

**COMPREHENSIVE ECONOMIC DEVELOPMENT
STRATEGY
FOR THE
COLUMBIA-PACIFIC REGION**

Prepared by:

Columbia-Pacific Resource Conservation & Economic Development District

Grays Harbor Economic Council

Economic Development Council of Mason County

Pacific County Economic Development Council

Lower Columbia Economic Development Council

May 2005

**Comprehensive Economic Development Strategy for
Columbia-Pacific Resource Conservation & Economic
Development District
(Mason, Grays Harbor, Pacific, and Wahkiakum Counties)**

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PREFACE

This document is a complete revision of the 2004 *Comprehensive Economic Development Strategy for the Columbia-Pacific Region* (CEDS). The CEDS serves as a comprehensive statement of plans for district-wide economic growth and development over the next twenty years. The CEDS is organized to address requirements of the U.S. Economic Development Administration (EDA) consistent with local economic development priorities in Grays Harbor, Mason, Pacific and Wahkiakum Counties.

This revision reflects changes to economic development planning requirements set forth by the Economic Development Administration Reform Act of 1998.

Activities of the four county-wide economic development councils over the last year have been included in this CEDS. Population, housing, agriculture and industry data has also been updated.

Contents of this 2005 CEDS are organized into five major sections:

- I. Organization And Staffing For Economic Development
- II. Analysis: Where Are We?
- III. Vision: Where Do We Want To Be?
- IV. Action Plan: How Do We Get There?
- V. Evaluation: How Are We Doing?

As with previous CEDS documents, this 2005 CEDS has been prepared under the direction of the Columbia-Pacific CEDS Review Committee in conjunction with input from other public and private entities in the region through a public process. Staffing support is provided through the Columbia-Pacific Resource Conservation and Economic Development District (RC&EDD). The Columbia-Pacific Resource Conservation & Economic Development District has approved this CEDS document for submittal to the U.S. Economic Development Administration.

2005 Comprehensive Economic Development Strategy

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SUMMARY

The Columbia-Pacific Economic Development District, comprising Mason, Grays Harbor, Pacific and Wahkiakum Counties and the American Indian reservations within that area, has long been dependent on its wealth of natural resources to support its population. In the 1970s and 1980s, with the onset of technology and more stringent environmental regulations, employment and income in the District dropped dramatically. Also, in the early 1980s, a major source of high-wage employment, the Satsop nuclear power plant, was halted because of bankruptcy. For many years, the economy of the District languished, until efforts to diversify the economy took hold.

In 1998, Columbia-Pacific RC&D became the economic development district organization, focusing primarily on diversifying the economy. Since then, it has been the lead agency in developing an annual comprehensive economic development strategy for the region, forming collaborations to get things accomplished.

Recent Progress

Since the last (2004) CEDS, progress has been made regionally on the Satsop Demonstration Forest and Carbon Sequestration, alternative wastewater treatment, small business assistance and support of entrepreneurs, and building the capacity of community organizations.

In Grays Harbor County, progress was made at the Satsop Development Park, the Port of Grays Harbor, and many of the cities. Infrastructure necessary for development made great strides throughout the county. Investment in the county topped \$1 billion.

In Mason County significant economic development has taken place. The Port of Shelton saw nine new buildings erected and occupied. The Belfair Water District made significant progress this year toward completion of new tanks, well connections and distribution lines. At the Port of Allyn, tourism opportunities have been enhanced by an expanded dock system in Allyn, reconstruction of the North Shore dock and development of a Kayak park.

Pacific County economic development efforts continue to focus largely on activities that support improvements to the county's infrastructure; however, industry cluster development has also continued in 2004-2005. Some very important infrastructure projects showed significant progress or were completed, including improvements at the Port of Ilwaco, a new Long Beach Peninsula Visitors Bureau building, and preparations for the Lewis & Clark Bicentennial commemoration.

In Wahkiakum County recent economic efforts have focused on small business start-ups and expansions, tourism marketing, developing much-needed infrastructure, and renovating old buildings into retail and office spaces. Significant progress has been made in these areas in just one year.

Economic Profile

The most important economic sector of the District is natural resources. Four natural resources related industrial clusters are integral to Columbia-Pacific's economy and way of life: forest products, fishing and related aquaculture (including clams and oysters), agriculture, and food products. Timber harvests have decreased since the 1970s, and forest-products jobs even more dramatically. Nevertheless, because the district is heavily forested, forest products is still the single most important cluster in the District.

