




SUMMARY **Columbia Gorge** **Economic** **Development** **Strategy**

Find the full plan at mcedd.org



Hood River, Klickitat, Sherman, Skamania and Wasco counties

VISION

The region envisions a thriving economy supporting diverse business opportunities that act in harmony with the area's rural qualities, values and natural resources.



INTRODUCTION

What is the Strategy?

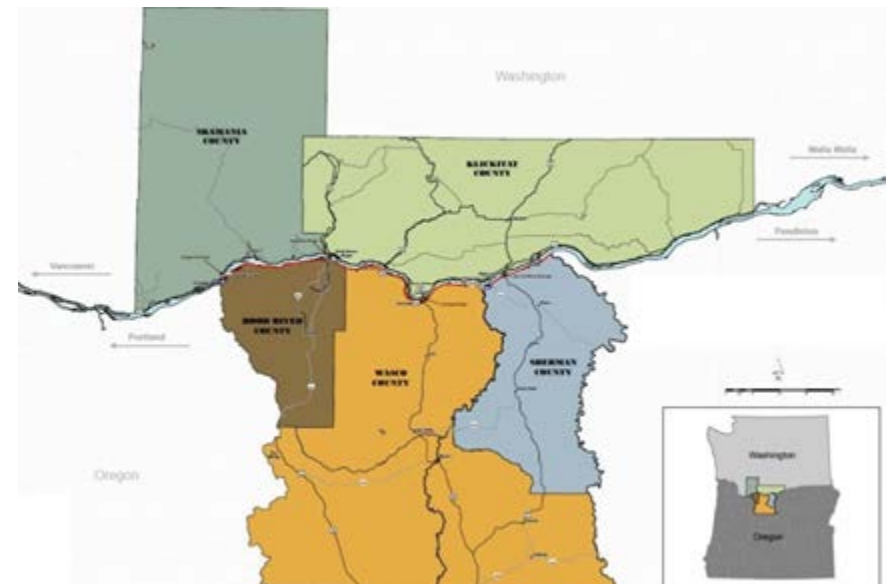
Every five years the region develops the comprehensive economic development strategy as a guide to understanding the regional economy and crafting goals, strategies and actions to create jobs, raise income levels, diversify the economy, and improve the quality of life.

The plan is compiled by Mid-Columbia Economic Development District (MCEDD) and follows the guidelines released by the US Economic Development Administration. The strategy is developed by a diverse workgroup of local representatives from private, public, and nonprofit sectors.

This document is only the brief summary of the strategy for **2017-2022**. The full strategy, which also includes data/demographic analysis, action plans and the evaluation framework, can be found online at www.mcedd.org.

