them with skills and certifications for highly desirable family-wage jobs in the regional economy. The 43,570 square foot Phase 1 facility on 8.1 acres houses state-of-the-art laboratories, classrooms, technology, and extensive high-tech equipment in support of programs in Advanced Manufacturing, Computer Science AP, Culinary Arts, Life Sciences/Global Health, Multi Craft Trades/Pre-Apprenticeship, Pre-Engineering, and Professional Medical Careers.

4.1.2. Align postsecondary initiatives with target industries. *(See Target Industry Analysis in Appendix 3.)*

4.1.3. Partner with interested community colleges to design customized training programs for employers in high-growth industries.

4.1.4. Continue the valuable work that has already occurred in developing training consortiums.

4.1.4.1. Plan hiring events for high school seniors at each of the county's high schools.

4.1.4.2. Explore a hiring event in coordination with the Gorge Technology Alliance.

4.1.4.3. Explore plans to create a distance-learning center in coordination with WorkSource for viticulture, enology, and/or basic agriculture processes.

PARTNERSHIPS

Workforce development is a community effort. It requires input, buy-in, and contributions from multiple stakeholders and a wide variety of entities. Strong relationships can sometimes make the difference between a successful and unsuccessful effort. The strategies below focus on creating and maintaining partnerships to further workforce development efforts in the county.

4.2. Continue the Klickitat EDA's efforts to build partnerships that serve workforce needs within the county.

4.2.1. Form a Klickitat Workforce Partnership (KWP) collaborative between county employers, local governments, K-12 educational entities, and regional higher education institutions to carry out cooperative programs that meet the training, education, and information needs of local and regional businesses, industries, and the local and regional labor market. Refer to the Lubbock Economic Development Alliance workforce collaborative as a best practice.

LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE COMMUNITY WORKFORCE PARTNERSHIP

In 2000, Lubbock Economic Development Alliance helped form the Community Workforce Partnership (CWP). The purpose of CWP is to carry out a cooperative program that meets the training, education, and information needs of local and regional businesses, industries, and the local and regional labor market. In 2004, the CWP received the Workforce Best Practices Award from the Texas Economic Development Council.

4.2.2. Consider partnering with local businesses to establish formal internship/apprenticeship programs to aid the transfer of vocational students to entry-level positions among existing local employers and/or targeted sectors (e.g. Innovative Composites).

4.2.3. Consider partnering with employer-supported programs that tie in to target industries, such as the Google-sponsored "Wind Challenge" robotics program.

4.2.4. Host an individual from the local WorkSource office to spend a portion of their time in Klickitat County.

4.2.5. Leverage resources available through the EDA University Center at Washington State University to develop workforce initiatives.

4.2.6. Partner with Gorge Translink providers to offer transportation options for specific workforce programs.

ATTRACTION & RETENTION TACTICS

The strategies below present ideas to recruit and retain strong talent in Klickitat County.

4.3. Establish marketing and outreach campaigns aimed at retaining current residents and attracting former residents back to the county, as well as attracting new workers.

4.3.1. Develop a "Come Home to Klickitat" campaign aimed at bringing former residents back to the county, leveraging high school alumni associations.

4.3.2. Coordinate welcome packages with companies, residential real estate brokers, high schools, and community colleges to welcome new employees of existing companies.

4.3.3. Establish a marketing campaign to promote Klickitat County as a great place to live and work.

- 4.3.4.** Leverage events, festivals, and outdoor recreation to attract and retain workers.
- 4.3.5.** Promote the value of existing higher education opportunities to current residents, workers, and employers. This could include conducting an assessment of whether current higher education resources are being used to their full potential.
- 4.3.6.** Identify best practices for integrating current students into the community to give them a positive experience and improve their perception of and loyalty to the area. Examples include facilitating internships, connecting students with volunteer opportunities, and supporting community-focused projects.
- 4.3.7.** Market community events to regional colleges and universities to engage current students.
- 4.3.8.** Invite local professionals to speak at schools to create relationships between students and employers.

GOAL 5. KLICKITAT EDA PROGRAMS & SERVICES

Formalize and clearly define the services that the Klickitat EDA can provide to the community both directly and through partnerships.

ADMINISTRATIVE

5.1. The Klickitat EDA Board of Directors should report to the existing Leadership Roundtable annually on strategic plan progress.

BUSINESS RETENTION AND EXPANSION (BRE)

Prosperous, competitive businesses are more likely to remain and expand in a community and thus provide the best opportunity to expand a community's tax base. Yet, existing firms can also pose the greatest economic threat to a community, should they close or relocate.

5.2. Develop a formal business retention and expansion program designed to support the County's existing businesses.

5.2.1. Develop and maintain a comprehensive inventory of existing businesses and available properties.

5.2.1.1. Use publicly available business records, such as tax records, utility hookups, and ownership transfers, as sources of information to maintain an up-to-date inventory of existing businesses and available properties.

5.2.1.2. Partner with local communities and organizations in this effort.

5.2.2. Call on existing businesses, including all major employers, to gauge the ability of and requirements for local businesses to operate successfully and possibly expand in the community.

5.2.2.1. Consider including city, business, and elected officials in visits to existing businesses.

5.2.2.2. Conduct a regular employer survey as a means to document specific needs or concerns. Conduct interviews for key regional employers.

5.2.3. Host regular business roundtables to give local businesses the opportunity to meet face to face with economic and community development staff and to stimulate discussion.

5.2.4. Establish policies such as fast track permitting and flexible zoning that can apply to the expansion of existing businesses and are not directed solely at the recruitment of new industries.

5.2.5. Ensure that adequate networking opportunities for local business owners, including entrepreneurial companies and retail businesses, exist. This should include the opportunity to discuss issues on a topical basis (workforce, supplier networks, and startup resources).

5.2.6. Review development regulations, ordinances, and approval processes to ensure that government is responsive to the small business community.

5.2.7. Create a small business ombudsman position to serve as the primary point of contact for new and small businesses in the area, as well as to act as a liaison between the business community and relevant government departments and commissions.

5.2.8. Work with the financial community and other economic development groups to improve access to capital, a critical factor in small business and entrepreneurial development.

- 5.2.9.** Promote existing small business programs and services. This includes working with area small business development centers and other relevant organizations to ensure they market their services to local businesses and entrepreneurial ventures.
- 5.2.10.** Develop a “rapid response” strategy for dealing with potential layoffs or closures.
- 5.2.11.** Identify assistance programs for at-risk companies, such as a small business resource network or the manufacturing modernization services offered through the US Department of Commerce's Manufacturing Extension Partnership (MEP) program.
- 5.2.12.** Provide assistance and resources for business succession planning to ensure smooth ownership transfer and continued successful operations.
- 5.2.13.** For any businesses that need assistance, provide top-notch customer service to ensure their needs are met.

BUSINESS ATTRACTION

Attracting new businesses to a community has never been a more competitive discipline than it is today. However, because of the limited number of active projects at any given time, communities without a dedicated business attraction program have difficulty competing. A robust business attraction program is essential to stimulate investment and bring new jobs to a community.

- 5.3.** Develop a formal business attraction program designed to promote Klickitat County as a place to invest capital and locate a business.
 - 5.3.1.** Build awareness among corporate real estate managers and C-level decision-makers. Target these individuals through a direct marketing and visitation program, and invite them to the county to see specific projects.
 - 5.3.2.** Build awareness among decision-makers in target industries. The following steps provide a direct course of action for recruiting companies:
 - 5.3.2.1.** Produce a one-page marketing summary for each target industry. Relevant data has been assembled on each target industry for use in marketing letters and other publications. *(See Appendix 3, Target Industry Analysis.)*
 - 5.3.2.2.** Conduct a direct marketing campaign (direct mail and phone calls followed by visitation).
 - 5.3.2.3.** Participate in industry trade events.
 - 5.3.2.4.** Track the success of the target industry campaign using a contact management system. This system should be flexible enough to allow staff to evaluate the effectiveness of each marketing channel (mail-outs, telemarketing, and trade events) and adjust marketing activities accordingly.

MARKETING

A strong economic development marketing program helps engage and educate the community about the organization’s activities, while bringing increased awareness of the many advantages to locating or expanding a business to the area.

- 5.4.** Establish a formal marketing program to raise awareness of Klickitat County among target audiences.

- 5.4.1.** Allocate funds to add an economic development specialist staff member to focus efforts on BRE, business attraction, and marketing.
 - 5.4.2.** Convene a focus group of representatives from local government and economic development-related groups in the region to discuss the merits of having a coordinated marketing message.
 - 5.4.2.1.** If a common message is developed, it should be used consistently in all materials. Elements to support this theme include a logo, website, prospect folder, specific industry profiles, and a press packet for both internal and external uses.
 - 5.4.3.** Develop and implement an internal marketing effort to promote a positive image of Klickitat County and build awareness regarding current economic development initiatives. One of the most important targets of any marketing effort should be the people and businesses already in the county. They have already made an investment in the community, and they represent the region on a daily basis. Making sure that existing residents and local business leaders have a positive image of the area is important to the success of an external campaign.
 - 5.4.4.** Create a Klickitat County Ambassador program. Executives, managers, and others from local businesses often travel to meetings with professionals from other firms. These individuals can serve as your best marketing channel. The program would have a two-fold purpose: 1) to build an awareness of the region’s strengths among area business executives, and 2) to provide information for allowing them to spread a more positive image of the region in their business relationships.
 - 5.4.4.1.** Identify business leaders most likely to influence decision makers and invite them to join.
 - 5.4.4.2.** In addition to promoting the County during the course of their business interactions, this group could be given a specific charge, such as addressing challenges facing the region or monitoring trends in target industries.
 - 5.4.4.3.** In addition, the Ambassadors should be invited to visit prospects with the EDA.
 - 5.4.4.4.** Conduct visits to other cities and regions. The EDA and its Ambassadors should schedule at least three annual visits to benchmark communities.
 - 5.4.4.5.** Create a brief profile touting the region’s positive aspects to be used by area business leaders.
 - 5.4.4.6.** Meet regularly with the Ambassadors, keeping them up to date on current initiatives, progress, and honing the Chamber’s marketing message.
 - 5.4.4.7.** Create a mechanism for the Ambassadors to refer prospect leads.
 - 5.4.5.** Build awareness throughout the region. Klickitat County leaders need to focus their efforts on enhancing the community’s external image throughout the state, with an emphasis on the Mid-Columbia region.
- 5.5.** Establish a new web presence for the Klickitat EDA.

ENTREPRENEURSHIP

Economic development professionals may consider business creation difficult and resource-intensive, but the benefits a community reaps from a successful entrepreneurship program can be immense. Fostering an entrepreneurial climate can help a community retain local innovation and talent, build and keep wealth in the area, and contribute

to the community's character. Ultimately, an entrepreneurial-friendly environment can help a community achieve economic diversity and economic sustainability.

- 5.6.** Work with partners to cultivate entrepreneurship and encourage new business startups in Klickitat County.
 - 5.6.1.** Establish an "Entrepreneur Roundtable" made up of interested local entrepreneurs and small business owners that can be cross-promoted during BRE visits and other EDA communications and events.
 - 5.6.1.1.** Consider creating a mentorship program within the Entrepreneur Roundtable to connect local established entrepreneurs and small business owners with new and emerging entrepreneurs and small business owners.
 - 5.6.2.** Partner with Washington State University to host a representative from the Yakima Small Business Development Center (SBDC) in the county on a weekly basis. This could be done in coordination with developing a shared workforce training facility.
 - 5.6.3.** Develop an "Entrepreneur Resource Center" at the county that the offers literature on programs that assist small business owners.

APPENDIX 1. IMPLEMENTATION

IMPLEMENTATION PRIORITIES FOR 2017-2018

■ = TIP Recommendation FOR EDA ROLE

TASK	EDA ROLE	
	Lead	Support
GOAL 2: CATALYST OPPORTUNITIES. Identify competitive advantages in each geographic area of the county. Place priority on opportunities that represent the highest potential short- and long-term return on investment to the community. Form thoughtful initiatives based on recommended target industry clusters.		
RECOMMENDED PRIORITY		
WEST COUNTY – High Tech		
Strategy 2.1. Focus efforts on the high-tech industry (esp. unmanned systems and composites) as a primary catalyst opportunity for the west segment of the county.	✓	
Action 2.1.1. Convene a coalition of business leaders, elected officials, Port representatives, etc. to focus on the retention and expansion of existing high-tech business in the county.		
Unmanned Aerial Systems (UAS)		
Action 2.1.4. Promote the county as a major center of the UAS industry.		
Tactic 2.1.4.1. Continue membership and sponsorship of the Gorge Technology Alliance (GTA). A Klickitat EDA staff member should consider seeking election to the GTA board. The GTA is an important partner for the Klickitat EDA.		
Tactic 2.1.4.2. Consider organizing a Klickitat County UAS council, with representation from industry and local government, to meet on a regular basis and discuss pressing issues and opportunities.		
Tactic 2.1.4.3. Take an active role in the Washington State Department of Commerce’s newly developed state-level “Unmanned Systems Industry Council” to foster commercial drone operations in the state. The Klickitat EDA should be front-and-center on this. Similar to the Washington State Space Coalition, this council will be comprised of government, business, and academia with the goal of growing the business ecosystem around UAS.		
Tactic 2.1.4.4. Focus business attraction efforts on recruiting additional UAS supply chain companies to Klickitat County. Focus additional marketing and business attraction efforts to diversify the UAS supply chain, such as recruiting services and software development companies to develop agriculture, utilities, and railroad applications for the UAS industry.		
Composites		
Action 2.1.5. The Klickitat EDA should stay engaged with local composites businesses and keep a finger on the pulse of growth and change in the industry.		

TASK	EDA ROLE	
	Lead	Support
Tactic 2.1.5.1. As a part of the Klickitat EDA’s business retention and expansion program, work with local composites businesses to understand needs and facilitate potential expansion projects.		
Tactic 2.1.5.2. As a part of the Klickitat EDA’s business attraction and marketing programs, identify composites firms with potential plans to relocate or expand, and develop a yearlong direct marketing campaign.		
RECOMMENDED PRIORITY WEST COUNTY – Forest Products Strategy 2.2. Continue to promote the importance of the forest products industry to the county, while staying aware of opportunities for enhancement and expansion.	✓	
Forest Products		
Action 2.2.1. Maintain open lines of communication with state and federal lawmakers to stress the importance of balancing sustainable forestry with economic opportunity.		
Action 2.2.2. Continue to explore new innovations and developing technologies as a means to diversify and expand the forestry industry in the county. Stay informed on developments in: engineered wood products (e.g. cross-laminated timber), bioenergy/forest-based biorefineries, wood-based nanomaterials, and wood modification treatments.		
RECOMMENDED PRIORITY CENTRAL COUNTY – Clean Technology / Available Large-Scale Industrial Sites Strategy 2.3. Concentrate efforts on the clean technology industry as a catalyst opportunity, with an emphasis on 1) wind & solar; 2) waste-to-energy; and 3) hydroelectric power.	✓	
Action 2.3.2. Focus on efforts to expand the Roosevelt Regional Landfill and Landfill Gas-to-Energy plant and increase the revenue it provides to the county.		
Tactic 2.3.2.1. Partner with the landfill to expand barge access along the Columbia River. Continue to explore efforts for an \$11.8 million barge facility on the water that would help meet the capacity of the landfill.		
Tactic 2.3.2.2. Ensure regional, state, and federal incentive programs for landfill gas projects have been maximized. The Environmental Protection Agency (EPA), Department of the Treasury, Department of Energy, Department of Agriculture, and Department of Commerce all provide federal incentives for landfill gas projects. Typically, incentives are in the form of tax credits, bonds, or grants. On the state level, reference the BioEnergy website for information on available incentives. Private foundations may also give incentives to landfill gas projects.		
Tactic 2.3.2.3. Stay up-to-date on the EPA’s Landfill Methane Outreach Program (LMOP) for data and news.		
Strategy 2.4. Concentrate efforts on available large-scale industrial sites as a primary catalyst opportunity for the central segment of the county.	✓	

TASK	EDA ROLE	
	Lead	Support
Action 2.4.1. Explore avenues through which the County can take advantage of the former aluminum plant site.		
Tactic 2.4.1.1. Leverage and market this industrial site for future development, once the brownfield cleanup is complete.		
Tactic 2.4.1.2. Create a stand-alone marketing piece that outlines facts, figures, and includes flattering photography of the site.		
Tactic 2.4.1.3. Leverage momentum generated by the nearby pumped-storage project to build interest in the site.		
Tactic 2.4.1.4. Facilitate rail service improvement to the site.		
Action 2.4.3. Explore the opportunity to expand the Port of Klickitat or create a central county Port District to help operate, fund improvements, and/or promote industrial sites.		
RECOMMENDED PRIORITY EAST COUNTY - Viticulture / Wine / Fruit Processing Strategy 2.5. Leverage viticulture assets in the eastern portion of the county to support and grow the winemaking and wine-tourism industries in the western portion of the county. Mitigate issues surrounding workforce availability, retention, transportation, and housing in eastern Klickitat County.	✓	
Action 2.5.1. Create a sub-commission or independent formal consortium of all vineyard operators to collaborate and collectively address workforce, housing, community-building, and tourism issues.		
Action 2.5.8. Explore the possibility of creating a Port District dedicated to the central and/or eastern portion of the county.		
Action 2.5.9. Encourage agriculture operations to post jobs on WorkSourceWA.com or connect with H-2A to fill available positions.		
Action 2.5.10. Work with the farmworker staff at WorkSource's White Salmon or Yakima Valley office to help farmworkers find jobs and connect with important community resources.		
Action 2.5.11. Leverage the international brand equity of the three American Viticulture Areas (AVA) located in the county to support and grow the winemaking and wine tourism industries in the county.		
RECOMMENDED PRIORITY ENTIRE COUNTY - HUBZone Certification Strategy 2.6. Consider countywide strategies related to HUBZone designation.	✓	
Action 2.6.1. As a part of the Klickitat EDA BRE program, conduct outreach to government-contracting businesses countywide to educate them on the benefits of obtaining HUBZone status.		
Action 2.6.2. Partner with the local Procurement Technical Assistance Center (PTAC) office to conduct small business outreach, provide registration and certification help, and assist with securing contracts.		

TASK	EDA ROLE	
	Lead	Support
Action 2.6.3. Create an inexpensive countywide marketing campaign to encourage local businesses to become HUBZone-certified. Produce printed materials and distribute to countywide local governments.		
Action 2.6.4. Utilize HUBZone designation to recruit new business and industry to the region.		
GOAL 3: REAL ESTATE DEVELOPMENT. Facilitate successful industrial, commercial, and residential development that serves the needs of a growing economy.		
<u>RECOMMENDED PRIORITY</u> Workforce Housing Analysis Strategy 3.5. Conduct a countywide workforce housing analysis to assess the existing housing market, evaluate the regulatory environment, identify potential capacity for new development, and provide clear recommendations on ways the County can attract new housing. The analysis should do the following:		✓
Action 3.5.1. Provide a supply and demand analysis, which includes a review of historical trends and a discussion of potential capacity where new development could be supported.		
Action 3.5.2. Utilize the existing workforce and economic analysis performed in this strategic plan.		
Action 3.5.3. Assess the county’s existing housing market, including a review of demand drivers such as pricing (ownership and rental), education, and quality of life.		
Action 3.5.4. Evaluate the regulatory environment and seek to understand the existing municipal code, land-use code, impact fee structures, permitting process. Identify any potential code elements that are negatively influencing development feasibility.		
Action 3.5.5. Conduct outreach to market participants (e.g. builders and local officials) and stakeholders (e.g. employers and community groups) to understand relevant local perspectives on opportunities and challenges.		
Action 3.5.6. Create an implementation plan for correcting any regulatory issues and approaches for engaging the market.		
GOAL 4: WORKFORCE DEVELOPMENT. Attract, retain, and equip talent to create long-term, sustainable economic vitality. Beyond just creating a skilled workforce for Klickitat County employers, recruit and cultivate people with education, experience, and interest in helping the community remain competitive.		
<u>RECOMMENDED PRIORITY</u> Workforce Training Strategy 4.1. Collaborate with state higher education providers to expand workforce training availability and build awareness of workforce training and placement resources.	✓	

TASK	EDA ROLE	
	Lead	Support
Action 4.1.1. Explore available models for renovating an existing building or constructing a new building to house a shared training facility for use by all county educational entities. The facility should have technology to accommodate distance learning from nearby higher education institutions such as Columbia Gorge Community College, Clark College, Yakima Valley Community College and/or WSU. The Columbia Basin Technical Skills Center in Grant County is an example of such an initiative. Explore Workforce Investment Act or Wagner Peyser 7(b) grants help fund this effort.		
Action 4.1.3. Partner with interested community colleges to design customized training programs for employers in high-growth industries.		
Action 4.1.4. Continue the valuable work that has already occurred in developing training consortiums.		
Tactic 4.1.4.2. Plan hiring events for high school seniors at each of the county’s high schools.		
Tactic 4.1.4.3. Explore a hiring event in coordination with the Gorge Technology Alliance.		
GOAL 5: KLICKITAT EDA PROGRAMS & SERVICES. Formalize and clearly define the services that the Klickitat EDA can provide to the community both directly and through partnerships.		
<u>RECOMMENDED PRIORITY</u> Administrative Strategy 5.1. The Klickitat EDA Board of Directors should report to the existing Leadership Roundtable annually on strategic plan progress.	✓	
<u>RECOMMENDED PRIORITY</u> Business Retention and Expansion (BRE) Strategy 5.2. Develop a formal business retention and expansion program designed to support the County’s existing businesses.		
Action 5.2.1. Develop and maintain a comprehensive inventory of existing businesses and available properties.		
Tactic 5.2.1.1. Use publicly available business records, such as tax records, utility hookups, and ownership transfers, as sources of information to maintain an up-to-date inventory of existing businesses and available properties.		
Tactic 5.2.1.2. Partner with local communities and organizations in this effort.		
Action 5.2.2. Call on existing businesses, including all major employers, to gauge the ability of and requirements for local businesses to operate successfully and possibly expand in the community.		
Tactic 5.2.2.1. Consider including city, business, and elected officials in visits to existing businesses.		
Tactic 5.2.2.2. Conduct a regular employer survey as a means to document specific needs or concerns. Conduct interviews with key regional employers.		