Fishing has experienced severe set backs beginning in the mid 1980s as a result of fishing curtailments, declines in salmon and ground fish, and other regulatory issues, all the result of over-fishing prior to that time. Mismanagement of the ground fish fishery led to the over-harvest of several rockfish species, prompting drastic harvest reductions in ground fish generally. Slight increases in the last three years are a sign of improving conditions in the industry, but catches are still well below historical averages and increases are uneven. The aquaculture industry continues to grow, although regulatory issues and an increase in production elsewhere in the country loom as threats.

Agriculture saw a significant increase in the value of products over the last five years, particularly in Mason County, and with the introduction of new products (e.g., nursery, vegetable and dairy specialty products) in Grays Harbor County. Organic farming, which adds value to agricultural products, is growing throughout the District.

High tech industry continues to grow, thanks to the abundant availability of broadband throughout the district. The Columbia-Pacific District is one of the best-wired rural areas in the country.

Tourism continues to grow by leaps and bounds. It is no surprise that visitors enjoy the beautiful and varied recreational activities available, from deep-sea sport fishing to mountaineering. Tourism and vacation homes are a driving force in the economy.

Achieving Goals

Economic development organizations throughout the District are working together to:

- Take immediate action to mitigate effects of declining employment in natural resource-based industries.
- Sustain and diversify the natural resource-based industries for which the Columbia-Pacific district has a competitive advantage and makes our region unique.
- Retain and encourage the expansion of existing businesses, and develop new business taking advantage of local resources.
- Maintain and expand commercial retail and service businesses
- Enhance the availability of education, health, human, and social services throughout the Columbia-Pacific region to help make communities more attractive to business.
- Foster partnerships between organizations, communities and counties of the Columbia-Pacific region, and with state and federal agencies, to effect long-term economic development and diversification.

Regional projects are selected to reach economic development goals. They include meeting clean water requirements affordably, collaboration between agencies, workforce development, support of entrepreneurs, value-added natural resource based products, and building stronger, more livable communities. In addition, each of the four counties within the Columbia-Pacific region has separately identified county-level implementation plan projects.

General Outlook

Overall, although improvements are needed, the District continues to have abundant available natural resources, a ready workforce, and plenty of entrepreneurial spirit. The transportation opportunities that exist (seaports, rail and highways) are being improved. Workforce education is increasing. Community organizations are building their capacity to make their communities better places to live while maintaining a rural quality of life. The economy has stabilized, and is beginning to show visible signs of improvement, due largely to diversification.

The main text below provides more detailed information about the District's resources (natural, human, and capital), recent accomplishments, and economic goals and how to achieve them.

I. ORGANIZING AND STAFFING FOR ECONOMIC DEVELOPMENT

The Columbia-Pacific Comprehensive Economic Development Strategy (CEDS) is a long-term strategic statement of plans for regional economic growth and development over the next twenty years. This 2005 CEDS is organized to reflect local priorities in Grays Harbor, Mason, Pacific, and Wahkiakum Counties and requirements of the U.S. Economic Development Administration (EDA).

The CEDS is prepared as a cooperative venture involving the Columbia-Pacific Resource Conservation & Economic Development District, Grays Harbor Economic Development Council, Economic Development Council of Mason County, Pacific County Economic Development Council, and the Lower Columbia Economic Development Council.

History of Regional Economic Development Planning

The original Overall Economic Development Plan (OEDP) for the Columbia-Pacific Region, prepared in 1994, was intended as an initial comprehensive assessment of the regional economy together with a complete statement of economic development goals and objectives, development strategy, and implementation plan consistent with guidelines of the U.S. Economic Development Administration (EDA). Because of the unique role that this Columbia-Pacific regional planning document plays, both as a framework for local comprehensive planning on a regionally-coordinated basis, and as a means for identifying economic development projects, subsequent OEDP updates and CEDS were more extensive than is typical for many local jurisdictions. Comprehensive OEDP updates were prepared in 1996 and 1997. A complete CEDS has been prepared annually since.

The CEDS is the result of a local planning process designed to guide the economic growth of the Columbia-Pacific district. The purpose is to establish a process that will help create jobs, foster more stable and diversified economies, and improve the economic and environmental well being of residents of our communities. It provides a mechanism for coordinating the efforts of individuals, organizations, local governments, and private industry concerned with economic development. This 2005 CEDS:

- Describes the resources, needs, problems, and potentials of the Columbia-Pacific district;
- Presents the district's vision and goals;
- Sets the strategic direction for an action plan;
- Establishes priority programs and projects for implementation; and
- Outlines the standards for the annual evaluation and update of the process.

CEDS committee representation for each county is constituted in accordance with EDA guidelines. In addition, separate CEDS documents are prepared by the Quinault Indian Nation (Grays Harbor County), Shoalwater Indian Tribe (Pacific County), and the Squaxin Island and Skokomish Indian Tribes (Mason County).