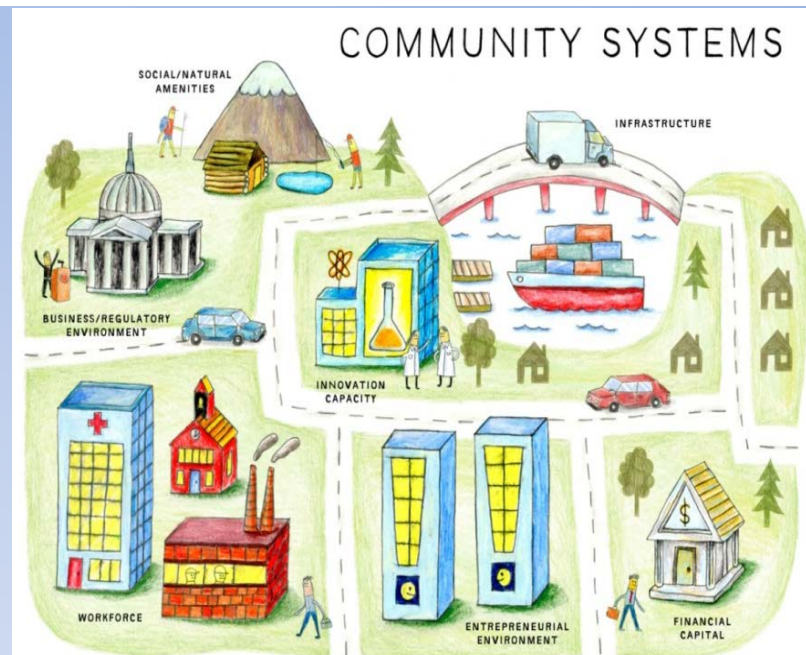
Geography

The region covered under this strategy includes Skamania and Klickitat counties in Washington and Hood River, Wasco, and Sherman counties in Oregon. The region constitutes an area of 7,289 square miles and encompasses parts of the Columbia River Gorge National Scenic Area.



PRIORITY STRATEGIES/ACTIONS

- Housing
- Financial Capital and Entrepreneurial Environment
- Workforce
- Infrastructure
- Regulatory Environment



The action plan is based on a community systems premise that all elements are inter-connected. Goals include:

- **Infrastructure (Housing, Water/Wastewater, Transportation, Broadband):** "Plan for, maintain and re-invest in infrastructure, including attainable housing, to provide for current population demands and support future economic development opportunities."
- **Financial Capital & Entrepreneurial Environment:** "Enhance the retention and expansion of business in the region, coordinating resources to diversify the economy and create sustainable quality jobs."
- **Workforce:** "Nurture, educate, attract and maintain a regional workforce that is career trained and work ready."
- **Innovation Capacity:** "Identify, utilize and expand innovation capacity to benefit the region."
- **Social/Natural Amenities:** "Build upon existing alliances and efforts to encourage stewardship, healthy communities and a quality of life that recognizes our sense of place and unique environment."

SWOT Analysis

Strengths Weaknesses Opportunities and Threats

MCEDD conducted a SWOT analysis in partnership with private industry representatives, local government staff, elected officials, community members, and other stakeholders. The analysis helped guide the identification of regional priorities.

S trengths	W eaknesses	O pportunities	T hreats
Scenic Beauty, Recreation, Brand and Tourism Industry	Insufficient Housing Stock	Growth of Value-Added Ag and Ag Tech Businesses	Housing Shortage Impacts
Central Location	Education, Skilled Workforce	Expanding Tourism	Education Quality/ Opportunity and Workforce
Regional Collaboration	Transportation Infrastructure Capacity and Mobility Gaps	Synergy Across State Lines	Regulatory Restrictions and Burdens
Availability of Transportation Systems/Modes	Regulatory Environment	High Tech; Unmanned Systems	Impacts of Continued Population Growth
Natural Resources and Climate	Utility Limitations and Gaps in Broadband Capacity	Leverage Natural Assets: Fishing, Energy, Wood/Forest Products	Natural Disasters/Hazards
Culture	Disparities Between State funding and regulations	Connectivity	Water Access, Regulations
Diverse Industry Sectors and Growing Business Sectors	Aging Population	Focus on Local	Infrastructure Limitations
Human Capital and Entrepreneurial Spirit	Lack of Business Expansion Space	Address Public Transportation	Loss of Any Major Employer; Concentration Risk
Infrastructure	High Poverty Rate/Economic Disparity	Business/Talent Attraction	Declining funding



ATTAINABLE HOUSING

Overview

Attainable housing is one of the region's primary economic development barriers. Housing is both a quality of life and an economic issue. The shortage of quality housing is a deterrent to businesses, particularly those of any size, which seek to employ a local workforce.

- **Availability and affordability.** Communities need adequate housing for residents of all ages and all income levels. Workforce housing options within reasonable commuting distances are required to support the employees of businesses expanding in the region. Addressing the housing affordability gap is a key concern as the cost for housing has increased more rapidly than wages.
 - Steep **rises in land costs** and Urban Growth Boundaries limit what is available for housing.
 - Dwindling **supplies** of available land and housing units constrain opportunities for residents.
 - **Vacation and short-term rentals** contribute to the economy, but also create market pressures that deplete attainable housing.
- **Housing stock quality.** Overall, the housing stock in the region is older than either that of the US or states.
- **Impact to Business.** With key large employers expressing concern about their ability to attract and retain a local workforce, this is a critical issue to address in order to secure the opportunity for continued economic prosperity.