TASK	EDA ROLE	
	Lead	Support
Action 5.2.9. Promote existing small business programs and services. This includes working with area small business development centers and other relevant organizations to ensure that they market their services to local businesses and entrepreneurial ventures.		
Action 5.2.10. Develop a “rapid response” strategy for dealing with potential layoffs or closures.		
Action 5.2.11. Identify assistance programs for at-risk companies, such as a small business resource network or the manufacturing modernization services offered through the US Department of Commerce's Manufacturing Extension Partnership (MEP) program.		
Action 5.2.13. For any businesses that need assistance, provide top-notch customer service to ensure their needs are met.		
<u>RECOMMENDED PRIORITY</u>		
Business Attraction		
Strategy 5.3. Develop a formal business attraction program designed to promote Klickitat County as a place to invest capital and locate a business.	✓	
Action 5.3.1. Build awareness among corporate real estate managers and C-level decision-makers. Target these individuals through a direct marketing and visitation program, and invite them to the county to see specific projects.		
Action 5.3.2. Build awareness among decision-makers in target industries.		
Tactic 5.3.2.3. Participate in industry trade events.		
Marketing		
Strategy 5.5. Establish a new web presence for the Klickitat EDA		

IMPLEMENTATION MATRIX

Given the strategic plan’s ten-year scope and multitude of strategies and actions contained within, implementation will take time and can only be carried out as resources and capacity are added. To fully implement this plan, the Klickitat EDA should consider modifying its organizational structure to be consistent with the strategic direction of the plan. Adding a full-time staff person dedicated to business development and/or marketing will certainly enable the Klickitat EDA to more efficiently and effectively implement the organization’s 10-year strategies.

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
GOAL 1: Lay the necessary groundwork to support all other economic development activities, achieve desired long-term economic growth, and accelerate positive outcomes for Klickitat County.		●				
Strategy 1.1. Facilitate and/or advocate for investment in suitable infrastructure needed to support businesses, attract and retain talent, and facilitate economic growth.		●				
Action 1.1.1. Identify critical countywide transportation infrastructure investment needs based on their potential impact on economic development efforts over the next 10 years.			●			
Tactic 1.1.1.1. Rank options for infrastructure investment in terms of present condition, need, and relation to identified priorities.			●			
Tactic 1.1.1.2. On an annual basis, identify and document the top five transportation improvements that will support economic development in targeted growth corridors.		●				
Action 1.1.2. Continue promoting investment in road infrastructure to improve the movement of workforce and goods throughout the county.		●				
Action 1.1.3. Continue promoting investment in freight rail capacity in the county, especially rail that serves businesses and industrial parks.				●		
Tactic 1.1.3.1. Explore rail improvements around the community of Roosevelt, as they could benefit the landfill and adjacent sites in need of inexpensive rail transportation to and from Seattle.				●		
Action 1.1.4. Explore opportunities to expand barge transportation access along the Columbia River. Identify any existing barriers to such expansion.			●			

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Tactic 1.1.4.1. Promote investment in a barge terminal to serve the landfill and potential business attraction and/or expansion projects at the former aluminum plant site and/or other site(s) in central and eastern portions of Klickitat County.			●			
Action 1.1.5. Identify and seek federal and/or state funding to augment infrastructure investments.				●		
Tactic 1.1.5.1. Identify an infrastructure project or projects that qualify for funding under the US EDA Public Works Program.				●		
Tactic 1.1.5.2. Explore Community Development Block Grant (CDBG) programs described below potential infrastructure funding options.				●		
Action 1.1.6. Promote and/or facilitate outside investment (public and/or private sector) in providing the infrastructure necessary to ensure high-speed internet availability in all populated areas of the county.					●	
Action 1.1.7. Explore and identify potential federal and state funding sources to assist in broadband advisement, infrastructure build-out, technical assistance, and/or community organizing.				●		
Action 1.1.8. Continue involvement with the Columbia Gorge Broadband Consortium to understand and address gaps in broadband access in Klickitat County.		●				
Tactic 1.1.8.1. Continue supporting actions based on findings from the 2013 Klickitat-Skamania Local Technology Planning Team (LTPT) Community Broadband Report.		●				
Tactic 1.1.8.2. Review the Consortium’s broadband asset inventory, which documents current high-speed internet assets and recommends strategies to increase asset development in the county.		●				
Tactic 1.1.8.3. Based on responses from LTPT broadband demand surveys, determine the threshold population level at which to provide broadband services in the county, and develop a plan for phases of build-out, if needed.				●		
Action 1.1.9. Leverage existing broadband mapping that has occurred at regional, state, and national levels to inform planning and decision-making.				●		
Action 1.1.10. Explore utilizing existing 911 cell tower infrastructure in the county to develop a broadband network.				●		
Action 1.1.11. Stay informed on 5G availability in the county and its impact on planned broadband infrastructure initiatives.		●				

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Action 1.1.12. Document and refine the County’s long-term water strategy, especially related to water supply and wastewater in eastern portions of Klickitat County.						●
Tactic 1.1.12.1. Consider developing a countywide water supply strategic plan in coordination with existing watershed planning units.						●
Tactic 1.1.12.2. Create a working group to identify opportunities and challenges related to maintaining a long-term water supply capable of supporting the county’s economic growth.						●
Tactic 1.1.12.3. Explore possible USDA and Department of Ecology rural financial and/or technical assistance programs to augment residential water supply initiatives.						●
Action 1.1.13. To ensure successful completion of infrastructure projects, increase awareness of the Mid-Columbia Economic Development District’s (MCEDD) technical assistance program for implementing and managing state and federally funded infrastructure projects.		●				
Strategy 1.2. Encourage and sustain policymaking that supports the county’s economic development efforts.		●				
Action 1.2.1. As a part of Klickitat EDA’s business retention and expansion visitation program, poll representatives of existing businesses to understand the most significant policy opportunities and challenges.				●		
Action 1.2.2. Explore models for industrial site pre-permitting or expedited permitting.				●		
Action 1.2.3. Encourage Klickitat County and other local governments to continue implementing lean processes and organizational efficiencies in an effort to remove barriers and streamline the regulatory environment.				●		
Action 1.2.4. Partner with the Washington Department of Commerce on its “Regulatory Roadmap” to improve the regulatory experience for the county’s new businesses.				●		
Action 1.2.5. Advocate for becoming an additional pilot program for the state’s property tax abatement incentive to encourage new construction for advanced manufacturing			●			
Action 1.2.6. Protect land already designated for industrial or commercial uses from rezoning.		●				
Strategy 1.3. Ensure Klickitat County and the Klickitat EDA are broadly visible and strategically positioned among four audience groups: 1) intra-county; 2) Mid-Columbia and South Central Washington regions; 3) state; and 4) federal.		●				

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Action 1.3.1. Ensure lines of communication (e.g. communication with Ports, local governments, and County departments) are open, clear, and consistent to guarantee needs are understood and their impact on economic development efforts is communicated.		●				
Tactic 1.3.1.1. Prepare talking points to communicate economic development needs and issues.		●				
Tactic 1.3.1.2. Conduct annual calls and/or visits with Port directors and/or Commissioners, mayors, city managers, County planning and public works officials, school superintendents, and critical local businesses to gauge the quality of current infrastructure and need for future infrastructure improvements.		●				
Action 1.3.2. Maintain current working relationships with MCEDD entities to stay abreast of regional issues and ensure Klickitat County’s voice is heard.		●				
Tactic 1.3.2.1. Continue to remain engaged in the MCEDD’s activities, and ensure adequate County representation on its board.		●				
Tactic 1.3.2.2. Work with MCEDD to remain engaged with the US Economic Development Administration’s (US EDA) Economic Development Representative in Portland and the Seattle Regional Office.		●				
Tactic 1.3.2.3. Continue sponsorship of the Gorge Technology Alliance (GTA) to support the regional high-tech industry and the GTA’s efforts, as well as further the County’s relationship with MCEDD.		●				
Tactic 1.3.2.4. Continue to remain engaged with other current and potential economic development partners including Benton, Hood River, Sherman, Skamania, and Wasco counties.		●				
Action 1.3.3. Cultivate a deeper relationship with WEDA.		●				
Tactic 1.3.3.1. Continue to remain involved in WEDA’s activities for enhanced organizational and professional development and relationship cultivation purposes.		●				
Tactic 1.3.3.2. Consider becoming active on the WEDA board and/or committees.				●		
Tactic 1.3.3.3. Consider sponsoring a future event and/or hosting a WEDA Summer Conference in the county to raise awareness among statewide audiences.				●		
Action 1.3.4. Stay in close contact with relevant key sector leads at Commerce.		●				

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Tactic 1.3.4.1. Host annual forums with the aerospace, agriculture (including representation from the US Department of Agriculture), clean technology, and forest products sector leads to ensure they understand county issues and needs.		●				
Action 1.3.5. Remain engaged with the activities of the Washington Department of Ecology.		●				
Action 1.3.6. Klickitat County’s voice should be heard by state-level lawmakers. Klickitat EDA should organize a trip to Olympia at least once a year.		●				
Tactic 1.3.6.1. Create targeted economic development messages and update on an annual basis.		●				
Action 1.3.7. During the previously mentioned legislative trip to Olympia (Action 1.3.6), make time to visit the offices of state directors of the US Department of Agriculture.		●				
GOAL 2: Identify competitive advantages in each geographic area of the county. Place priority on opportunities that represent the highest potential short- and long-term return on investment to the community. Form thoughtful initiatives based on recommended target industry clusters.		●				
Strategy 2.1. Focus efforts on the high-tech industry (esp. unmanned systems and composites) as a primary catalyst opportunity for the west segment of the county.			●			
Action 2.1.1. Convene a coalition of business leaders, elected officials, Port representatives, etc. to focus on the retention and expansion of existing high-tech business in the county.			●			
Action 2.1.2. Prepare a targeted marketing initiative aimed at recruiting high tech companies to the county.				●		
Action 2.1.3. Tailor entrepreneurship-related activities outlined in Strategy 5.6 to encourage the formation of high tech businesses.				●		
Action 2.1.4. Promote the county as a major center of the UAS industry.		●				
Tactic 2.1.4.1. Continue membership and sponsorship of the Gorge Technology Alliance (GTA).		●				
Tactic 2.1.4.2. Consider organizing a Klickitat County UAS council, with representation from industry and local government, to meet on a regular basis and discuss pressing issues and opportunities.			●			

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Tactic 2.1.4.3. Take an active role in the Washington State Department of Commerce’s newly developed state-level “Unmanned Systems Industry Council” to foster commercial drone operations in the state.			●			
Tactic 2.1.4.4. Focus business attraction efforts on recruiting additional UAS supply chain companies to Klickitat County.			●			
Tactic 2.1.4.5. Encourage both industry and local government partnerships with the FAA-selected Center of Excellence for UAS Research, called the Alliance for System Safety of UAS through Research Excellence (ASSURE).				●		
Tactic 2.1.4.6. Facilitate easy access to the UAS test ranges in Pendleton and Warm Springs, Oregon.				●		
Tactic 2.1.4.7. Consider applying for an Innovation Partnership Zone (IPZ) designation through the Department of Commerce.				●		
Action 2.1.5. The Klickitat EDA should stay engaged with local composites businesses and keep a finger on the pulse of growth and change in the industry.			●			
Tactic 2.1.5.1. As a part of the Klickitat EDA’s business retention and expansion program, work with local composites businesses to understand needs and facilitate potential expansion projects.			●			
Tactic 2.1.5.2. As a part of the Klickitat EDA business attraction and marketing programs, identify composites firms with potential plans to relocate or expand, and develop a yearlong direct marketing campaign.			●			
Strategy 2.2. Continue to promote the importance of the forest products industry to the county, while staying aware of opportunities for enhancement and expansion.		●				
Action 2.2.1. Maintain open lines of communication with state and federal lawmakers to stress the importance of balancing sustainable forestry with economic opportunity.		●				
Action 2.2.2. Continue to explore new innovations and developing technologies as a means to diversify and expand the forestry industry in the county.		●				
Tactic 2.2.2.1. Consider applying for the US Forest Service’s Wood Innovation Program grant funding, aimed at expanding wood energy and wood products markets throughout the US.				●		

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Tactic 2.2.2.2. Facilitate collaboration between the County and landowners to sustain the industry in the region.		●				
Tactic 2.2.2.3. Increase awareness of transportation issues impacting the industry and advocate for infrastructure development that supports the industry.		●				
Tactic 2.2.2.4. Continue to promote a fair regulatory environment to protect the interests of the forest industry.		●				
Tactic 2.2.2.5. Continue to explore opportunities in the China pine export market.		●				
Tactic 2.2.2.6. Encourage commercial landowners to have their land designated as forestland. This designation often results in a lower assessed value and lower taxes.				●		
Tactic 2.2.2.7. Develop a public information campaign to clarify that forestland is not public property and promote courteous and respectful behavior.			●			
Tactic 2.2.2.8. Partner more closely with the Mount Adams Resource Stewards to promote stewardship-based economic development programs, including the Small Wood Utilization Initiative, Business Incubator and Log Yard, and Forest Stewardship Network.					●	
Tactic 2.2.2.9. Facilitate programs that educate younger generations about forest stewardship.					●	
Tactic 2.2.2.10. Promote and implement policies that will mitigate wildfire risks.		●				
Strategy 2.3. Concentrate efforts on the clean technology industry as a catalyst opportunity, with an emphasis on 1) wind and solar; 2) waste-to-energy; and 3) hydroelectric power.		●				
Action 2.3.1. Capitalize on the next stage of growth for the wind and solar energy industry.				●		
Tactic 2.3.1.1. Facilitate the next phase of wind development projects in the area.				●		
Tactic 2.3.1.2. Consider efforts to recruit a major wind turbine component manufacturing firm.				●		
Tactic 2.3.1.3. In coordination with the bi-state Renewable Energy Zone, become an area of wind energy thought leadership in the Pacific Northwest.					●	
Action 2.3.2. Focus on efforts to expand the Roosevelt Regional Landfill and Landfill Gas-to-Energy plant and increase the revenue it provides to the county.			●			
Tactic 2.3.2.1. Partner with the landfill to expand barge access along the Columbia River. Continue to explore efforts for an \$11.8 million barge facility on the water that would help meet the capacity of the landfill.			●			

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Tactic 2.3.2.2. Ensure regional, state, and federal incentive programs for landfill gas projects have been maximized.			●			
Tactic 2.3.2.3. Stay up-to-date on the EPA’s Landfill Methane Outreach Program (LMOP) for data and news.		●				
Strategy 2.4. Concentrate efforts on available large-scale industrial sites as a primary catalyst opportunity for the central segment of the county.			●			
Action 2.4.1. Explore avenues through which the county can take advantage of the former aluminum plant site.			●			
Tactic 2.4.1.1. Leverage and market this industrial site for future development, once the brownfield cleanup is complete.				●		
Tactic 2.4.1.2. Create a stand-alone marketing piece that outlines facts, figures, and includes flattering photography of the site.				●		
Tactic 2.4.1.3. Leverage momentum generated by the nearby pumped-storage project to build interest in the site.				●		
Tactic 2.4.1.4. Facilitate rail service improvement to the site					●	
Action 2.4.2. Investigate opportunities to utilize the former Klickitat Mill site for a smaller-scale, light industrial recruitment or expansion project.					●	
Action 2.4.3. Explore the opportunity of expanding the Port of Klickitat or creating a central county Port District to help operate, fund improvements, and/or promote industrial sites.			●			
Strategy 2.5. Leverage viticulture assets in the eastern portion of the county to support and grow the winemaking and wine-tourism industries in the western portion of the county. Mitigate issues surrounding workforce availability, retention, transportation, and housing in eastern Klickitat County.			●			
Action 2.5.1. Create a sub-commission or independent formal consortium of all vineyard operators to collaborate and collectively address workforce, housing, community-building, and tourism issues.			●			
Action 2.5.2. Facilitate a labor analysis in conjunction with the Washington State Wine Association. Explore funding options from the USDA.				●		
Action 2.5.3. In partnership with community colleges and workforce development entities, develop and implement a workforce assistance and training program that is focused solely on the eastern portion of the county.				●		

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Action 2.5.4. Work with the Department of Ecology and Columbia River board to secure additional water rights to the Columbia River.					●	
Action 2.5.5. Invest in county roads that bear the brunt of heavy truck traffic to support the transportation of goods into and out of the county.					●	
Action 2.5.6. Explore opportunities to promote and support agritourism and attract visitors to the region. Consider extending and/or improving Highway 241/Alderdale Road so that it draws more tourists.				●		
Action 2.5.7. Promote community building in the region—including schools and additional quality of life amenities—so that there is a population center to draw additional migration.						●
Action 2.5.8. Explore the possibility of creating a Port District dedicated to the central and/or eastern portions of the county.			●			
Action 2.5.9. Encourage agriculture operations to post jobs on WorkSourceWA.com or connect with H-2A to fill available positions.				●		
Action 2.5.10. Work with the farmworker staff at WorkSource's White Salmon or Yakima Valley office to help farmworkers find jobs and connect with important community resources.				●		
Action 2.5.11. Leverage the international brand equity of the three American Viticulture Areas (AVA) located in the county to support and grow the winemaking and wine tourism industries in the county.			●			
Tactic 2.5.11.1. Partner with county Chambers of Commerce to explore hosting an international wine competition in the county.				●		
Action 2.5.12. Consider establishing a food manufacturing cluster. Explore attracting grape processing and other fruit processing operations.					●	
Tactic 2.5.12.1. Stay abreast of new technologies and expansion in viticulture processing.		●				
Strategy 2.6. Consider countywide strategies related to HUBZone designation.			●			
Action 2.6.1. As a part of the Klickitat EDA BRE program, conduct outreach to government-contracting businesses countywide to educate them on the benefits of obtaining HUBZone status.			●			
Action 2.6.2. Partner with the local Procurement Technical Assistance Center (PTAC) office to conduct small business outreach, provide registration and certification help, and assist with securing contracts.			●			
Action 2.6.3. Create an inexpensive countywide marketing campaign to encourage local businesses to become HUBZone-certified.			●			
Action 2.6.4. Utilize HUBZone designation to recruit new business and industry to the region.			●			