The CEDS Committee

A list follows of Columbia-Pacific RC&EDD board members and the lead economic development organizations that guided the preparation of this CEDS. The RC&EDD Council members also serve as the CEDS Committee in the Columbia-Pacific region. Additional information on the CEDS Committee may be found in Appendix B.

Figure 1. Columbia-Pacific Region CEDS Committee, 2005

Member	Representative
City of Aberdeen	Lisa Scott
City of Cathlamet	
City of Cosmopolis	Loren Williams
City of Hoquiam	Tanya Bowers-Anderson
City of Ilwaco	Ed Leonard
City of Long Beach	Ken Ramsey
City of McCleary	Brian Shay
City of Oakville	Buck Meile
City of Ocean Shores	David Weiser
City of Raymond	Mike Runyon
City of South Bend	Karl Heinicke
City of Westport	Randy Lewis
Coastal Community Action Program	Troy Colley
EDC of Mason County	Matt Matayoshi
Grays Harbor Chamber of Commerce	LeRoy Tipton
Grays Harbor County	Charlie Marr
Grays Harbor EDC	Roger Milliman
Grays Harbor Historical Seaport Authority	Les Bolten
Grays Harbor Public Development Authority	Don Wallace
Lower Columbia EDC	Richard Erickson
Mason County	Linda Ring-Erickson
Mason County Conservation District	Jennifer Eklund
Mason County PUD #3	Joel Myer
Mason County Transit	Connie Behrens
Pacific Conservation District	Mike Johnson
Pacific County	Bud Cuffel
Pacific County EDC	Linda Rotmark
Pacific County Friends of Lewis & Clark	Jim Sayce
Pacific Transit System	Tim Russ
Port of Grays Harbor	Diane Souron
Port of Peninsula	Mary DeLong
Port of Willapa Harbor	Rebecca Chaffee
Quinalt Indian Nation	Max Stocks
Shoalwater Bay Indian Tribe	Steve Spencer
Shorebank Enterprise Group	John Berdes
Wahkiakum Conservation District	Norman Bolton
Wahkiakum County	Richard Erickson
Wahkiakum Port District #2	Carlton Appelo
Willapa Gillnetters Association	Ron Craig

Source: Columbia-Pacific RC&EDD, May 2005.

Working Partnership for Economic Development

The Columbia-Pacific Resource Conservation & Economic Development District (RC&EDD) is a non-profit, nonpartisan association of counties, cities, towns, ports, Indian tribes, conservation districts, economic development councils, public development authorities, and other non-profits in the Washington counties of Grays Harbor, Mason, Pacific, and Wahkiakum. The purpose of the association is to preserve the rural quality of life and promote the economic vitality in Grays Harbor, Mason, Pacific and Wahkiakum Counties.

The Columbia-Pacific Resource Conservation and Development (RC&D) Council was authorized by the Governor of Washington in 1972. The organization is governed by the full Council and an executive board, pursuant to adopted articles of incorporation and by-laws under section 501(c)(3) of the Internal Revenue Code of 1954.

A multi-county CEDS process is utilized because the four counties share many economic conditions, strengths, and weaknesses. While the CEDS recognizes the unique characteristics of each county, it also represents an opportunity to forge a new economic direction for the entire district on a cooperative, coordinated basis. This opportunity has been furthered by formal EDA recognition of the four-county Columbia-Pacific region as an Economic Development District (EDD). The Columbia-Pacific Economic Development District was formally approved by the Economic Development Administration of the Department of Commerce in August of 1998.

Staff Support

Terry Fernsler, Development Director for Columbia-Pacific RC&EDD, provided staff support for the 2005 CEDS. Nancy Allison, NRCS Coordinator of Columbia-Pacific RC&EDD provided oversight and assistance to Terry and the CEDS committee.

Committee Work Program

The CEDS Committee meets frequently for work sessions related to this document and each Economic Development Council (EDC) provides significant input for inclusion.

Prior to publication, issues are discussed and input is consolidated at the local level, primarily through normal EDC business in each of the four counties. Oversight and direction is provided by the boards of directors for each EDC. Input and concerns from the nearly forty other organizations that represent the Columbia-Pacific RC&EDD organization are added.