Top Three Priorities

- Advocate for funding programs supporting attainable housing.
- Seek resources to provide technical assistance and planning for housing development.
- Increase awareness of regional housing constraints.



FINANCIAL CAPITAL/ENTREPRENEURIAL ENVIRONMENT

Target Sectors

The region seeks to capitalize on opportunities in six strong regional industry sectors:

High Tech: *Unmanned Systems*

The sector includes a focus on unmanned systems as the region is a national leading hub, driven by a local industry heavy-weight and deep breadth in the local supply chain.

Manufacturing: *Fermentation Science, Value Added*

Manufacturing cuts across multiple related sectors. The sector focus subset ties directly to opportunities with our agriculture base and with growth in fermentation sciences.

Healthcare

The region has invested heavily in healthcare from our major hospitals to a number of independent practitioners.

Renewable Energy

The region is already an important center of renewable energy production by virtue of the hydropower facilities along the Columbia River and extensive investment into wind development.

Forest/Wood Products

While the sector has been in decline, innovation processing, new products and utilization of byproducts industry will drive growth of this sector.

Art/Culture/Tourism/Recreation

Tourism is a primary industry sector by virtue of the number of jobs it provides, but it does not yet meet wage goals. This sector encompasses initiatives to invest in the quality of tourism venues and visitor infrastructure and to ensure that trained workers are available in the field.

Priorities

- Target industry sector growth in the six key sectors identified.
- Increase business mentorship and support resources and programs.
- Enhance regional information resources, including business siting guides



WORKFORCE

Overview

The region recognizes the critical role of a qualified workforce in addressing sustained economic growth of the region.

Needs include:

- **Pre K-12 Support:** The pre K-12 system in the region is the primary provider for basic skills development. Most school districts have struggled in the past few years to maintain vibrancy during state and federal budget cuts.
- **Higher Education:** Local community colleges are responsive to industry's needs with cornerstone programs which have supported the region's economic development initiatives such as CGCC's Nursing and Renewable Energy Technology training.
- **Basic Skills Training:** With a constantly evolving economy, talent in the region must be able to rapidly adjust to new occupations using transferable skills sets. The region seeks to match the needs of business with skills trainings.
- **Quality Workplaces:** With a very low regional unemployment rate, the tight labor market is creating competition for qualified workers. Thus, quality of the workplace becomes paramount.
- **Bi-State Workforce:** As a bi-state area, we share a common workforce and require collective training opportunities and a regional system in Oregon and Washington.

Priorities

- Increase skill level. Focus on programs tied to key industry sectors (such as the food/beverage at Columbia Gorge Community College).
- Develop more paid internship opportunities.
- Enhance regional participation on workforce investment boards.



INFRASTRUCTURE

Water/Wastewater

While some jurisdictions have sufficient infrastructure to meet current demand and future needs, many of the water and wastewater treatment facilities in the region are aging, exceeding capacity or dealing with compliance issues. Our expanding economy continues to place strains on this critical infrastructure and drives demands for well-functioning systems. In addition, increasingly we are faced with water access, storage and groundwater concerns.

Priorities

- Inventory water and wastewater systems to prioritize upgrades to and invest in key systems.
- Further our innovative approaches, practices and products to address water conservation.
- Address water resource concerns, including declining aquifers.

Transportation

Location advantages support trade within and outside the region, offering options for expanded export opportunities. The region has a distinct geographic advantage in being centrally located in the Pacific Northwest. While market access and the mix of transportation modes available for the movement of goods and people are a distinct asset to the region, maintaining that infrastructure, and expanding it to meet growing industry and population needs, is a challenge.