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
GOAL 3: Facilitate successful industrial, commercial, and residential development that serves the needs of a growing economy.						
Strategy 3.1. Identify potential partnerships with public and private entities to promote industrial development.				●		
Action 3.1.1. Consider creating a countywide coalition similar to an Industrial Commission to identify, promote, and invest in infrastructure for industrial sites and buildings.				●		
Action 3.1.2. Partner with the Port of Klickitat to explore opportunities to build additional speculative industrial space at the Port or other industrial site.				●		
Action 3.1.3. Cultivate relationships with potential real estate developers and position the Klickitat EDA to be a conduit between these entities and the County.				●		
Action 3.1.4. Facilitate further development of the county’s four primary business/industrial parks. Consider one or two high-potential properties for certification and/or shovel-readiness.				●		
Action 3.1.5. Use existing incentives to promote industrial development and explore the potential to add new incentives.				●		
Tactic 3.1.5.1. To promote new private commercial and industrial development, consider implementing a “Fee-Free” program, which could apply to plan review fees, development inspection fees, building fees, etc.				●		
Strategy 3.2. Create an inventory of buildable land.						
Action 3.2.1. The EDA should create a searchable online database of industrial and commercial office properties in the county. Additional property search and GIS mapping capabilities should be incorporated into the tool.				●		
Action 3.2.2. Increase the inventory of shovel-ready industrial and commercial office sites in the county.		●				
Strategy 3.3. Identify funding mechanisms to facilitate an increased supply of shovel-ready land in the county.					●	
Action 3.3.1. Consider allocating proceeds from the Real Estate Excise Tax for Local Capital Projects (REET) to fund critical economic development infrastructure in the county.					●	
Strategy 3.4. Collaborate with the Klickitat County Housing Authority to identify and expand funding sources and incentives for housing development.				●		
Action 3.4.1. Examine factors that influence housing growth.				●		

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Action 3.4.2. Explore available programs through the Washington Housing Finance Commission.				●		
Action 3.4.3. Explore funding options available from the USDA Rural Community Development Initiative, which provides technical assistance and training funds to qualified intermediary organizations to develop their capacity to undertake housing, community facilities, and community and economic development projects in rural areas.				●		
Strategy 3.5. Conduct a countywide workforce housing analysis to assess the existing housing market, evaluate the regulatory environment, identify potential capacity for new development, and provide clear recommendations on ways the county can attract new housing.			●			
Action 3.5.1. Provide a supply and demand analysis, which includes a review of historical trends and a discussion of potential capacity where new development could be supported.			●			
Action 3.5.2. Utilize the existing economic and workforce analysis performed in this strategic plan.			●			
Action 3.5.3. Assess the county’s existing housing market, including a review of demand drivers such as pricing (ownership and rental), education, and quality of life.			●			
Action 3.5.4. Evaluate the regulatory environment and seek to understand the existing municipal code, land-use code, impact fee structures, and permitting process. Identify any code elements that are negatively influencing development feasibility.			●			
Action 3.5.5. Conduct outreach to market participants (e.g. builders and local officials) and stakeholders (e.g. employers and community groups) to understand relevant local perspectives on opportunities and challenges.			●			
Action 3.5.6. Create an implementation plan for correcting any regulatory issues and approaches for engaging the market.			●			
GOAL 4: Attract, retain, and equip talent to create long-term, sustainable economic vitality. Beyond just creating a skilled workforce for Klickitat County employers, recruit and cultivate people with education, experience, and interest in helping the community remain competitive.		●				
Strategy 4.1. Collaborate with state higher education providers to expand workforce training availability and build awareness of workforce training and placement resources.			●			

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Action 4.1.1. Explore available models for renovating an existing building or constructing a new building to house a shared training facility for use by all county educational entities.				●		
Action 4.1.2. Align postsecondary initiatives with target industries.				●		
Action 4.1.3. Partner with interested community colleges to design customized training programs for employers in high-growth industries.			●			
Action 4.1.4. Continue the valuable work that has already occurred in developing training consortiums.			●			
Tactic 4.1.4.1. Plan hiring events for high school seniors at each of the county’s high schools.			●			
Tactic 4.1.4.2. Explore a hiring event in coordination with the Gorge Technology Alliance.			●			
Tactic 4.1.4.3. Explore plans to create a distance-learning center in coordination with WorkSource for viticulture, enology, and/or basic agriculture processes.			●			
Strategy 4.2. Continue the Klickitat EDA's efforts to build partnerships that serve workforce needs within the county.		●				
Action 4.2.1. Form a Klickitat Workforce Partnership (KWP) collaborative between county employers, local governments, K-12 educational entities, and regional higher education institutions to carry out cooperative programs that meet the training, education, and information needs of local and regional businesses, industries, and the local and regional labor market.				●		
Action 4.2.2. Consider partnering with local businesses to establish formal internship/apprenticeship programs to aid the transfer of vocational students to entry-level positions among existing local employers and/or targeted sectors (e.g. Innovative Composites).				●		
Action 4.2.3. Consider partnering with employer-supported programs that tie in to target industries, such as the Google-sponsored “Wind Challenge” robotics program.				●		
Action 4.2.4. Host an individual from the local WorkSource office to spend a portion of their time in Klickitat County.				●		
Action 4.2.5. Leverage resources available through the EDA University Center at Washington State University to develop workforce initiatives.				●		
Action 4.2.6. Partner with Gorge Translink providers to offer transportation options for specific workforce programs.				●		

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Strategy 4.3. Establish marketing and outreach campaigns aimed at retaining current residents and attracting former residents back to the county, as well as attracting new workers.				●		
Action 4.3.1. Develop a “Come Home to Klickitat” campaign aimed at bringing former residents back to the county, leveraging high school alumni associations.				●		
Action 4.3.2. Coordinate welcome packages with companies, residential real estate brokers, high schools, and community colleges to welcome new employees of existing companies.				●		
Action 4.3.3. Establish a marketing campaign to promote Klickitat County as a great place to live and work.				●		
Action 4.3.4. Leverage events, festivals, and outdoor recreation to attract and retain workers.				●		
Action 4.3.5. Promote the value of existing higher education opportunities to current residents, workers, and employers.				●		
Action 4.3.6. Identify best practices for integrating current students into the community to give them a positive experience and improve their perception of and loyalty to the area.				●		
Action 4.3.7. Market community events to regional colleges and universities to engage current students.				●		
Action 4.3.8. Invite local professionals to speak at schools to create relationships between students and employers.				●		
GOAL 5: Formalize and clearly define the services that the Klickitat EDA can provide to the community both directly and through partnerships.			●			
Strategy 5.1. The Klickitat EDA Board of Directors should report to the existing Leadership Roundtable annually on strategic plan progress.		●				
Strategy 5.2. Develop a formal business retention and expansion program designed to support the County’s existing businesses.			●			
Action 5.2.1. Develop and maintain a comprehensive inventory of existing businesses and available properties.			●			
Tactic 5.2.1.1. Use publicly available business records, such as tax records, utility hookups, and ownership transfers, as sources of information to maintain an up-to-date inventory of existing businesses and available properties.			●			
Tactic 5.2.1.2. Partner with local communities and organizations in this effort.			●			

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Action 5.2.2. Call on existing businesses, including all major employers, to gauge the ability of and requirements for local businesses to operate successfully and possibly expand in the community.			●			
Tactic 5.2.2.1. Consider including city, business, and elected officials in visits to existing businesses.			●			
Tactic 5.2.2.2. Conduct a regular employer survey as a means to document specific needs or concerns. Conduct interviews for key regional employers.			●			
Action 5.2.3. Host regular business roundtables to give local businesses the opportunity to meet face to face with economic and community development staff and to stimulate discussion.				●		
Action 5.2.4. Establish policies such as fast track permitting and flexible zoning that can apply to the expansion of existing businesses and are not directed solely at the recruitment of new industries.				●		
Action 5.2.5. Ensure that adequate networking opportunities for local business owners, including entrepreneurial companies and retail businesses, exist.				●		
Action 5.2.6. Review development regulations, ordinances, and approval processes to ensure that government is responsive to the small business community.				●		
Action 5.2.7. Create a small business ombudsman position to serve as the primary point of contact for new and small businesses in the area, as well as to act as a liaison between the business community and relevant government departments and commissions.					●	
Action 5.2.8. Work with the financial community and other economic development groups to improve access to capital, a critical factor in small business and entrepreneurial development.				●		
Action 5.2.9. Promote existing small business programs and services.		●				
Action 5.2.10. Develop a “rapid response” strategy for dealing with potential layoffs or closures.						
Action 5.2.11. Identify assistance programs for at-risk companies, such as a small business resource network or the manufacturing modernization services offered through the US Department of Commerce's Manufacturing Extension Partnership (MEP) program.				●		
Action 5.2.12. Provide assistance and resources for business succession planning to ensure smooth ownership transfer and continued successful operations.					●	
Action 5.2.13. For any businesses that need assistance, provide top-notch customer service to ensure their needs are met.		●				
Strategy 5.3. Develop a formal business attraction program designed to promote Klickitat County as a place to invest capital and locate a business.				●		

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Action 5.3.1. Build awareness among corporate real estate managers and C-level decision-makers.				●		
Action 5.3.2. Build awareness among decision-makers in target industries.				●		
Tactic 5.3.2.1. Produce a one-page marketing summary for each target industry.				●		
Tactic 5.3.2.2. Conduct a direct marketing campaign (direct mail and phone calls followed by visitation).				●		
Tactic 5.3.2.3. Participate in industry trade events.				●		
Tactic 5.3.2.4. Track the success of the target industry campaign using a contact management system.				●		
Strategy 5.4. Establish a formal marketing program to raise awareness of Klickitat County among target audiences.				●		
Action 5.4.1. Allocate funds to add an economic development specialist staff member to focus efforts on BRE, business attraction, and marketing.				●		
Action 5.4.2. Convene a focus group of representatives from local government and economic development-related groups in the region to discuss the merits of having a coordinated marketing message.				●		
Tactic 5.4.2.1. If a common message is developed, it should be used consistently in all materials.				●		
Action 5.4.3. Develop and implement an internal marketing effort to promote a positive image of Klickitat County and build awareness regarding current economic development initiatives.				●		
Action 5.4.4. Create a Klickitat County Ambassador program.				●		
Tactic 5.4.4.1. Identify business leaders most likely to influence decision makers and invite them to join.				●		
Tactic 5.4.4.2. In addition to promoting the County during the course of their business interactions, this group could be given a specific charge, such as addressing challenges facing the region or monitoring trends in target industries.				●		
Tactic 5.4.4.3. In addition, the Ambassadors should be invited to visit prospects with the EDA.				●		
Tactic 5.4.4.4. Conduct visits to other cities and regions. The EDA and its Ambassadors should schedule at least three annual visits to benchmark communities.				●		
Tactic 5.4.4.5. Create a brief profile touting the region’s positive aspects to be used by area business leaders.				●		

	RESPONSIBLE STAFF / POTENTIAL PARTNERS	TIMEFRAME				
		Ongoing	Next 12 mos	1 to 3 years	3 to 5 years	5-10 years
Tactic 5.4.4.6. Meet regularly with the Ambassadors, keeping them up to date on current initiatives, progress, and honing the Chamber’s marketing message.				●		
Tactic 5.4.4.7. Create a mechanism for the Ambassadors to refer prospect leads.				●		
Action 5.4.5. Build awareness throughout the region. Klickitat County leaders need to focus their efforts on enhancing the community’s external image throughout the state, with an emphasis on the Mid-Columbia region.				●		
Strategy 5.5. Establish a new web presence for the Klickitat EDA.			●			
Strategy 5.6. Work with partners to cultivate entrepreneurship and encourage new business startups in Klickitat County.				●		
Action 5.6.1. Establish an “Entrepreneur Roundtable” made up of interested local entrepreneurs and small business owners that can be cross-promoted during BRE visits and other EDA communications and events.				●		
Tactic 5.6.1.1. Consider creating a mentorship program within the Entrepreneur Roundtable to connect local established entrepreneurs and small business owners with new and emerging entrepreneurs and small business owners.					●	
Action 5.6.2. Partner with Washington State University to host a representative from the Yakima Small Business Development Center (SBDC) in the county on a weekly basis.					●	
Action 5.6.3. Develop an “Entrepreneur Resource Center” at the county that the offers literature on programs that assist small business owners.				●		

APPENDIX 2. ECONOMIC ASSESSMENT

To provide a common framework for our recommendations, TIP conducted a demographic and economic assessment of Klickitat County. We began by compiling data on the county, with comparisons to the state of Washington and the US where appropriate. As part of the assessment, we also prepared an analysis of the county’s strengths, weaknesses, opportunities, and threats. Results of this analysis, commonly referred to as a SWOT analysis, are presented on page 54. The purpose of the assessment is to understand the county’s relative economic position and highlight its competitive advantages and disadvantages.

APPROACH

The findings presented in this section are based on the following elements:

- A review of relevant studies, plans, and other material provided by the Klickitat EDA and others;
- A review of economic and demographic data from primary and secondary sources, including the US Census Bureau, the US Bureau of Labor Statistics, and Economic Modeling Specialists Inc. (EMSI), Moody’s Analytics, and ESRI;
- Findings from community site visits and interviews and focus groups with over 50 community representatives and stakeholders; and
- TIP Strategies’ 20 years of experience working with communities across the country and compiling best practices.

KEY FINDINGS

The first step in identifying Klickitat County’s economic development opportunities was to understand the economic environment that the region operates within. To do this, a wide range of data was analyzed on the area. A summary of key findings follows.

- Steady population growth. Klickitat County’s growth rates over the past decade largely mirror national trends, with both the county and the US population increasing by roughly 8 percent since 2005. This translates to a compound annual growth rate of 0.8 percent. However, this rate of growth lags the state, which experienced an increase of 13 percent over the same period, or 1.2 percent annually. As is the case in many communities, domestic migration is the largest factor in determining population growth in the county (when compared with the role of natural increase or migration from outside the US).
- Imbalance in age distribution. The county’s age structure differs from both the state and the US in the share of the population age 65 and over. This is not a surprise, as many portions of Klickitat County are retirement destinations. The county’s age structure also differs in its lower than average share of young adult workers as compared to the state and US. While the county’s current experienced working age population exceeds the state and nation, portions of this age group are nearing retirement and will need to be replaced. The pool of young adult workers that will transition into this age category is smaller than average.
- Net exporter of workers. Commuting patterns data point to a mismatch between the skills of Klickitat County workers and the available jobs. In 2014, three out of five employed residents (61 percent) commuted to

jobs outside the county. While healthcare, government, manufacturing, and education all represent top industry clusters in Klickitat County’s employment base, they also showed the highest number of outbound workers as represented on Figure 6. Likewise, the county draws in a large share of its workforce—nearly one-half—from outside. The largest net flows of workers are in professional services and agriculture. Top “trading” partners for workers include the other Mid-Columbia region counties, as well as Portland-area counties including Clark and Multnomah.

- Low levels of labor force participation. Labor force participation rates compare the portion of a region’s labor force that is employed or looking for work with the population that is labor force eligible (defined here as those who are 16 years or older). These rates often reflect an area’s demographics. For example, an area with an above-average share of retirees would have lower labor force participation rates since these individuals would still be considered labor force eligible. This factor may explain Klickitat County’s relatively low participation rate of 51.5 percent, compared with 63.5 percent nationally. High levels of unemployment can also influence this statistic, as chronic unemployment can result in growth of the number of discouraged workers (those who are labor force eligible but have stopped actively looking for work). This factor may help further explain the county’s low participation levels, as the county has historically experienced relatively high levels of unemployment relative to the state and the US.
- Concentration of employment in vulnerable industry sectors. More than half of the county’s job base (55.7 percent) is comprised of three industries: agriculture and forestry, local government, and manufacturing. While these broad sectors are highly desirable and include a number of stable, well-paying jobs, they are often heavily influenced by economic cycles and public policy fluctuations. Utilities and energy-related jobs are also vulnerable to these factors. Although they represent a relatively small share of employment, they play an important role in the local economy. A continued focus on diversifying the county’s industrial base is of paramount importance.

SWOT ANALYSIS

<div data-bbox="159 289 219 346"></div> <div data-bbox="235 298 397 331">STRENGTHS</div> <ul style="list-style-type: none"> • Available land for industrial development • Low utility costs • Quality of life • Access to outdoor recreational opportunities • Sense of community, spirit of regionalism • Low crime; law enforcement works well with other agencies • Low property taxes; no state income tax • Variety of natural scenery • Educational attainment in western portions of county • Favorable climate for grape-growing; higher quality wine grapes than other wine-growing regions in PNW • Growing technology sector • Utility infrastructure • Collaboration between economic development entities • Increased airport activity • Collaboration to reduce poverty in the county • Community mindset is a healthy balance of advocating for development while being sensitive to the environment • Diverse climate • Proximity to I-84 • Low population density 	<div data-bbox="831 289 891 346"></div> <div data-bbox="907 298 1096 331">WEAKNESSES</div> <ul style="list-style-type: none"> • Shortage of available talent and economic opportunity for workers • Lack of affordable housing, especially in western portions of the county • Lack of temporary and rental housing • Lack of broadband access across county • Shortage of entrepreneur/small business assistance/business support network organizations • Water rights & resources • Lack of soft skills among job-seekers • Lack of tourism infrastructure & capacity • County “curb appeal” compared to communities across the river • Resident resistance to change amidst growth & development • Net exporter of workers outside the county
<div data-bbox="159 1176 219 1232"></div> <div data-bbox="235 1184 451 1218">OPPORTUNITIES</div> <ul style="list-style-type: none"> • Create an inventory of buildable land • Create a workforce training center • Technology-related infrastructure in schools • Apprenticeships to attract & retain graduating seniors • Cultivate entrepreneurial spirit already in county • Increase awareness and promotion of county-level pro-business programs • Gorge-wide public transit system • Craft beverages industry • Outreach to businesses who need technical employees • Leveraging existing entrepreneurs to build a county-wide culture and ecosystem • Airport infrastructure • Support development opportunities at available industrial sites • Emerging timber technologies • Solicitation of more municipal solid waste to the landfill • Wine-tourism 	<div data-bbox="831 1176 891 1232"></div> <div data-bbox="907 1184 1019 1218">THREATS</div> <ul style="list-style-type: none"> • Barriers to new industrial development • Lack of high-tech jobs for spouses of employees relocating to the county • Residents are leaving to start businesses in other counties • Losing county identity through growth and development • Generational poverty; increasing impoverished population • Wind energy production tax credits going away • Aging population

POPULATION & DEMOGRAPHICS

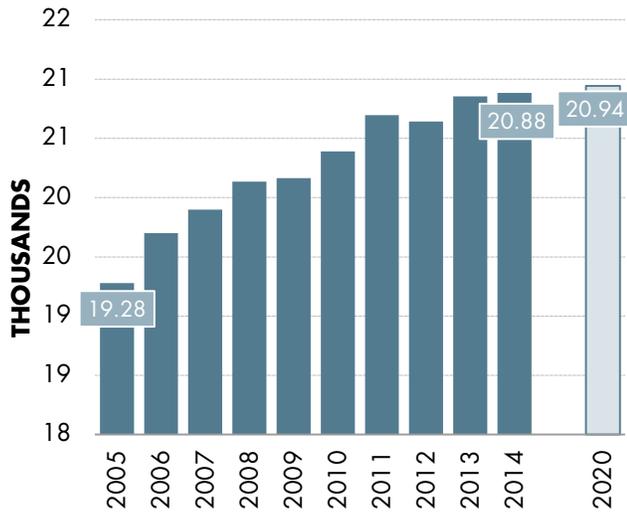


FIGURE 1. TOTAL POPULATION (2005-2020) ANNUAL ESTIMATES

Over the past decade, Klickitat County’s total population has grown at a rate of just over 7.6 percent, or about 1,600 total residents. It grew incrementally between 2005 and 2011, dropping only slightly in 2012. The average rate of growth was approximately 180 residents per year, peaking in 2014 at 20,883.

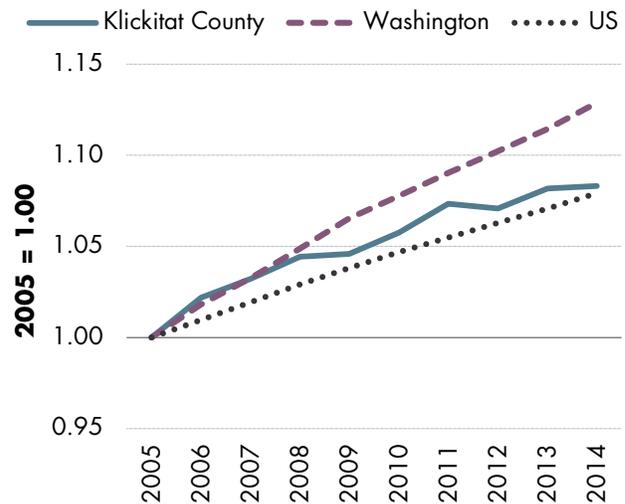
Population projections show a very slight uptick at 20,943 by the year 2020.

Source: US Census Bureau, Population Estimates Program (July 1 estimates) via Moody's Analytics. Projections from Washington State Office of Financial Management

FIGURE 2. POPULATION GROWTH SINCE 2005

In comparison to the state, the total county population growth rate was on a similar upward trajectory until 2007-2008, when it flattened. The growth resumed for the following two years, declining slightly from 2011-2012, and then plateauing again from 2013-2014.

Total county population growth consistently remained above the national growth rate until 2014, when the two converged.



Source: US Census Bureau, Population Estimates Program via Moody's Analytics

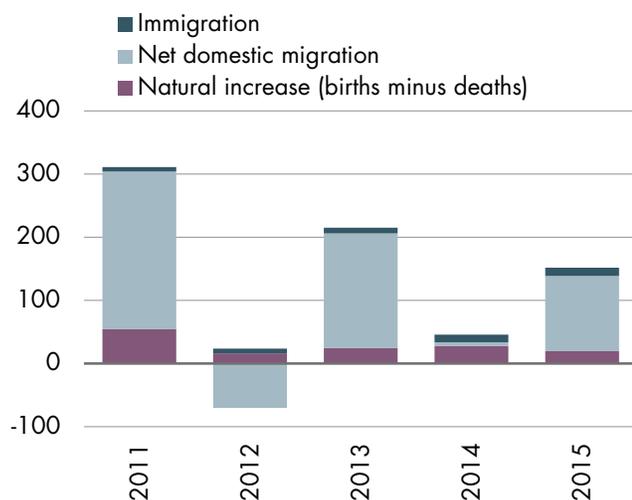


FIGURE 3. COMPONENTS OF POPULATION CHANGE

Since 2011, immigration to Klickitat County (migration across national boundaries) has remained relatively constant. Natural increase, or the surplus of births over deaths, has also held fairly constant during this period.

Domestic migration accounts for the movement of population within the US and is typically the most volatile component of population change. This volatility is evident in the estimates for Klickitat County, which show relatively large net gains in three out of five years, with a slight deficit in 2012.

Source: US Census Bureau via Moody's Analytics

FIGURE 4. AGE DISTRIBUTION

Klickitat County’s median age was 45.3 years as of the 2010 census. This is significantly older than both the state and US median, at 37.5 years and 37.7 years respectively.

The young adult cohort (age 20-34) is significantly smaller than both state and national percentages, while the senior cohort (65+) is much larger. The youth population is close to equal that of the state and nation, while the experienced working age population is a few percentage points above both state and national percentages.

Source: American Community Survey via Moody's Analytics

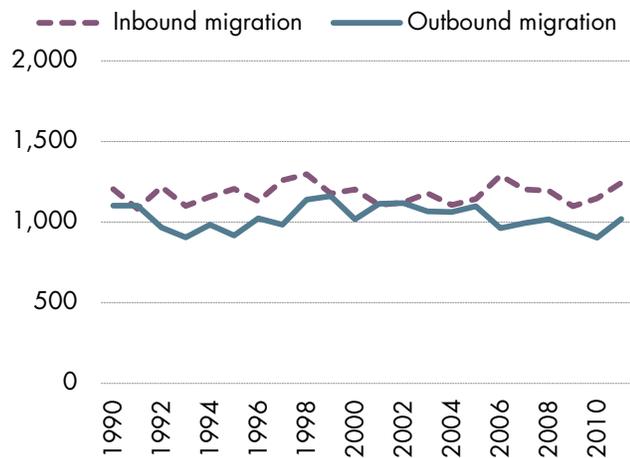
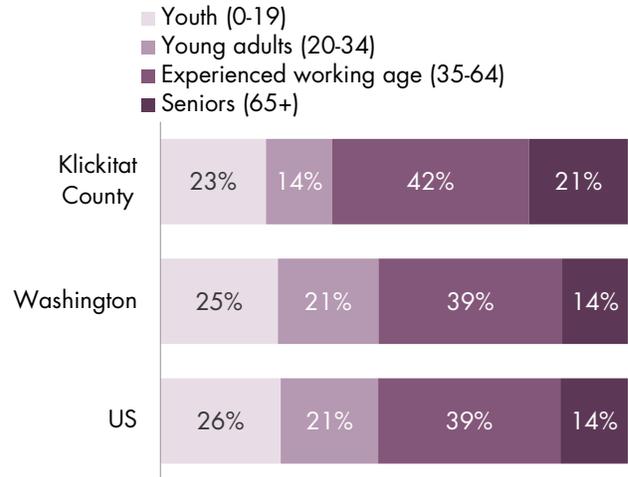


FIGURE 5. INBOUND & OUTBOUND MIGRATION PATTERNS (1990-2010)

Inbound migration has, for the most part, remained slightly above or equal to outbound migration since 1990, representing a higher number of individuals moving into the county than leaving.

The highest influx occurred in 2006. The county has remained at a relatively constant surplus since.

Source: US Internal Revenue Service via Moody's Analytics

FIGURE 6. COMMUTING PATTERNS, 2014

More than 2,800 non-county residents commute to jobs inside the county. Over 4,700 county residents commute to jobs outside of the county, making Klickitat County a net exporter of workers. Considering these two figures, Klickitat County has a net loss in daytime population of over 1,900 people. Almost 3,000 residents, or about 37 percent, both live and work in Klickitat County.



Source: US Census Bureau, Local Employment Dynamics.

Note: Overlay arrows are for illustrative purposes and do not indicate directionality of worker flow between home and employment locations.

FIGURE 7. TOP 10 COMMUTING DESTINATIONS, 2014

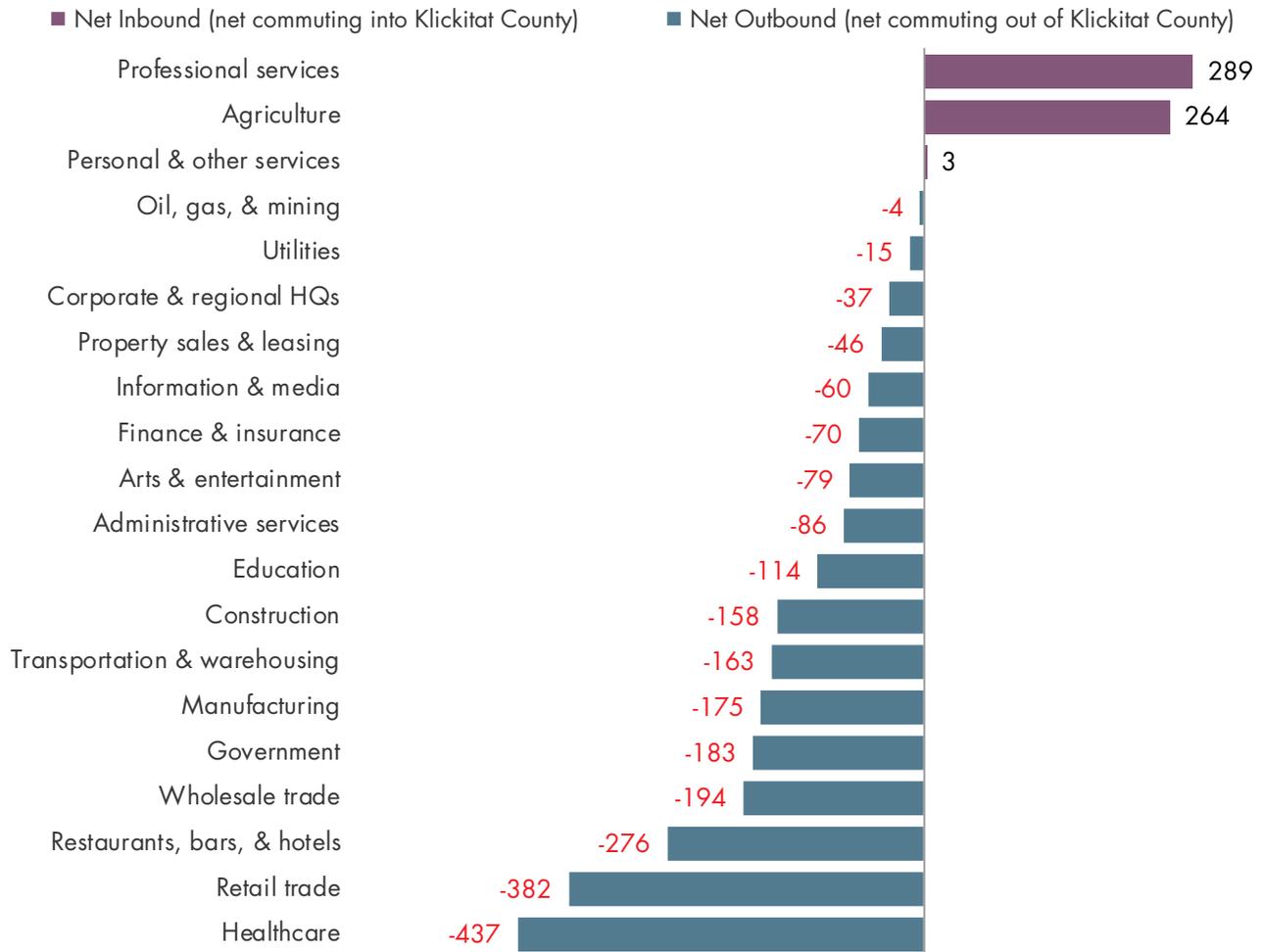
Where Klickitat County workers live

County	Count	Share
1 Klickitat County, WA	2,985	51.4%
2 Skamania County, WA	382	6.6%
3 Hood River County, OR	362	6.2%
4 Clark County, WA	269	4.6%
5 Yakima County, WA	256	4.4%
6 Wasco County, OR	253	4.4%
7 Benton County, WA	120	2.1%
8 Multnomah County, OR	115	2.0%
9 Cowlitz County, WA	75	1.3%
10 King County, WA	70	1.2%
All Other Locations	926	15.9%
Total	5,813	100.0%

Where employed Klickitat County residents work

County	Count	Share
1 Klickitat County, WA	2,985	38.6%
2 Hood River County, OR	650	8.4%
3 Clark County, WA	520	6.7%
4 Wasco County, OR	512	6.6%
5 Multnomah County, OR	445	5.8%
6 Skamania County, WA	377	4.9%
7 King County, WA	372	4.8%
8 Yakima County, WA	224	2.9%
9 Washington County, OR	186	2.4%
10 Cowlitz County, WA	185	2.4%
All Other Locations	1,280	16.5%
Total	7,736	100.0%

FIGURE 8. NET COMMUTING FLOWS BY MAJOR SECTOR, 2014



Source (all figures): US Census Bureau, Local Employment Dynamics.

EDUCATION, WORKFORCE, & INDUSTRY

FIGURE 9. EDUCATIONAL ATTAINMENT

At the lower end of the educational attainment scale, Klickitat County is on par with national averages in the “less than high school” and “high school equivalency” categories.

The percentage of residents with “some college” is on par with the state and greater than the nation. This category includes those who completed certificates or associates degrees and those who entered college but did not graduate. The “bachelor degree attainment” category falls significantly below both state and national averages.

Source: American Community Survey 5-year estimates via Moody's Analytics

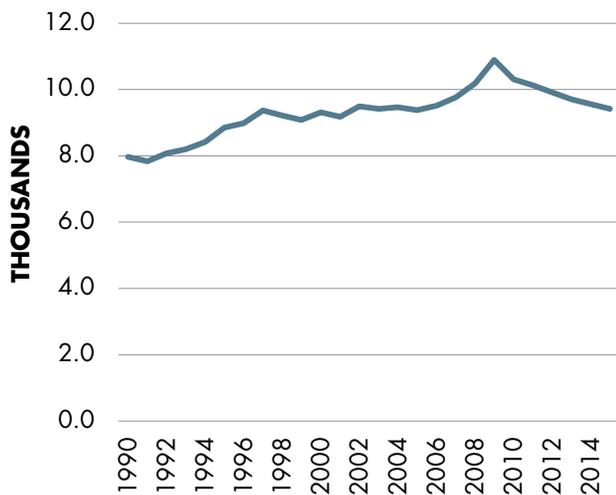
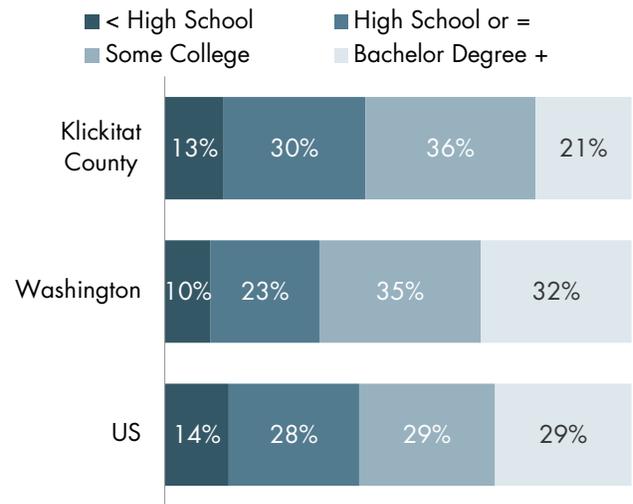


FIGURE 10. CIVILIAN LABOR FORCE (2000-2015)

Klickitat County has a civilian labor force of 9,437 and the labor force participation rate is approximately 51.5 percent. This falls below the state average of 63.8 percent and a national average of 63.5 percent.

In 1990, Klickitat County’s labor force was just over 8,000, and has mostly moved in a positive direction during the subsequent quarter century, peaking in 2010 at slightly more than 10,500.

Source: US Bureau of Labor Statistics via Moody's Analytics

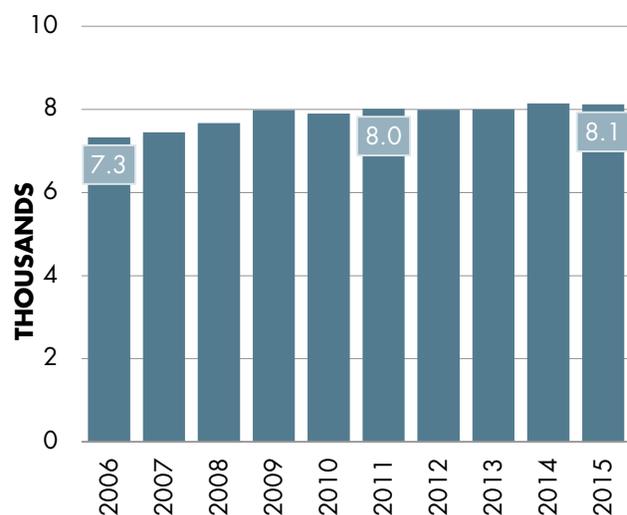
FIGURE 11. TOTAL EMPLOYMENT (2006-2015)

Over the past 10 years, total employment in Klickitat County remained relatively stable amidst turbulent external economic conditions.

In 2015, Klickitat County’s total employment base was 8,100. Between 2006 and 2015, total employment made gains of almost 10 percent, or 800 workers. The average annual growth during this time period was about 90 workers per year.

(These figures combine farm and non-farm employment.)

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed



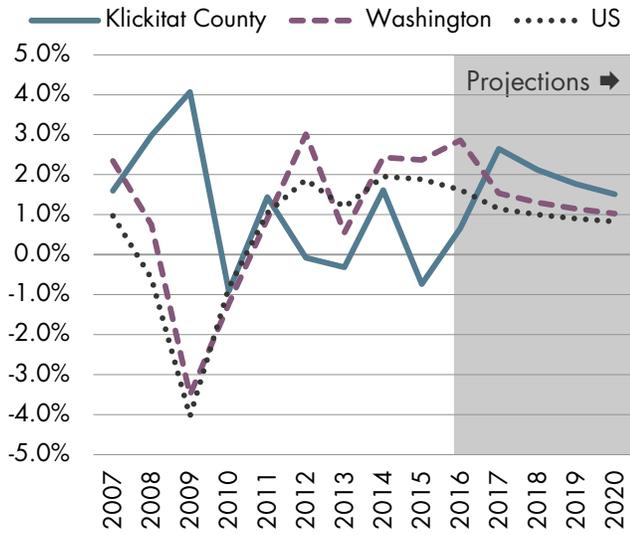


FIGURE 12. EMPLOYMENT TRENDS

Employment change in Klickitat County has been less volatile than the state and nation, often countering each of their respective trends over the past 10 years.

Klickitat experienced a faster rate of growth from 2015-2016 than the nation, and the county is projected to surpass state declines in 2017.

Although Klickitat is projected to see a decline in employment through 2020, rates are expected to remain higher than those of the state and nation.

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

FIGURE 13. UNEMPLOYMENT MONTHLY RATES

The chart on the right displays the current unemployment rate (blue dot) for Klickitat County, Washington State, and the nation. The vertical line it sits upon represents the historical range of fluctuation over the past 25 years.

Klickitat County’s current unemployment rate is 7.4 percent as of May 2016. The preliminary rate for 2015 was 6.9 percent, the second-lowest rate since 1990.

Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics (state and local), Current Population Survey (national).

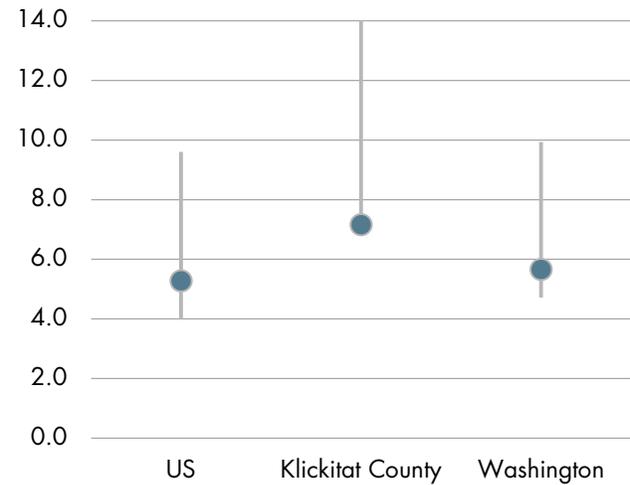


FIGURE 14. UNEMPLOYMENT AVERAGE ANNUAL RATE

Klickitat County’s unemployment levels have remained substantially higher than the state and nation, particularly from the years of 1990 to 2003. It has generally followed the same upward and downward trends in the last 25 years. Beginning in 2008, the gap contracted significantly and has remained relatively constant.

Since 2010, the unemployment rate has seen a consistent downward shift to pre-recession rates.

Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics (state and local), Current Population Survey (national).

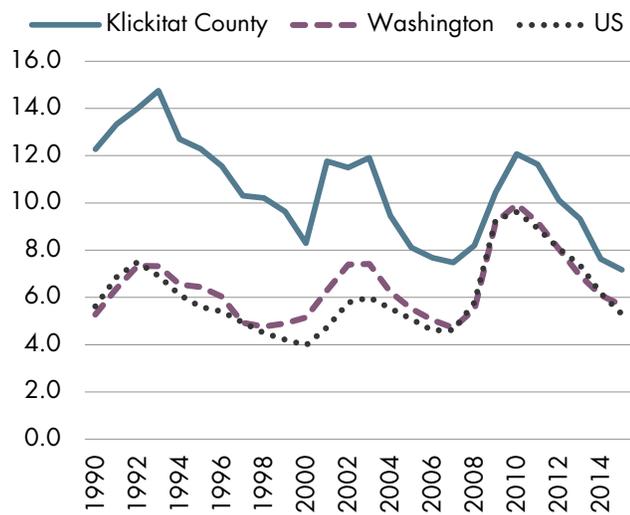
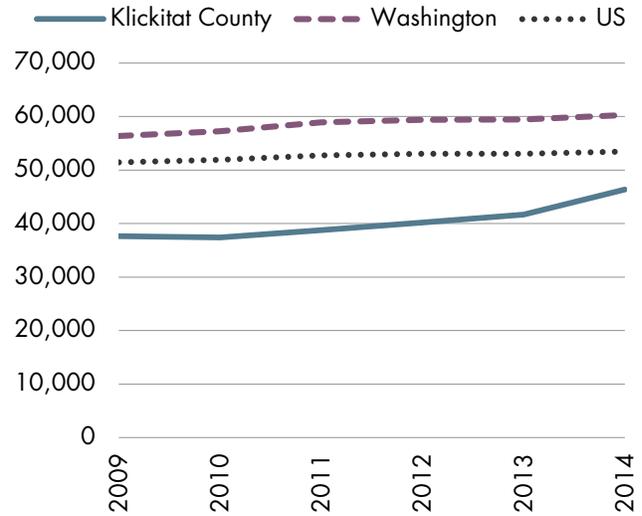


FIGURE 15. MEDIAN HOUSEHOLD INCOME

Klickitat County's median household income was \$46,368 in 2014, which is about 23 percent less than the state's (\$60,294) and 13 percent less than the nation's (\$53,482).