Priorities:

- Coordinate transportation investments: County/City road maintenance and funding, Interstates and Highways, bridges, expanded Columbia Gorge Regional Airport runways and facilities.
- Enhance safety of the transportation network.
- Provide a coordinated regional public transportation network to serve the needs of a mobile workforce.

Broadband

Broadband is essential to providing economic opportunities throughout the Mid-Columbia region. The region's rural nature and challenging and diverse terrain make building broadband infrastructure extremely costly and nearly impossible for private sector investment alone to meet needs. Enhancing broadband capacity for the region will enhance economic opportunities and support more resilient and networked communities. In addition:

- Improving broadband connection in the region means several things. Building **redundancy** that connects east/west and north/south enables more reliable broadband connections throughout the region in the event of an outage, cable-cut, or natural disaster. This redundancy is a necessary condition for businesses interested in locating or growing in the region. **Increasing speeds** and **decreasing latency** in connections means that they can better support industry growth in the technology sector as well as others, improve telemedicine and distance learning capabilities, and provide more robust use of many other applications for businesses and communities.
- Reaching **key tower sites and facilities** increases service for public safety communications as well as opportunities for private internet and cellular carriers to build upon the backbone investment for additional connectivity;
- **Addressing un/under-served areas** will increase internet access at homes, businesses, and key community anchor institutions.
- Increasing broadband throughout the region means additional **homes** become viable choices for residents that require internet access for their work or businesses at their residences, relieving some housing pressures with adequate broadband access currently.
- Enhanced broadband provides **connection to education and training** opportunities for the growth of a skilled and talented workforce.

Priorities

- Convene the Gorge Broadband Consortium to identify opportunities to expand broadband access points throughout the region; work with ISPs to address middle and last mile gaps and improve speeds.
- Address barriers to efficient broadband expansion, including streamlined permitting.
- Increase awareness and adoption/use of the existing broadband infrastructure.



REGULATORY ENVIRONMENT

Overview

With two states, a National Scenic Area overlay and high percentages of federal land ownership, the level of regulations affecting development activities in the region is a significant concern. All five counties in the Mid-Columbia region have zoning ordinances and land use comprehensive plans. Additional state and federal regulatory agencies also affect development activities in the region, including the U.S. Army Corps of Engineers, the U.S. Bureau of Land Management, the U.S. Environmental Protection Agency, the Oregon Department of Environmental Quality, and the Washington Department of Ecology.

Priorities

- Develop a Regulatory Road Map.
- Facilitate industrial site readiness.
- Support interagency coordination to address multi-layered regulatory issues.

PRIORITY PROJECTS

Prioritization Consideration

- Alignment with Strategy.
- Regional impact.
- Potential availability of funding sources.
- Economic impact.
- Readiness to proceed.
- Alignment with EDA priorities.

Purpose of Prioritization

Prioritization is designed to:

- **Inventory and prioritize** economic development needs and issues;
- **Develop regional consensus** on high priorities;
- **Develop a tool to promote** high priority projects or issues to state and federal funders.

Washington Top Ten Priorities

Rank	Project	Description	Goal Areas Addressed
1	Goldendale Pumped Storage Hydro	Pumped hydro energy storage project. Would provide a range of services to the grid to support reliability and resilience. Techno-economic study funded through DOE.	Entrepreneurial environment (key industry sector).
2	Stevenson Wastewater System	An upgrade to the wastewater treatment plant would address compliance issues and add capacity to accomodate future growth.	Entrepreneurial environment (key industry sector) and infrastructure (wastewater).
3	North Bonneville Substation	Replace an aging substation and upgrade lines to increase capacity and reliability.	Entrepreneurial environment (key industry sector) and Infrastructure (utilities).
4	Buck Creek Water System	Replace aging water line that supplies water from Buck Creek to the City of White Salmon. If it collapsed, it would leave the city without water.	Housing, entrepreneurial environment (key industry sector) and infrastructure (water).