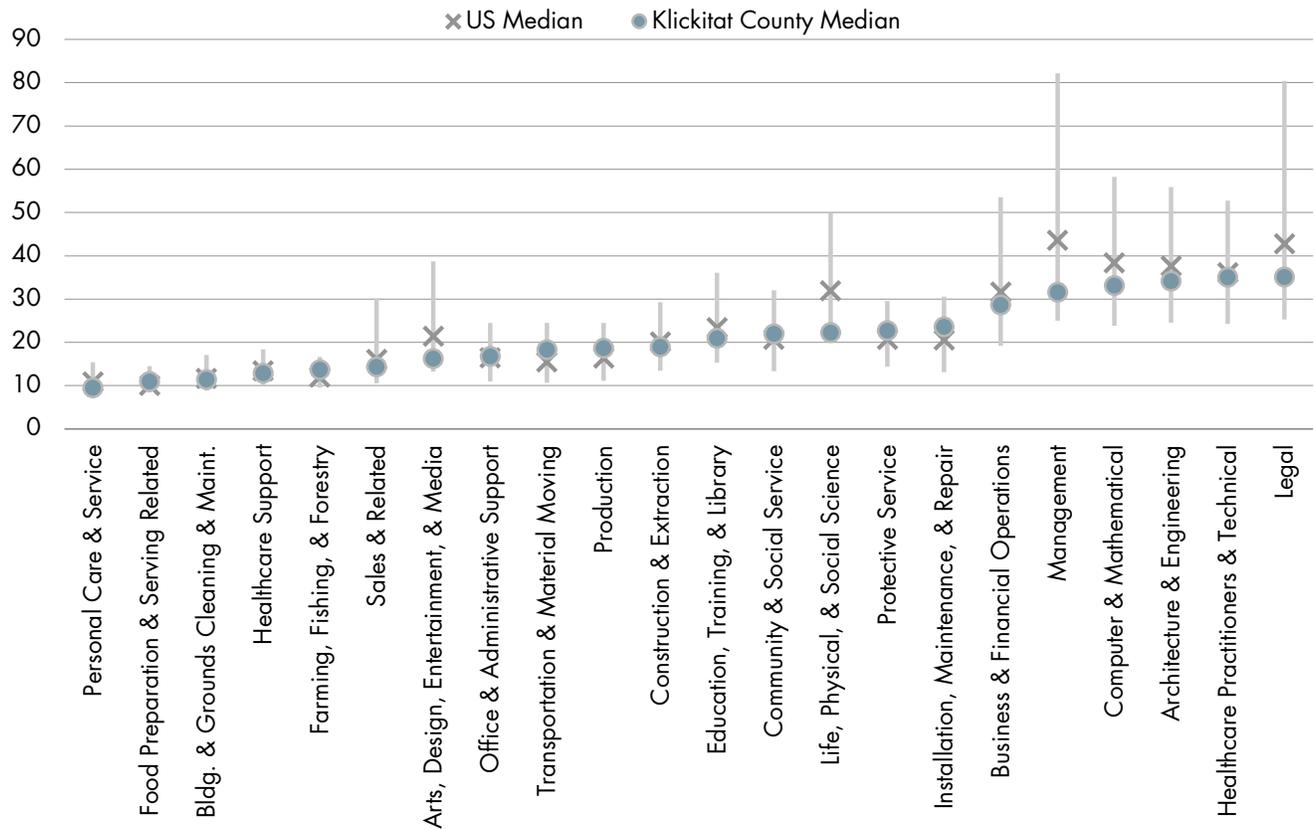
Klickitat County's median household income made steady gains during the period analyzed. A sharp uptick in 2014 has helped to narrow the gap.



Source: American Community Survey 5-year estimates via Moody's Analytics

FIGURE 16. MEDIAN HOURLY WAGE BY OCCUPATIONAL GROUP

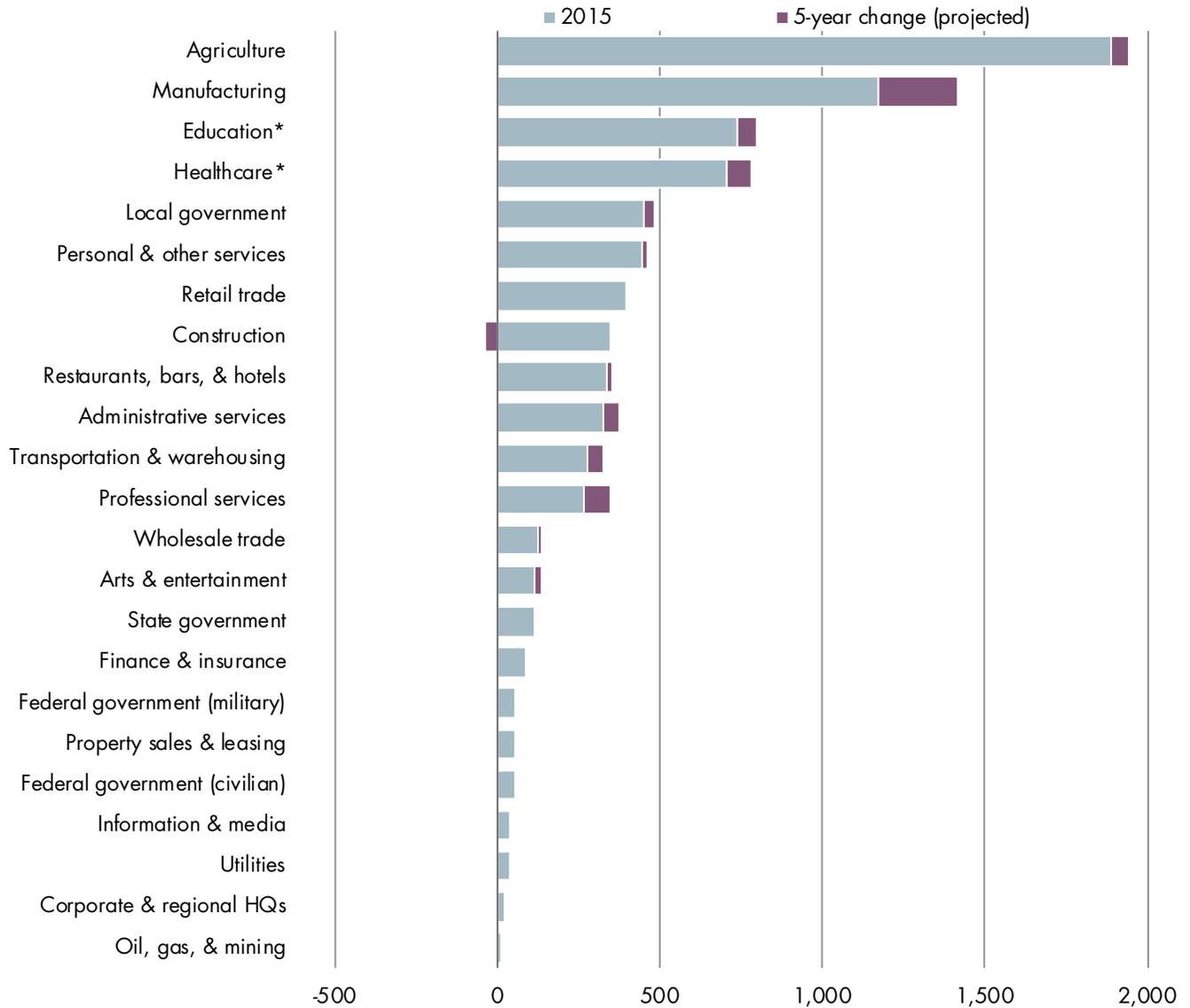
The chart below outlines Klickitat County wages by occupational group as compared to the national median wage. The line indicates the range of wages within the nation from the 10th to the 90th percentile.



Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

FIGURE 17. TOTAL EMPLOYMENT BY INDUSTRY
 JOB BASE 2015 + PROJECTED 5-YEAR CHANGE

Agriculture, manufacturing, education, and healthcare were among the county’s leading sources of employment, accounting for more than one-half of the total job base in 2015. Manufacturing shows the greatest projected increase in employment over the next five years, with a gain of roughly 240 jobs projected in Klickitat County by 2020. Other sectors expected to show gains include professional services (+80 jobs), healthcare (+73 jobs), education (+60 jobs), and agriculture (+59 jobs). A slight decline in construction employment is anticipated during the period.

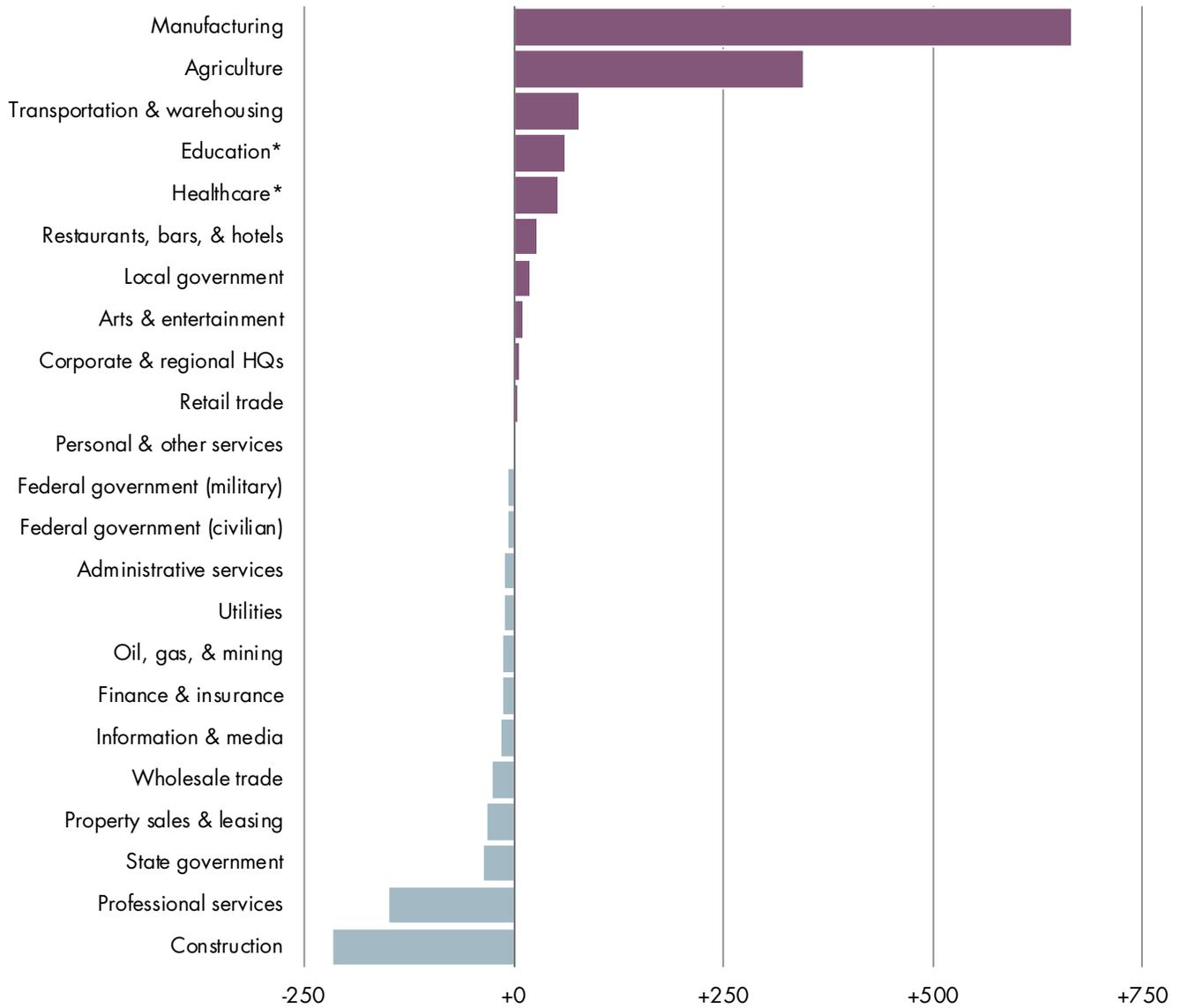


Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

*Note: Education includes all public schools, colleges, & universities (i.e., these jobs are not included with local or state government), and healthcare includes all public hospitals.

FIGURE 18. NET JOB CHANGE BY INDUSTRY (2006-2015)

The manufacturing and agriculture industries have seen the most dramatic job increases in Klickitat County during the last 10 years. Not surprisingly, construction has seen the greatest decrease in jobs. Losses in the personal & other services category may be overstated due to a change in the classification of private household workers that provide services for the elderly and disabled.



Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

*Note: Education includes all public schools, colleges, & universities (i.e., these jobs are not included with local or state government), and healthcare includes all public hospitals.

FIGURE 19. DISTRIBUTION OF EMPLOYMENT BY MAJOR SECTOR, 2015
SECTOR'S SHARE OF TOTAL EMPLOYMENT

A look at Klickitat County’s job base by major industry sector reveals several key differences from Washington state and the US. Most notably, jobs in agriculture and forestry account for a much larger share of the county’s employment than at the state or national level—nearly one in four jobs (23.6 percent) were in this sector in 2015. The manufacturing sector provides another significant source of employment in the county, accounting for nearly 15 percent of total jobs in 2015, compared with roughly 8 percent at the state and national level.

By contrast, healthcare represents a smaller share of the county’s job base. The sector, which includes a range of healthcare and social assistance employment, is the largest source of employment at the state and national level, accounting for roughly 13 percent of total employment. Employment in the sector in Klickitat falls well below these levels, at just under 9 percent of the county’s job base.

NAICS Code & Description	Klickitat County	Washington	US
11 Agriculture & forestry	23.6%	3.4%	1.3%
903 Local govt.	17.4%	9.5%	9.1%
31-33 Manufacturing	14.7%	8.5%	8.1%
61 Education*	9.2%	9.1%	9.4%
62 Healthcare & social assistance*	8.8%	12.8%	13.3%
81 Personal & other services	5.6%	4.6%	4.9%
44-45 Retail trade	4.9%	10.5%	10.6%
23 Construction	4.4%	5.9%	5.4%
72 Lodging, restaurants, & bars	4.2%	7.6%	8.6%
56 Administrative & support services	4.0%	5.2%	6.3%
54 Professional services	3.3%	6.3%	6.4%
48-49 Transportation & warehousing	3.0%	3.0%	3.4%
902 State govt.	2.3%	4.5%	3.4%
42 Wholesale trade	1.5%	3.9%	3.9%
71 Arts, entertainment, & recreation	1.5%	1.7%	1.7%
9011 Federal govt. (civilian)	1.1%	2.1%	1.9%
52 Finance & insurance	1.1%	2.8%	3.9%
53 Property sales & leasing	0.7%	1.8%	1.7%
51 Information	0.5%	3.4%	1.9%
22 Utilities	0.5%	0.1%	0.4%
55 Corporate & regional offices	0.3%	1.2%	1.4%
21 Mining (incl. oil & gas)	0.1%	0.1%	0.5%

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed
Notes: Excludes military and unclassified employment

FIGURE 20. INDUSTRY CONCENTRATION BY MAJOR SECTOR, 2015
 LOCATION QUOTIENT ANALYSIS (US=1.00)

A location quotient (LQ) analysis is a statistical technique used to suggest areas of relative advantage based on a region’s employment base. LQs are calculated as an industry’s share of total local employment divided by the same industry’s share of employment at the national level. If the local industry and national industry are perfectly proportional, the LQ will be 1.00. LQs greater than 1.25 are presumed to indicate a comparative advantage; those below 0.75 suggest an underdeveloped sector but may also point to opportunities for expansion/attraction.

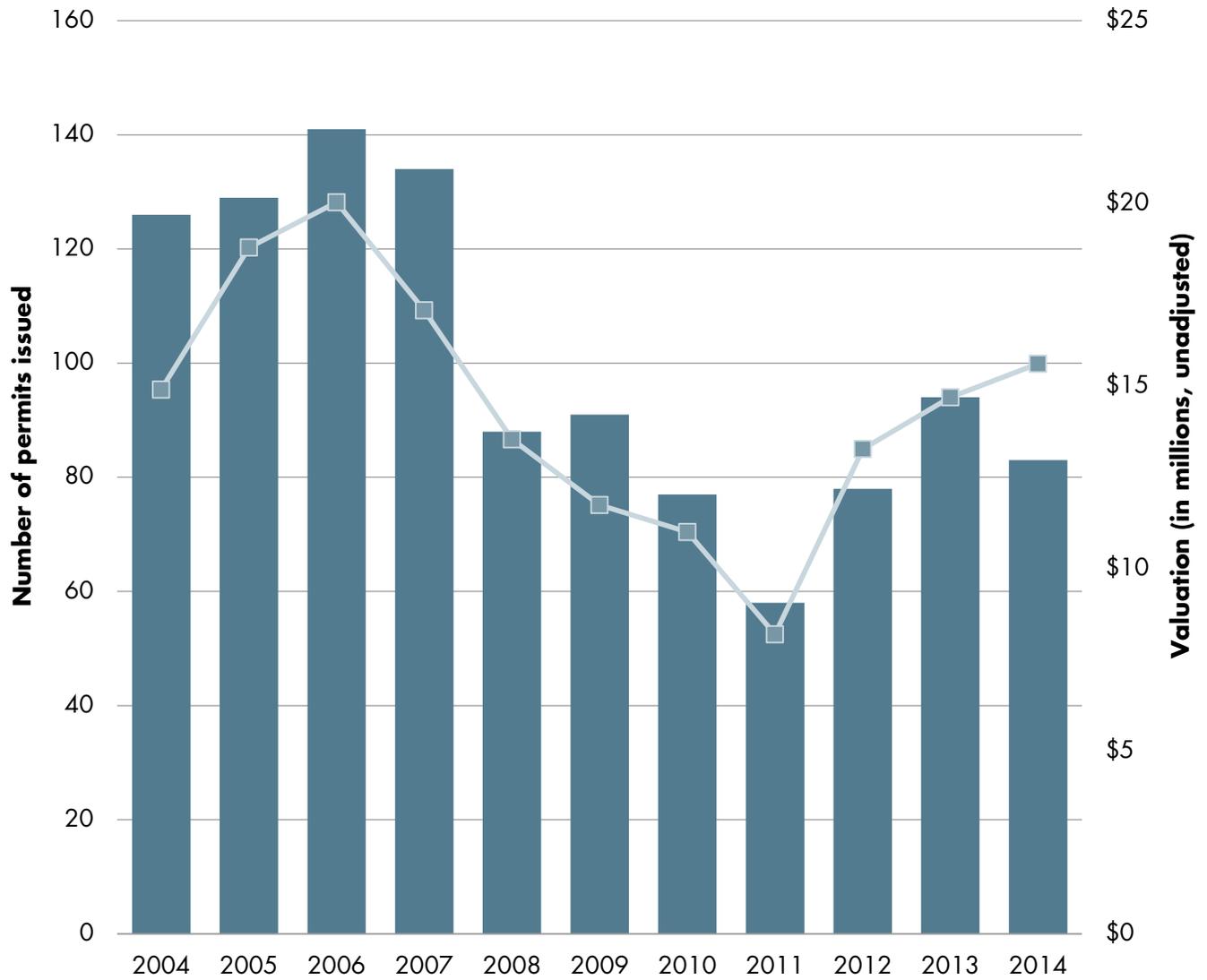
Based on this analysis, Klickitat County demonstrates above-average employment in four major sectors: agriculture and forestry, local government, manufacturing, and utilities. At the other end of the spectrum, employment in several key sectors, including healthcare, retail, and professional services is significantly below what would be expected in a similarly sized market based on national patterns.

NAICS Code & Description	Klickitat County	Washington	US
11 Agriculture & forestry	19.23	2.62	1.00
903 Local govt.	1.95	1.05	1.00
31-33 Manufacturing	1.87	1.01	1.00
22 Utilities	1.34	0.40	1.00
81 Personal & other services	1.17	0.94	1.00
61 Education*	0.99	0.97	1.00
48-49 Transportation & warehousing	0.85	0.90	1.00
71 Arts, entertainment, & recreation	0.84	0.95	1.00
23 Construction	0.80	1.11	1.00
62 Healthcare & social assistance*	0.66	0.96	1.00
902 State govt.	0.65	1.29	1.00
56 Administrative & support services	0.62	0.82	1.00
9011 Federal govt. (civilian)	0.60	1.13	1.00
54 Professional services	0.51	0.97	1.00
44-45 Retail trade	0.48	1.00	1.00
72 Lodging, restaurants, & bars	0.47	0.87	1.00
53 Property sales & leasing	0.46	1.09	1.00
42 Wholesale trade	0.40	0.98	1.00
21 Mining (incl. oil & gas)	0.37	0.16	1.00
52 Finance & insurance	0.27	0.71	1.00
51 Information	0.26	1.86	1.00
55 Corporate & regional offices	0.22	0.87	1.00

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed
 Notes: Excludes military and unclassified employment

FIGURE 21. HOUSING PERMITS ISSUED IN KLICKITAT COUNTY, 2004-2014

The chart below tracks annual housing permits *reported* over a 10-year time period. The dark blue bar quantifies the number of permits issued while the line chart represents the total annual construction cost (or value).



Source: US Department of Housing and Urban Development (HUD) Building Permits Database

APPENDIX 3. TARGET INDUSTRY ANALYSIS

INTRODUCTION

Target industry selection is traditionally based on a limited set of quantitative factors such as workforce access, industry concentration, and available industrial sites. Our target industry recommendations for Klickitat County are not based solely on these factors, but also take into account qualitative factors (such as conversations with local business leaders and consulting experience gained from prior work) and strategic issues (including state and national economic trends).

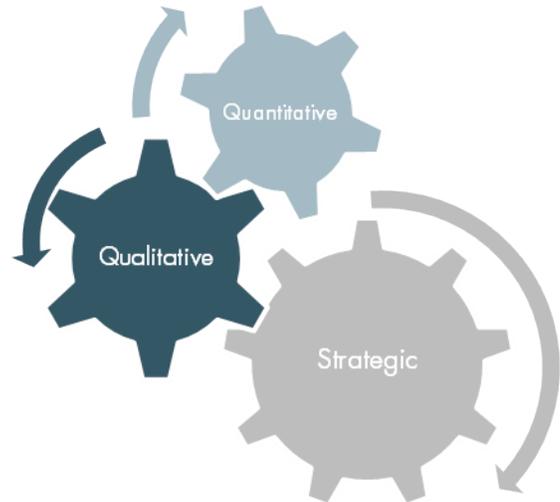
First, a quantitative analysis was conducted to help identify potential target industries. This included the following:

- **Location advantages.** We reviewed Klickitat County’s geographic advantages that could be leveraged for economic development (e.g., natural resources, ideal grape-growing region, proximity to Portland International Airport).
- **Economic trends.** We analyzed the trends affecting economic development in Klickitat County and the State of Washington (including population and demographics) to provide a foundational understanding of the issues and opportunities facing business retention, expansion, and recruitment in Klickitat County.
- **Industry analysis.** We calculated location quotients (LQs) to identify industries where Klickitat County’s employment is concentrated relative to the US average, which suggests a local advantage. LQs are defined as a local industry’s share of total local employment divided by the same industry’s share of national employment.

Second, a qualitative analysis was conducted through roundtable discussions and interviews with key stakeholders, including dozens of business and community leaders. These conversations helped us better understand the opportunities for expansion of existing companies and for attraction of new businesses, as well as the barriers holding back the county’s economic potential.

Lastly, a strategic lens was applied to evaluate the potential of target sectors based on: 1) a review of relevant cluster initiatives already in progress locally, regionally, and at the state level; 2) an understanding of state, national, and global trends; and 3) the experience of the consulting team in evaluating target markets. This strategic approach offers an opportunity to identify niches outside of traditional clusters, including emerging industries.

FIGURE 22: TARGETING APPROACH



Source: TIP Strategies

Based on the quantitative/qualitative/strategic targeting approach, we recommend that Klickitat County focuses its business retention, expansion, and attraction efforts on the following target industries:

- Value-Added Agriculture & Food Processing
- Craft Beverages
- Unmanned Aircraft Systems & Composites
- Natural Resources & Clean Technology
- Sporting Goods & Outdoor Recreation

TOURISM

While TIP does not recommend identifying tourism as a target industry, our analysis recognizes that support of the sector presents opportunities to diversify and enhance the county’s economy. From an economic development perspective, tourism is a traded sector, meaning it pulls in dollars from outside the region, injecting new dollars into the tax and wage base. Tourism creates small business development opportunities and offers employment options for younger workers. In addition, it can play a role in recruiting and retaining talent by raising awareness of a region among visitors who may later become residents, start families, and/or establish businesses there. Well-coordinated tourism promotion can also garner positive media exposure, which can dramatically enhance a community’s overall brand. This can, in turn, raise the profile of a region and help to change perceptions of an area (among both internal and external audiences).

Tourism also has its challenges. While tourism can attract outside investment, it can also place a demand on the community’s limited resources. Infrastructure can experience added wear and tear from increased traffic. From a workforce perspective, tourism pay is modest and often seasonal, compared to other identified target industries. Another challenge can be prioritizing where and how best to invest its limited resources to continue growing the sector.

However, tourism continues to garner a great deal of interest from the Klickitat County community. This pattern has held true with stakeholders on the strategic plan project steering committee and the Klickitat County leadership team. There has been consensus among these two groups that tourism should be addressed within the strategic plan framework, but differing viewpoints on the role the Klickitat EDA should play in the county’s tourism efforts.

This emphasis on tourism makes sense given the county’s many assets. Klickitat County is rich with scenic, cultural, and recreational amenities that draw visitors from all over the world. These tourism assets

FIGURE 23: KLICKITAT COUNTY EMPLOYMENT IN SELECTED TOURISM-RELATED INDUSTRIES

NAICS Code	Description	2015 Jobs	% chg since '05
Arts, Entertainment, & Recreation			
711	Performing Arts, Spectator Sports & Related	20	-36%
712	Museums, Historical Sites & Similar	22	55%
713	Amusement, Gambling & Recreation	75	53%
312130	Wineries	93	108%
Transportation & Travel			
487	Scenic & Sightseeing Transportation	<10	—
4853	Taxi & Limousine Services	<10	—
4881	Airport Support Activities	22	343%
5615	Travel Arrangement & Reservation Srvcs.	<10	-
Food & Lodging			
7211	Traveler Accommodations	55	12%
7212	RV Parks & Campgrounds	<10	—
7224	Drinking Places	12	-49%
7225	Restaurants and Other Eating Places	256	5%

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

are tremendously diverse and are not exclusive to one geographic area of the county. Western portions of the county offer stunning views of the Columbia Gorge and immediate access to a plethora of water recreation opportunities on the Columbia River. Central portions of the county offer much in the way of civic and tourist interest, including the Goldendale Observatory, Maryhill Museum, Presby Museum, Maryhill Amphitheater, and Maryhill Stonehenge. There are also plans underway for a state-of-the-art performing arts center in Goldendale. Eastern Klickitat County is a fixture in Washington's wine country and internationally known for its numerous wine awards. This part of the county is a major agriculture-producing region and ripe with opportunity for wine-tourism and general agritourism initiatives.

Given its potential, the stakeholder teams and the Klickitat EDA should continue to support and advocate for existing tourism efforts in the county. However, the Klickitat EDA should not play a direct role in promoting or attracting tourism. The Goldendale and Mount Adams chambers of commerce should continue to lead these efforts with coordination from the Klickitat EDA and other associated entities. These organizations should define metrics and establish benchmarks for tourism efforts and report progress to the broader leadership group.

VALUE-ADDED AGRICULTURE & FOOD PROCESSING

INDUSTRY OVERVIEW

The value-added agriculture & food processing industry includes crop production, animal production, support activities for crop and animal production, food manufacturing, agricultural implement manufacturing, farmers’ markets, and related wholesalers and distributors. As defined, the industry employs nearly 1,800 workers across roughly 90 establishments in Klickitat County.

WHY KLICKITAT COUNTY?

Agriculture & food processing accounts for more than 20 percent of all jobs in Klickitat County, making it the largest local industry. The importance of agriculture to the area’s current and future prosperity cannot be overstated. This industry will continue to offer growth potential thanks to increasing regional, national, and international demand for specialty food products. Ag-related businesses also offer a range of opportunities for small business growth. This industry can also support the growth of additional sectors such as craft food restaurants and agri-tourism.

Another significant area of growth potential for Klickitat County is the processing and packaging of food products. Wherever a large crop or animal production industry exists, there also exists a need to take those raw agricultural inputs and turn them into consumer-facing products. With Klickitat County’s transportation linkages (highways and freight rail) to Portland and to other parts of Washington, the area could become a regional processing and packaging hub for farm products from surrounding counties. Additionally, given the growing demand for fresh, high-value foods across the US and internationally, the County should explore ways to capitalize on the Columbia Gorge Regional Airport to transport local products to external markets.

TARGET NICHES

- **Specialty fruit production.** The Mid-Columbia region offers ideal growing conditions for a number of fruits, especially varieties of cherries, apples and grape that cannot be grown in many other parts of the world.
- **Food processing & packaging.** Given the high concentration of agriculture assets in the county, processing and/or packaging is a logical way to diversify and expand the industry.
- **Farmers markets and fruit stands.** Farmers markets have become immensely popular in recent years and are both a tourist draw and an enhancement to quality of place. Consideration might be given to creating or leveraging specific programs that can increase this sort of activity in the county.

SECTOR COMPONENTS

NAICS	DESCRIPTION
111	Crop Production
112	Animal Production and Aquaculture
1151	Support Activities for Crop Production
1152	Support Activities for Animal Production
311	Food Manufacturing
33311	Agricultural Implement Manufacturing
423820	Farm/Garden Mach. & Equip. Wholesalers
4245	Farm Product Raw Material Wholesalers
424910	Farm Supplies Merchant Wholesalers
444220	Nursery, Garden, and Farm Supply Stores

SECTOR SNAPSHOT (2015)

US	
Total Employment:	3,841,334
Total Establishments:	159,741
Avg. Annual Earnings:	\$44,975
WASHINGTON	
Total Employment:	154,776
LQ:	1.78
Total Establishments:	8,563
Avg. Annual Earnings:	\$38,168
MID-COLUMBIA ECONOMIC DEV. DISTRICT	
Total Employment:	7,512
LQ:	7.81
Total Establishments:	411
Avg. Annual Earnings:	\$29,327
KLICKITAT COUNTY	
Total Employment:	1,727
LQ:	8.70
Total Establishments:	92
Avg. Annual Earnings:	\$34,699

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

VALUE-ADDED AGRICULTURE & FOOD PROCESSING EMPLOYMENT TRENDS

FIGURE 24. KLICKITAT COUNTY EMPLOYMENT

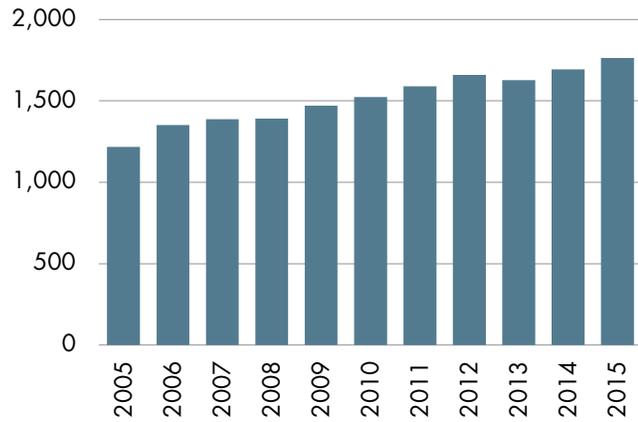


FIGURE 25. MID-COLUMBIA EDD EMPLOYMENT

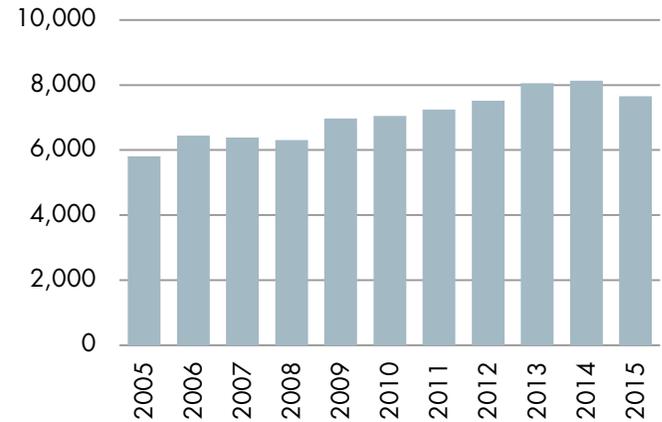


FIGURE 26. WASHINGTON EMPLOYMENT

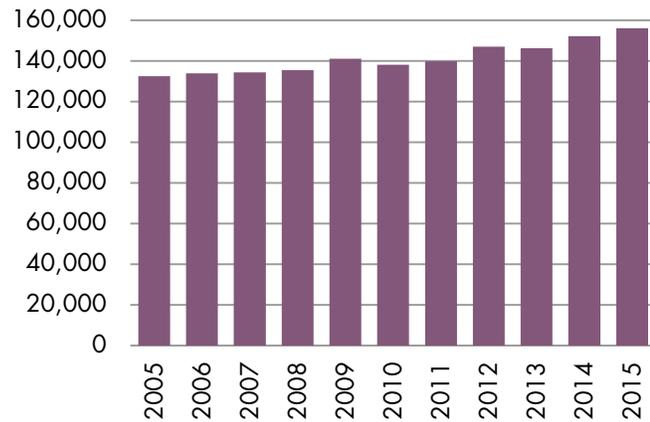
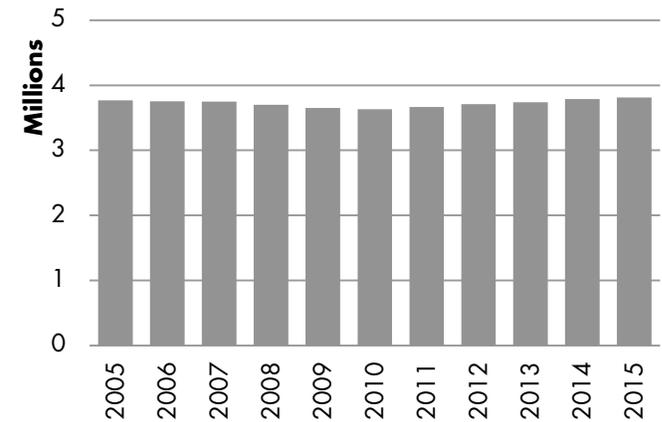


FIGURE 27. US EMPLOYMENT



Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

SECTOR COMPONENT EMPLOYMENT TRENDS

FIGURE 28. SECTOR COMPONENT EMPLOYMENT TRENDS: VALUE-ADDED AG. & FOOD

NAICS	Description	Klickitat County		Mid-Columbia EDD		Washington		US	
		2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05
111	Crop Production	1,113	31%	5,287	22%	72,540	20%	845,795	-2%
112	Animal Production and Aquaculture	78	3%	166	36%	8,293	-11%	434,006	-9%
1151	Support Activities for Crop Production	516	105%	1,040	36%	24,931	47%	482,075	21%
1152	Support Activities for Animal Production	<10	-69%	17	-31%	906	-36%	41,460	2%
311	Food Manufacturing	42	247%	844	99%	36,643	9%	1,532,447	2%
33311	Agricultural Implement Manufacturing	0	—	0	—	714	43%	79,906	-1%
423820	Farm/Garden Mach. & Equip. Wholesalers	0	—	36	3%	2,090	21%	104,918	3%
4245	Farm Product Raw Material Wholesalers	<10	0%	<10	-84%	1,172	15%	76,653	1%
424910	Farm Supplies Merchant Wholesalers	0	—	69	-3%	3,513	8%	116,409	6%
444220	Nursery, Garden, & Farm Supply Stores	<10	0%	48	179%	3,975	-10%	127,665	3%

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

INDUSTRY INTELLIGENCE & RESOURCES

VALUE-ADDED AGRICULTURE & FOOD PROCESSING		
TRADE ASSOCIATIONS		
Washington State Farmers Market Association		wafarmersmarkets.org/
Washington State Nursery & Landscape Association		www.wsnla.org/
Washington Fish Growers Association		www.wfga.net/
North American Farmers' Direct Marketing Association		www.farmersinspired.com/
Farmers Market Coalition		farmersmarketcoalition.org/
American Farm Bureau Federation		www.fb.org/
National Farmers Union		nfu.org/
Council for Agricultural Science and Technology		www.cast-science.org/
National Livestock Producers Association		nlpa.org/
Animal Agriculture Alliance		www.animalagalliance.org/
Food Processing Suppliers Association		www.fpsa.org/
CroLife America		www.croplifeamerica.org/
RELEVANT CONFERENCES/EVENTS		
2017 AFBF Annual Convention & IDEAg Trade Show		
6-11 January 2017	Phoenix, AZ	annualconvention.fb.org/
Northwest Green Industry Conference: Green Culture		
26-27 January 2017	Blaine, WA	www.wsnla.org/events/EventDetails.aspx?id=840008
2017 International Production & Processing Expo		
31 Jan-2 Feb 2017	Atlanta, GA	ippexpo.com/
FPSA Annual Conference 2017		
15-17 March 2017	San Diego, CA	www.fpsa.org/node/827
PROCESS EXPO 2017		
19-22 September 2017	Chicago, IL	www.myprocessexpo.com/
TRADE PUBLICATIONS		
Journal of Food Science and Technology		www.nal.usda.gov/fsrio/research/publications/journal-of-food-science-and-technology
B&B Magazine		wsnla.site-ym.com/store/ViewProduct.aspx?id=5103408
Journal of the World Aquaculture Society		www.was.org/View/Journal-of-the-World-Aquaculture-Society.aspx
Successful Farming Magazine		www.agriculture.com/content/successful-farming-magazine-subscription
Amber Waves Magazine		www.ers.usda.gov/amber-waves

Source: TIP Strategies research

CRAFT BEVERAGES

INDUSTRY OVERVIEW

The craft beverages industry is comprised of establishments primarily engaged in brewing beer, producing wine, and distilling spirits, along with related wholesalers. Klickitat County’s craft beverages industry accounts for nearly 150 jobs across 13 establishments.

WHY KLICKITAT COUNTY?

According to statistics published by the Brewers Association (BA), there were nearly 3,500 breweries in the US in 2014—an increase of 2,000 breweries from just 10 years earlier. Of these, 99 percent were craft-brewing operations. In dollar terms, the craft beverages industry accounted for 22 percent of the roughly \$101 billion beer market in the US. Similar statistics and trends hold true for wineries and distilleries, with the last 10 years representing rapid growth, driven almost entirely by small- and mid-size craft beverage producers. Washington and Oregon are national leaders in the craft beverages industry, especially for breweries and wineries. Klickitat County has already experienced significant growth in breweries and wineries in the last decade. Moreover, Klickitat County is well positioned to capture growth from the emerging cider business as craft beverage drinkers across the US turn their attention to cideries.

Another important consideration is the role that craft beverage facilities, especially breweries, play in talent attraction. Cities across the US have successfully leveraged craft breweries to generate a buzz that attracts talented workers, particularly young adults. Portland, Seattle, Bend, and Hood River have each parlayed their status as craft beer hubs to become destinations for skilled workers.