Washington Top Ten Priorities

Rank	Project	Description	Goal Areas Addressed
5	Broadband – Klickitat and Skamania	Implementation of strategies from Stevenson and Goldendale Broadband Action Plans to address needs.	Entrepreneurial environment (key industry sector) and infrastructure (broadband).
6	Columbia Gorge Regional Airport Business Park	Construct production facility for business expansion.	Entrepreneurial environment (key industry sector).
7	Cascades Business Park	Complete Phase 3 improvements to provide the largest contiguous "shovel ready" industrial development site in Skamania County.	Entrepreneurial environment (key industry sector) and regulatory environment .
8	Dallesport Industrial Park (DIP) Improvement Projects	Construct an industrial building at the Dallesport location, move road and bring 13 acres to shovel ready condition.	Entrepreneurial environment (key industry sector).
9	Bingen Point Industrial Park Projects	Three projects including construction of a flex building, property acquisition and improvement, and construction of street and utilities.	Entrepreneurial environment (key industry sector).
10	City of North Bonneville Lift Station Replacement	Replace aging lift station that requires constant maintenance to function.	Infrastructure (wastewater).

Oregon Top Ten Priorities

Rank	Project	Description	Goal Areas Addressed
1	Hood River Interstate Bridge	A new, replacement bridge is needed to improve and ensure multimodal transportation of people and goods across the Columbia River between the communities of Bingen and White Salmon in Washington, and Hood River in Oregon.	Entrepreneurial environment (key industry sector) and infrastructure (transportation).
2	Workforce Housing Projects	<u>Hood River</u> : Engage in projects and feasibility analysis to develop critically needed affordable and workforce housing in the City of Hood River and Hood River County. <u>Sherman</u> : Created incentives to encourage the construction of new rental housing/ rehabilitation of existing housing. The County continues to look for creative ideas that would solve housing issues.	Housing.
3	Treatment of Wastewater	Address processing of waste. Create additional storage to digest sludge composition. Address the Total Maximum Daily Load issues experienced by Odell Sanitary.	Infrastructure (wastewater).
4	Broadband – Sherman and Wasco	<u>Cascadia East Interconnection</u> : Develop an interconnection point East of the Cascades in The Dalles, as well as a connection route east to the next major exchange to provide resiliency in the ability to access the internet in the case of a subduction event. <u>Sherman Fiber</u> : Improve connectivity throughout the County by exploring strategies for improving service outside of the four cities.	Infrastructure (broadband).
5	Dog River Pipeline Upgrade (The Dalles)	Replace existing pipeline, which transports over 50% of the City's water supply and is a deteriorating wooden pipe, with new ductile iron pipe. Capacity will increase from 8 to 17M gallons per day.	Housing, entrepreneurial environment (key industry sector), and infrastructure (water).
6	Cascade Locks Substation	Purchase the existing Bonneville Power Administration substation and expand it to provide for future power needs.	Entrepreneurial environment (key industry sector).
7	Biggs Water System	Design and construction for a municipal water system in Biggs	Infrastructure (water).

Oregon Top Ten Priorities

Rank	Project	Description	Goal Areas Addressed
8	Bridge of the Gods	Complete 15 year maintenance and preservation of the Bridge.	Infrastructure (transportation).
9	Undergrounding Utilities	The City of The Dalles has begun a preliminary analysis into a downtown underground utilities plan that would not only update current infrastructure, but will help pave the way for future development opportunities.	entrepreneurial environment (key industry sector) and infrastructure (utilities).
10	Backup Power/Emergency Generator Purchase and Integration for Primary Municipal Well	The cities of Moro, Rufus and Wasco have identified the need to install an emergency backup generator for their primary municipal wells to ensure clean/adequate water supplies for sanitation and fire suppression efforts during a grid down scenario. This would help to mitigate the hazards associated with grid down events, such as with a wildfire.	Infrastructure and public safety/healthy communities.



515 East Second Street
The Dalles, Oregon 97058
www.mcedd.org