TARGET NICHES

- Wineries
- Breweries
- Distilleries
- Cideries

SECTOR COMPONENTS

NAICS	DESCRIPTION
312120	Breweries
312130	Wineries
312140	Distilleries
424810	Beer & Ale Merchant Wholesalers
424820	Wine & Distilled Alcoholic Beverage Merchant Wholesalers

SECTOR SNAPSHOT (2015)

US	
Total Employment:	307,973
Total Establishments:	12,792
Avg. Annual Earnings:	\$74,247
WASHINGTON	
Total Employment:	10,198
LQ:	1.46
Total Establishments:	722
Avg. Annual Earnings:	\$54,310
MID-COLUMBIA ECONOMIC DEV. DISTRICT	
Total Employment:	620
LQ:	8.04
Total Establishments:	43
Avg. Annual Earnings:	\$48,704
KLICKITAT COUNTY	
Total Employment:	148
LQ:	9.32
Total Establishments:	13
Avg. Annual Earnings:	\$35,089

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

CRAFT BEVERAGES EMPLOYMENT TRENDS

FIGURE 29. KLICKITAT COUNTY EMPLOYMENT

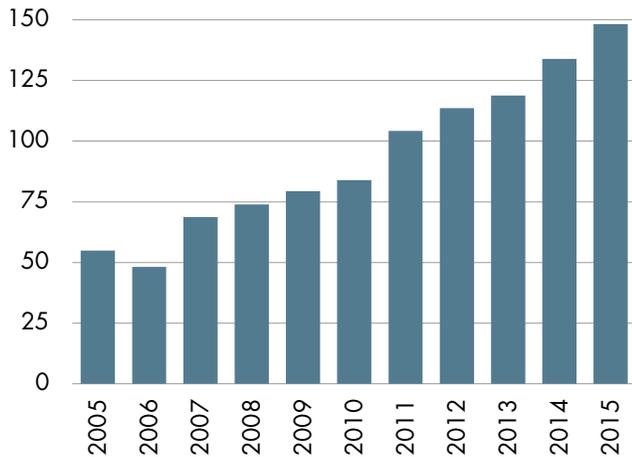


FIGURE 30. MID-COLUMBIA EDD EMPLOYMENT

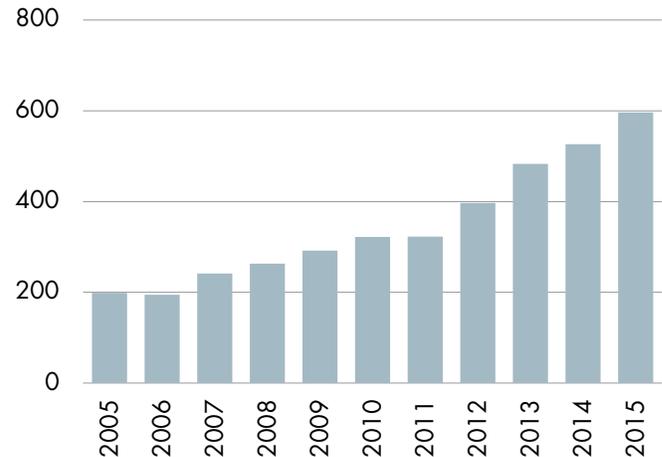


FIGURE 31. WASHINGTON EMPLOYMENT

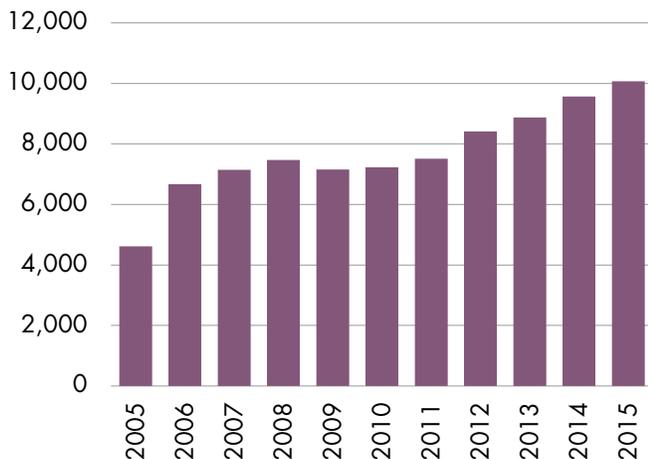
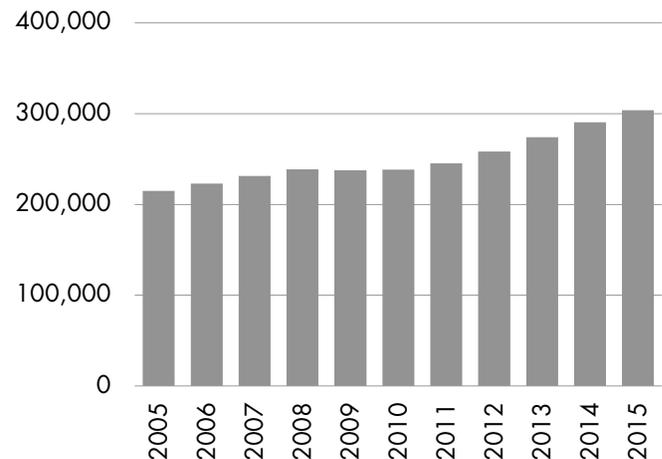


FIGURE 32. US EMPLOYMENT



Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

SECTOR COMPONENT EMPLOYMENT TRENDS

FIGURE 33. SECTOR COMPONENT EMPLOYMENT TRENDS: CRAFT BEVERAGES

NAICS	Description	Klickitat County		Mid-Columbia EDD		Washington		US	
		2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05
312120	Breweries	50	897%	255	237%	1,591	232%	48,959	83%
312130	Wineries	93	108%	253	279%	3,444	147%	57,810	65%
312140	Distilleries	0	—	77	154%	166	1494%	11,226	58%
424810	Beer and Ale Merchant Wholesalers	<10	0%	16	-26%	3,479	113%	107,774	23%
424820	Wine and Distilled Alcoholic Beverage Merchant Wholesalers	0	—	20	294%	1,519	38%	82,204	40%

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

INDUSTRY INTELLIGENCE & RESOURCES

CRAFT BEVERAGES		
TRADE ASSOCIATIONS		
Washington State Brewers Guild		www.washingtonbrewersguild.org/
Washington Beer & Wine Distributors Association		www.wbwwa.com/
Northwest Cider Association		www.nwcider.com/
American Society of Brewing Chemists		www.asbcnet.org/
Brewers Association		www.brewersassociation.org/
Master Brewers Association of the Americas		www.mbaa.com/
Hop Growers of America		www.usahops.org/
Pink Boots Society		www.pinkbootssociety.org/
National Beer Wholesalers Association		www.nbwa.org/
RELEVANT CONFERENCES/EVENTS		
BC CiderWeek		
15-22 October 2016	Victoria, BC	www.bcciderweek.com/
2016 Winter Beer Fest		
2-3 December 2016	Seattle, WA	www.washingtonbrewersguild.org/
61st Annual American Hop Convention		
17-20 January 2017	Bend, OR	www.usahops.org/index.cfm?fuseaction=news&pageID=16
22nd Rocky Mountain Microbrewing Symposium		
17 February 2017	Colorado Springs, CO	www.uccs.edu/~rmms/
2017 ASBC Annual Meeting		
4-7 June 2017	Fort Myers, FL	www.asbcnet.org/events/
Craft Brewers Conference & BrewExpo America 2017		
10-13 April 2017	Washington, DC	www.craftbrewersconference.com/
2017 Congress of the International Hop Growers Convention IHGC		
30 July-3 August 2017	Yakima, WA	www.hmelj-giz.si/ihgc/act.htm
TRADE PUBLICATIONS		
Journal of the ASBC		www.asbcnet.org/publications/journal/
Beverage Industry		www.bevindustry.com/publications/3
Draft Magazine		draftmag.com/subscribe/
Technical Quarterly		www.mbaa.com/publications/tq/
Wine & Craft Beverage News		wineandcraftbeveragenews.com/
Craft Beer & Brewing Magazine		beerandbrewing.com/
The New Brewer Magazine		www.brewersassociation.org/resources/the-new-brewer/current-issue/

Source: TIP Strategies research

UNMANNED AIRCRAFT SYSTEMS & COMPOSITES

INDUSTRY OVERVIEW

For this analysis, the unmanned aircraft systems & composites industry includes firms engaged in aerospace products and parts manufacturing, related instrument and electronic component manufacturing, composite materials manufacturing, and engineering services (including R&D). As defined, the industry employs nearly 500 workers across 18 establishments in Klickitat County.

WHY KLICKITAT COUNTY?

Business recruitment and expansion efforts should focus on this industry because it represents one of the greatest opportunities to transform Klickitat County’s economy. Unmanned aircraft systems & composites is a high-value, high-wage, capital-intensive industry. Continued growth in this industry will have far-reaching positive impacts on the local economy.

TARGET NICHES

- Unmanned Aircraft Systems
- Aerospace Manufacturers & Suppliers
- Composites
- Aerospace R&D
- Engineering Services

SECTOR COMPONENTS

NAICS	DESCRIPTION
325211	Plastics Material & Resin Mfg.
3261	Plastics Product Mfg.
327120	Clay Building Material & Refractories Mfg.
334419	Other Electronic Component Mfg.
334511	Search, Detection, Navigation, Guidance, Aeronautical, & Nautical System & Instrument Mfg.
334513	Instruments & Related Products Mfg.
334515	Instrument Mfg. for Measuring & Testing Electricity & Electrical Signals
334519	Other Measuring & Control Device Mfg.
3364	Aerospace Product & Parts Mfg.
541330	Engineering Services
541712	R&D in the Physical, Engineering, & Life Sciences (except Biotechnology)

SECTOR SNAPSHOT (2015)

US	
Total Employment:	2,881,178
Total Establishments:	110,131
Avg. Annual Earnings:	\$104,671
WASHINGTON	
Total Employment:	149,782
LQ:	2.29
Total Establishments:	2,737
Avg. Annual Earnings:	\$118,456
MID-COLUMBIA ECONOMIC DEV. DISTRICT	
Total Employment:	944
LQ:	1.31
Total Establishments:	51
Avg. Annual Earnings:	\$112,606
KLICKITAT COUNTY	
Total Employment:	555
LQ:	3.72
Total Establishments:	18
Avg. Annual Earnings:	\$111,643

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

UNMANNED AIRCRAFT SYSTEMS & COMPOSITES EMPLOYMENT TRENDS

FIGURE 34. KLICKITAT COUNTY EMPLOYMENT

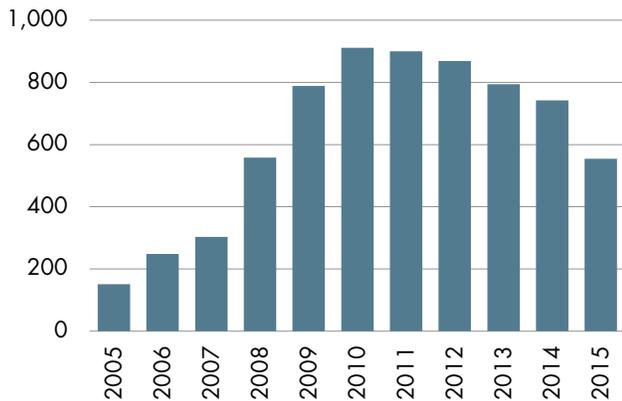


FIGURE 35. MID-COLUMBIA EDD EMPLOYMENT

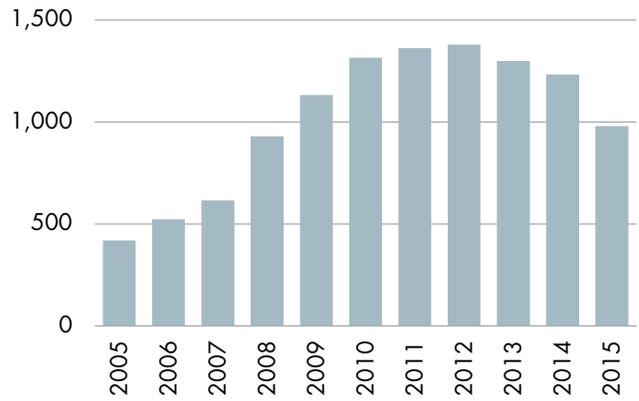


FIGURE 36. WASHINGTON EMPLOYMENT

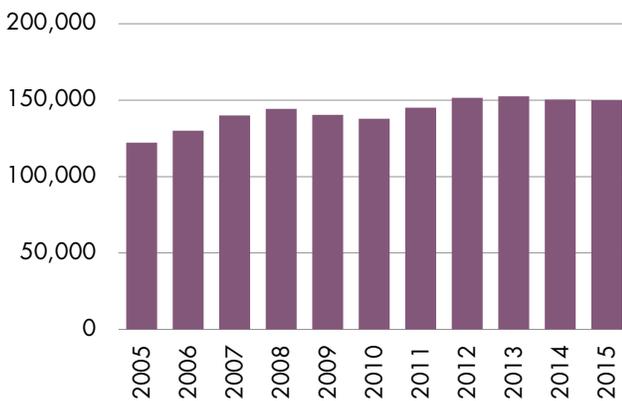
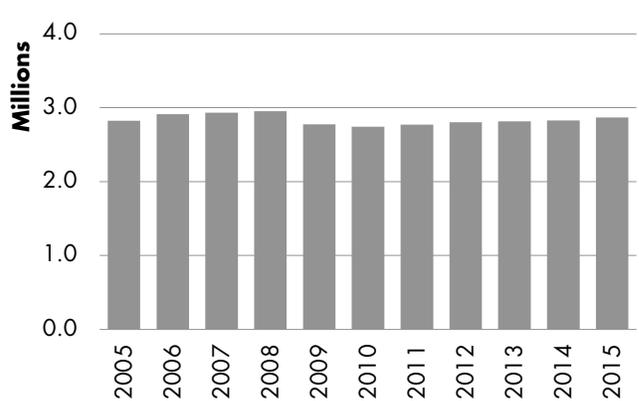


FIGURE 37. US EMPLOYMENT



Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

SECTOR COMPONENT EMPLOYMENT TRENDS

FIGURE 38. SECTOR COMPONENT EMPLOYMENT TRENDS: UAS & COMPOSITES

NAICS	Description	Klickitat County		Mid-Columbia EDD		Washington		US	
		2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05
325211	Plastics Material & Resin Mfg.	0	—	0	—	627	82%	57,744	-4%
3261	Plastics Product Mfg.	119	1080%	164	16%	8,281	-14%	555,137	-12%
327120	Clay Building Material & Refractories Mfg.	0	—	0	—	198	-37%	23,984	-34%
334419	Other Electronic Component Mfg.	77	249%	111	142%	2,685	32%	65,487	-11%
334511	Search, Detection, Nav. Aeronautical & Nautical System & Instruments	16	—	33	568%	1,804	-10%	124,713	-20%
334513	Instruments & Related Products Mfg.	<10	—	<10	—	807	29%	63,888	7%
334515	Instrument Mfg. for Measuring & Testing Electricity & Electrical Signals	0	—	0	—	2,092	-10%	37,681	-23%
334519	Other Measuring & Control Device Mfg.	0	—	0	—	739	-11%	37,449	4%
3364	Aerospace Product & Parts Mfg.	134	2588%	138	2662%	93,862	43%	490,571	8%
541330	Engineering Services	56	168%	434	253%	25,269	10%	974,122	12%
541712	R&D in the Physical, Engineering, & Life Sciences (except Biotechnology)	147	59%	58	-42%	13,419	-12%	450,403	15%

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

INDUSTRY INTELLIGENCE & RESOURCES

UNMANNED AIRCRAFT SYSTEMS & COMPOSITES		
TRADE ASSOCIATIONS		
Aerospace Industries Association		www.aia-aerospace.org/
Aircraft Electronics Association		www.aea.net/
American Institute of Aeronautics and Astronautics		www.aiaa.org/
Aviation Suppliers Association		www.aviationsuppliers.org/
Aviation Distributors and Manufacturers Association		www.adma.org/
General Aviation Manufacturers Association		www.gama.aero/
National Aeronautics Association		naa.aero/
Association for Unmanned Vehicle Systems International		www.uvsi.org/
Unmanned Aerial Vehicle Systems Association (UAVSA)		www.uavs.org/
ASTM International		www.astm.org/
Association of Commercial Unmanned Aircraft Systems		www.acuas.org/
RELEVANT CONFERENCES/EVENTS		
Commercial UAV EXPO		
31 Oct-2 Nov 2016	Las Vegas, NV	www.expouav.com/
Drone World Expo		
15-16 November 2016	San Jose, CA	www.droneworldexpo.com/
International Drone Expo & Business Conference		
9-10 December 2016	Los Angeles, CA	www.internationaldroneexpo.com/
AIAA Science and Technology Forum and Exposition (SciTech 2017)		
9-13 January 2017	Grapevine, TX	www.aiaa-scitech.org/
AUVSI's XPONENTIAL 2017		
8-11 May 2017	Dallas, TX	www.xponential.org/xponential2017/
ICUAS'17: The 2017 International Conference on Unmanned Aircraft Systems		
13-16 June 2017	Miami, FL	www.uasconferences.com/
TRADE PUBLICATIONS		
Aerospace America		www.aiaa.org/aerospaceamerica/
AIAA Journal		arc.aiaa.org/loi/aiaaj
UAS Magazine		www.uasmagazine.com/
UAV Expert News		www.uavexpertnews.com/
Unmanned Systems		www.unmannedsystemsmagazine.org/
Inside Unmanned Systems		insideunmannedsystems.com/
Materials Performance and Characterization		www.astm.org/DIGITAL_LIBRARY/JOURNALS/MPC/index.html

Source: TIP Strategies research

NATURAL RESOURCES & CLEAN TECHNOLOGY

INDUSTRY OVERVIEW

The natural resources & clean technology industry includes forestry and logging, support activities for forestry, wood product manufacturing, clean energy power generation (hydro, solar, wind, geothermal, and biomass), electric power transmission and distribution, natural gas distribution, and utility systems construction. This industry accounts for more than 600 jobs across 32 establishments in Klickitat County.

WHY KLICKITAT COUNTY?

Forestry and wood product manufacturing are a large and growing part of the local economy in Klickitat County. This is not likely to change. From 2005 to 2015, local employment in this industry grew by more than 15 percent, while it declined by 6 percent at the national level. Klickitat County benefits from competitive advantages that can lead to additional job growth and investment, not only in forestry and wood products, but also in a range of clean technology sectors, including wind, solar, and biomass and hydroelectricity.

TARGET NICHES

- Sustainable Forestry
- Emerging Timber Technologies
- Wind Energy Production
- Solar Energy Production
- Biomass
- Hydroelectricity

SECTOR COMPONENTS

NAICS	DESCRIPTION
113	Forestry and Logging
1153	Support Activities for Forestry
221111	Hydroelectric Power Generation
221114	Solar Electric Power Generation
221115	Wind Electric Power Generation
221116	Geothermal Electric Power Generation
221117	Biomass Electric Power Generation
22112	Electric Power Transmission, Control, and Distribution
2212	Natural Gas Distribution
2371	Utility System Construction
321	Wood Product Manufacturing

SECTOR SNAPSHOT (2015)

US	
Total Employment:	1,359,648
Total Establishments:	61,002
Avg. Annual Earnings:	\$84,745
WASHINGTON	
Total Employment:	32,280
LQ:	1.05
Total Establishments:	1,746
Avg. Annual Earnings:	\$76,822
MID-COLUMBIA ECONOMIC DEV. DISTRICT	
Total Employment:	1,226
LQ:	3.60
Total Establishments:	72
Avg. Annual Earnings:	\$63,141
KLICKITAT COUNTY	
Total Employment:	721
LQ:	10.26
Total Establishments:	32
Avg. Annual Earnings:	\$63,821

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

NATURAL RESOURCES & CLEAN ENERGY EMPLOYMENT TRENDS

FIGURE 39. KLICKITAT COUNTY EMPLOYMENT

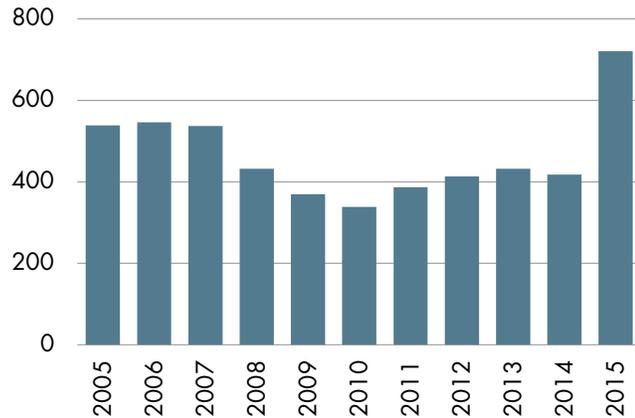


FIGURE 40. MID-COLUMBIA EDD EMPLOYMENT

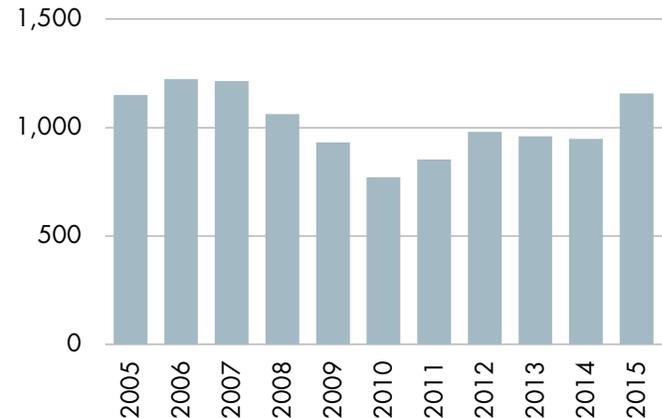


FIGURE 41. WASHINGTON EMPLOYMENT

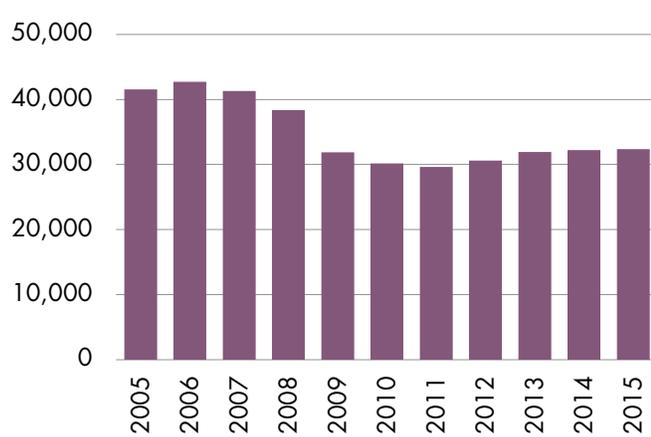
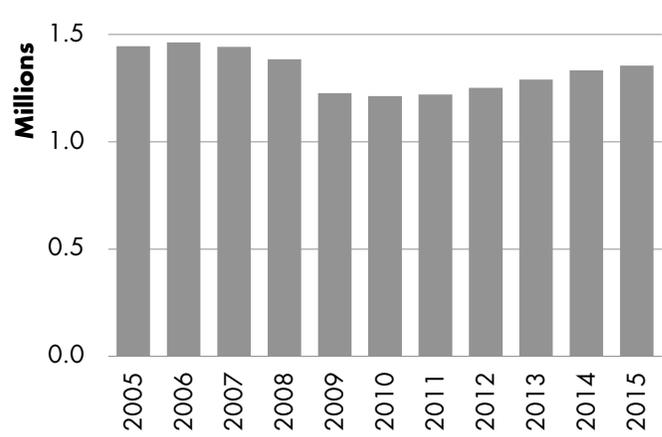


FIGURE 42. US EMPLOYMENT



Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

SECTOR COMPONENT EMPLOYMENT TRENDS

FIGURE 43. SECTOR COMPONENT EMPLOYMENT TRENDS: NATURAL RESOURCES & CLEAN ENERGY

NAICS	Description	Klickitat County		Mid-Columbia EDD		Washington		US	
		2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05
113	Forestry and Logging	150	-14%	262	-16%	4,876	-26%	81,862	-22%
1153	Support Activities for Forestry	12	-72%	28	-44%	1,362	-14%	18,842	-4%
221111	Hydroelectric Power Generation	0	-100%	0	-100%	94	-60%	5,647	-87%
221114	Solar Electric Power Generation	0	—	0	—	31	-33%	2,141	62%
221115	Wind Electric Power Generation	<10	-59%	<10	-59%	49	42%	4,322	10%
221116	Geothermal Electric Power Generation	0	—	0	—	0	—	1,107	65%
221117	Biomass Electric Power Generation	0	—	0	—	20	310%	1,621	-13%
22112	Electric Power Transmission, Control, & Dist.	13	-6%	64	79%	2,361	33%	235,044	46%
2212	Natural Gas Distribution	14	6%	30	34%	1,142	-7%	112,326	5%
2371	Utility System Construction	37	92%	98	133%	8,652	-11%	499,088	19%
321	Wood Product Manufacturing	490	90%	739	10%	13,695	-33%	397,648	-32%

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

INDUSTRY INTELLIGENCE & RESOURCES

NATURAL RESOURCES & CLEAN ENERGY		
TRADE ASSOCIATIONS		
Washington Forest Protection Association		www.wfpa.org/
APA- The Engineered Wood Association		www.apawood.org/
American Wind Energy Association		www.awea.org/
American Solar Energy Society		www.ases.org/
Solar Energy Industries Association		www.seia.org/
Clean Technology and Sustainable Industries Organization		www.ct-si.org/
Clean Technology Trade Alliance		www.cleantechtradealliance.org/
American Council on Renewable Energy		www.acore.org/
Energy Technology and Environmental Business Association		eteba.org/
American Wood Council		www.awc.org/
Forest Products Society		www.forestprod.org/
Biomass Power Association		www.usabiomass.org/
RELEVANT CONFERENCES/EVENTS		
4th International Conference on Process Technologies for the Forest & Biobased Products Industries		
25-26 October 2016	St. Simons, GA	www.forestprod.org/technology/
AWEA Wind Energy Fall Symposium 2016		
15-17 November 2016	San Antonio, TX	www.awea.org/events/eventv2.aspx?eventid=41842
U.S. Energy Storage Summit 2016		
7-8 December 2016	San Francisco, CA	www.greentechmedia.com/events/live/u.s.-energy-storage-summit-2016
Renewable Energy World International		
13-15 December 2016	Orlando, FL	www.rewintl.com/
Biomass Conference & Expo		
10-12 April 2017	Minneapolis, MN	www.biomassconference.com/
Intersolar North America		
11-13 July 2017	San Francisco, CA	www.intersolar.us/
Solar Power International		
10-13 September 2017	Las Vegas, NV	www.solarpowerinternational.com/
TRADE PUBLICATIONS		
Renewable Energy Magazine		www.renewableenergymagazine.com/
Solar Today		solartoday.org/
Biomass Magazine		www.biomassmagazine.com/
Engineered Wood Journal		www.engineeredwood.org/engineered-wood-journal-1
Wind Power Monthly		www.windpowermonthly.com/

Source: TIP Strategies research

SPORTING GOODS & OUTDOOR RECREATION

INDUSTRY OVERVIEW

The sporting goods and outdoor recreation industry includes companies involved in the production and distribution of recreational and outdoor equipment. For the purposes of this analysis, select recreation and lodging activities that are closely associated with outdoor recreation are included.

WHY KLICKITAT COUNTY?

Klickitat County has numerous assets that make sporting goods and outdoor recreation a logical target industry, most notably the Columbia River, the mountains, and hike-bike trails. In addition to the natural and scenic amenities, the area contains a growing set of cultural amenities centered on the county’s largest towns (White Salmon-Bingen and Goldendale). Moreover, Klickitat County has a significant opportunity to leverage its outdoor recreation assets to become a center for the production of related products, similar to the manner that Portland and Seattle have developed companies and industries around sports and outdoor activities. For instance, Portland is a national leader in sporting and athletic goods manufacturing, largely driven by the Nike global headquarters. Hood River has also taken advantage of its natural amenities to create economic growth through its status as the “wind surfing capital of the US”. There is no reason why Klickitat County should not enjoy similar successes.

TARGET NICHES

- Sporting Goods & Outdoor Equipment
- Recreational Apparel & Gear
- Adventure & Extreme Sports Tourism

SECTOR COMPONENTS

NAICS	DESCRIPTION
339920	Sporting and Athletic Goods Manufacturing
423910	Sporting and Recreational Goods and Supplies Merchant Wholesalers
451110	Sporting Goods Stores
487210	Scenic and Sightseeing Transportation, Water
713990	All Other Amusement and Recreation Industries (<i>includes outdoor adventure operations</i>)
721211	RV (Recreational Vehicle) Parks and Campgrounds

SECTOR SNAPSHOT (2015)

US	
Total Employment:	665,593
Total Establishments:	56,492
Avg. Annual Earnings:	\$31,913
WASHINGTON	
Total Employment:	20,308
LQ:	1.35
Total Establishments:	1,703
Avg. Annual Earnings:	\$35,960
MID-COLUMBIA ECONOMIC DEV. DISTRICT	
Total Employment:	565
LQ:	3.39
Total Establishments:	61
Avg. Annual Earnings:	\$38,568
KLICKITAT COUNTY	
Total Employment:	105
LQ:	3.04
Total Establishments:	11
Avg. Annual Earnings:	\$21,024

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

SPORTING GOODS & OUTDOOR RECREATION EMPLOYMENT TRENDS

FIGURE 44. KLICKITAT COUNTY EMPLOYMENT

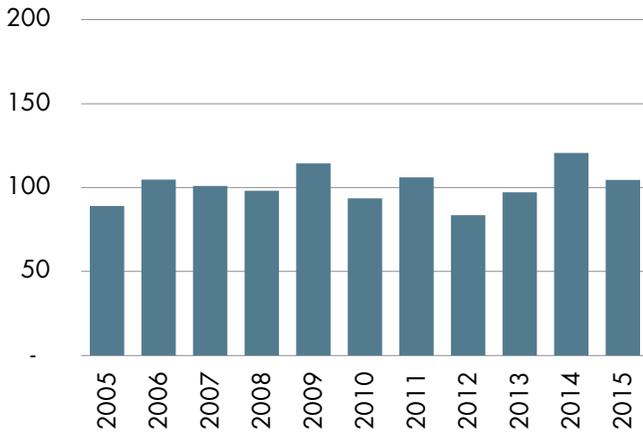


FIGURE 45. MID-COLUMBIA EDD EMPLOYMENT

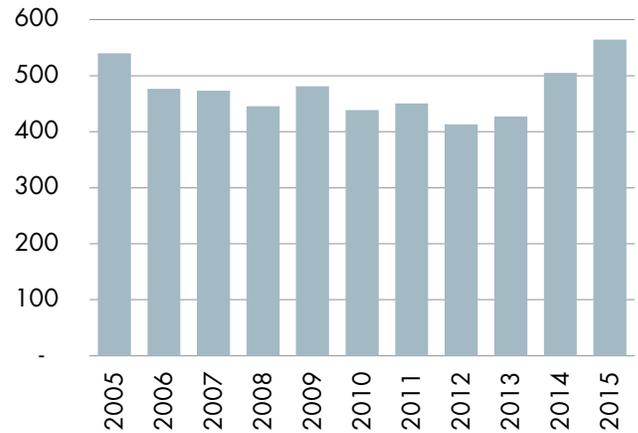


FIGURE 46. WASHINGTON EMPLOYMENT

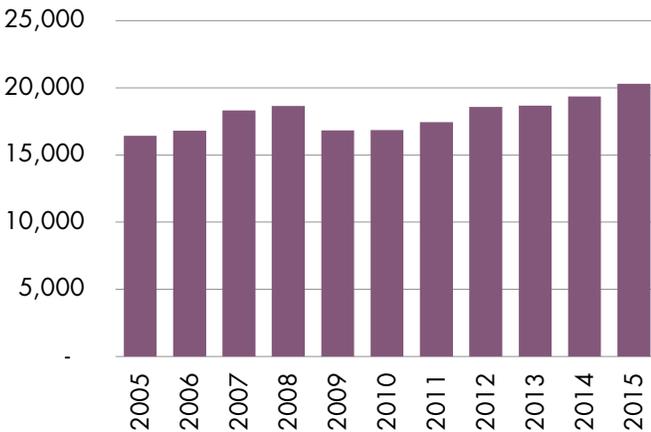
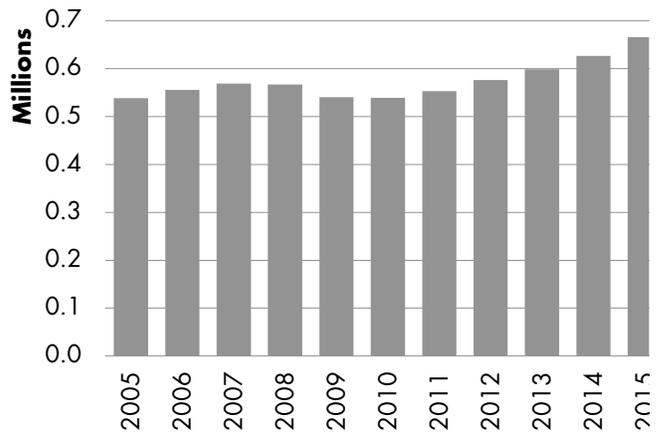


FIGURE 47. US EMPLOYMENT



Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

SECTOR COMPONENT EMPLOYMENT TRENDS

FIGURE 48. SECTOR COMPONENT EMPLOYMENT TRENDS: SPORTING GOODS & OUTDOOR REC.

NAICS Code	Description	Klickitat County		Mid-Columbia EDD		Washington		US	
		2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05	2015 Jobs	% chg since '05
339920	Sporting and Athletic Goods Manufacturing	<10	0%	148	-46%	2,542	-3%	49,245	-18%
423910	Sporting and Recreational Goods and Supplies Merchant Wholesalers	25	-34%	56	9%	1,724	14%	54,495	9%
451110	Sporting Goods Stores	<10	0%	127	18%	8,334	20%	319,958	34%
487210	Scenic and Sightseeing Transportation, Water	<10	0%	14	189%	648	17%	17,680	-1%
713990	All Other Amusement and Recreation Industries	60	92%	159	79%	6,106	57%	194,337	34%
721211	RV (Recreational Vehicle) Parks and Campgrounds	<10	0%	61	360%	954	2%	29,878	10%

Source: EMSI 2016.4 – QCEW Employees, Non-QCEW Employees, and Self-Employed

INDUSTRY INTELLIGENCE & RESOURCES

SPORTING GOODS & OUTDOOR RECREATION		
TRADE ASSOCIATIONS		
Outdoor Industry Association		outdoorindustry.org/
Sports & Fitness Industry Association		www.sfia.org/
America Outdoors Association		www.americaoutdoors.org/
Washington Tourism Alliance		watourismalliance.com/
Washington State Destination Marketing Organizations Association		wsdmo.org/
Washington Recreation & Park Association		www.wrpatoday.org/
Big Tent Outdoor Recreation Coalition		bigtentcoalition.info/
Recreation Northwest		www.recreationnorthwest.org/
Washington Trails Association		www.wta.org/
RELEVANT CONFERENCES/EVENTS		
2016 Washington Tourism Summit		
14 October 2016	Seattle, WA	watourismalliance.com/category/tourism-summit/
AOA Outfitter Expo Trade Show		
30 Nov-2 Dec 2016	Daytona Beach, FL	www.americaoutdoors.org/outfitter/confluence.php
Outdoor Retailer Winter Market		
10-12 January 2017	Salt Lake City, UT	www.outdoorretailer.com/winter-market/index.shtml
Big Tent's 2017 Rally Day		
15 February 2017	Olympia, WA	bigtentcoalition.info/2017-Rally-Day
Recreation Northwest EXPO		
24-26 February 2017	Bellingham, WA	www.recreationnorthwest.org/events/recreation-northwest-expo/
TRADE PUBLICATIONS		
Outdoor Retailer Magazine		www.outdoorretailer.com/magazine/magazine.shtml
OutdoorsNW Magazine		outdoorsnw.com/
Washington Trails Magazine		www.wta.org/hiking-info/magazine
Inside Outdoor Magazine		insideoutdoor.com/
Northwest Travel Magazine		nwtravelmag.com/

Source: TIP Strategies research

APPENDIX 4. KLICKITAT COUNTY PROJECT LIST

PROJECT SPONSOR	PROJECT	TOTAL COST
City of Bingen	BINGEN COMMUNITY CENTER City of Bingen seeks to build a locally prioritized community center facility adjacent to Daubenspeck Park.	\$4 M
City of Goldendale	AIRPORT STREET ACCESS Goldendale Municipal Airport Industrial Park and access street from 142nd to airport (and entrance).	TBD
City of Goldendale	CITY LANDSCAPING Full landscaping at three city entrances.	\$120,000
City of Goldendale	MUNICIPAL AIRPORT IMPROVEMENTS The Municipal Airport is in need of a card-lock fueling system to improve the usability of the airport.	\$250,000
City of Goldendale	OBSERVATORY HILL INFRASTRUCTURE Water and sewer service to Observatory Hill.	\$400,000
City of Goldendale	PUBLIC SAFETY Install pedestrian crossing warning lights with timed push-button activation to assist citizens crossing busier streets (4 on Columbus Ave and 2 on Broadway St/US 142.)	TBD
City of White Salmon	BUCK CREEK TREATMENT PLANT WATER DISTRIBUTION LINE REPLACEMENT This is the main water source for the area and it is deteriorating beyond repair. Four miles of pipe replacement is required.	\$1.5 M
City of White Salmon	NW SPRING STREET RECONSTRUCTION This road is a substandard arterial (currently owned by County and City) with safety issues. The replacement project improvements would span from Country View to Main St./Loop Rd. and include sidewalks for safe pedestrian use.	\$5 M
City of White Salmon	SLOW SAND FILTER WATER SYSTEM Currently, the White Salmon water district serves a 30 percent of county residents. A new water system would add capacity to accommodate future growth.	\$8.5 M
City of White Salmon	WATER MAIN REPLACEMENT This new infrastructure would add capacity to the cities of White Salmon, Bingen and Port District for further growth while replacing failing infrastructure. In addition, it will improve badly needed fire hydrant flow in the hospital district. This is located on highway 141 from Garfield to Bingen city limits.	\$3 M
Columbia Gorge Regional Airport	AIRPORT TERMINAL BUILDING DESIGN Klickitat County is seeking funding for design/engineering as the first phase in development of a modern facility to replace the aging Columbia Gorge Regional Airport Terminal Building in Dallesport.	\$150,000
Columbia Gorge Regional Airport	CONSTRUCTION OF AIRCRAFT DE-ICING AREA Airport is seeking funding to construct a de-icing area for planes, and to properly dispose of de-icing liquid. This will result in an increase in air traffic, value, and usefulness in winter months.	\$400,000

PROJECT SPONSOR	PROJECT	TOTAL COST
Columbia Gorge Regional Airport	PRODUCTION FACILITY Airport seeks to build, then lease, a 20,000 sq. ft. facility that would house production for a business expansion in the airport business park.	\$1.2 M
Columbia Gorge Regional Airport	RUNWAY LENGTHENING PROJECT Airport seeks \$4 million to lengthen existing primary runway to 5,500 ft. to accommodate increased volume of larger aircraft.	\$4 M
Fire District #6	FIRE DISTRICT #6 The Dallesport Fire Department is seeking help in locating funds for a new fire station to be located at the Columbia Gorge Regional Airport.	\$2 M
Klickitat County	BROADBAND Broadband access is critical to business development in Klickitat County, however, access is not available in many rural parts of the county. Significant barriers such as dispersed population and challenging terrain make this infrastructure investment costly. Working with communities, local ISP's, County staff, and MCEDD, Klickitat County, seek to identify and implement opportunities to improve access in communities throughout the county.	TBD
Klickitat County	JOHN DAY POOL PUMPED STORAGE HYDRO Resolve Brownfield and environmental study issues.	\$1.1 M
Klickitat County	PETERSON STREET IMPROVEMENT Klickitat County is seeking funding to help construct a paved road to mitigate safety/traffic issues related to the transportation of farm-to-market goods.	\$1.2 M
Klickitat PUD	NATURAL GAS FACILITY The PUD is pursuing a new facility for its landfill natural gas plant in Roosevelt. The facility would process methane coming from the landfill.	\$35 M
Port of Hood River	HOOD RIVER BRIDGE REPLACEMENT Final EIS: Matching funding to support completion of an Environmental Impact Statement for a new Hood River White Salmon interstate bridge. The EIS is a vital step in the process of securing a replacement bridge, a critical transportation facility in the Mid-Columbia Region.	\$500,000
Port of Hood River	HOOD RIVER BRIDGE REPLACEMENT Replace the Hood River Bridge, which connects Washington to Oregon.	\$210 M
Port of Klickitat	BINGEN POINT FLEX BUILDING Port of Klickitat seeks \$1.4 million of \$2.9 million needed to construct a 15,000 sq. ft. flex building at Bingen Point.	\$2.9 M
Port of Klickitat	DIP CORNERSTONE BUILDING Port of Klickitat seeks \$1.8 million of \$3.3 million needed to construct an ~20,000 sq. ft. light industrial building at the Port's Dallesport location.	\$3.3 M
Port of Klickitat	MAPLE STREET PROJECT Construct street and public utility improvements for targeted properties at Bingen Point Business Park.	\$1.8 M