II. ANALYSIS: WHERE ARE WE?

Background Information

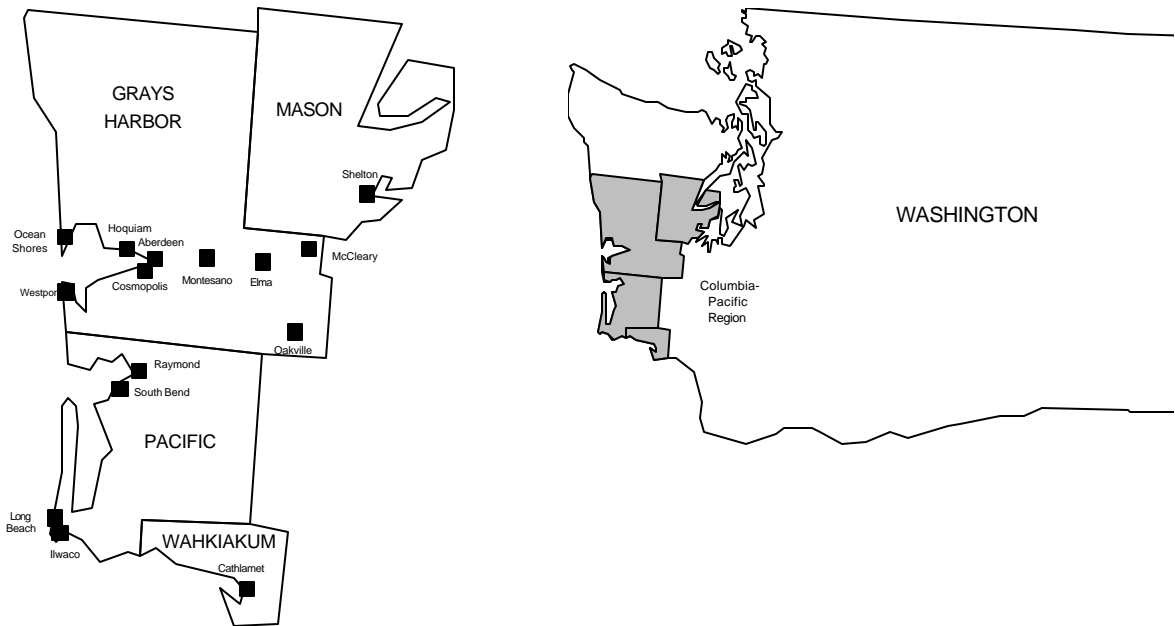
Location, Topography, & Climate

The Columbia-Pacific region consists of Grays Harbor, Mason, Pacific, and Wahkiakum Counties. The region is situated on the Pacific Coast moving inland to the southwest portion of the Puget Sound region in Washington State. It is bordered on the north by Jefferson County; the south by the Columbia River; the east by the Puget Sound and the five county region of Kitsap, Pierce, Thurston, Lewis, and Cowlitz; and the west by the Pacific Ocean.

The four-county Columbia-Pacific district encompasses a total of 4,048 square miles or 6% of the land area of the state of Washington. Grays Harbor County ranks 15th in geographic size among the 39 Washington State counties, while Mason, Pacific, and Wahkiakum Counties rank 29th, 30th, and 37th in geographic size, respectively.

Elevations range from sea level at its coastal edges to 6,255 feet at Mt. Washington in the northern portion of Mason County. Geographically, the district can be characterized as consisting of several distinct areas based on topography: sandy beaches along its coastal edges, the rolling Willapa Hills, the Puget Sound-Willamette Depression Basin, and the Olympic Peninsula consisting of heavily forested lands and the Olympic Mountains.

Figure 2. Columbia-Pacific County & Community Locations



As is highlighted in Figure 2, the four-county area has 15 incorporated cities and towns. Shelton and Cathlamet are the only incorporated communities in Mason and Wahkiakum Counties, respectively. There are eight designated growth centers in the District (see page 8).

The Columbia-Pacific district has a varied climate reflecting its diverse topography. Climatic conditions range from marine coastal conditions consisting of mild, wet winters and comfortably warm, drier summers to an inland climate consisting of colder, wet, sometimes snowy winters with comfortably warm, but somewhat wet summers. Influences affecting the region's climate include the Pacific Ocean, the Olympic Mountains, and the Quinault Temperate Rain Forest.

Prevailing winds generally flow from the southwest, but during summer months are more out of the north and northwest. Average annual precipitation ranges from about 52 inches in Grapeview (Mason County) to 186 inches at Lake Quinault (Grays Harbor County).

Regional Economic History

The Columbia-Pacific region was once part of King, Lewis, Pacific, and Thurston Counties. In 1854, Grays Harbor and Mason Counties were partitioned from King and Thurston Counties. Pacific County was separated from Lewis and Thurston Counties, and Wahkiakum County was partitioned from Pacific and Lewis Counties.

Grays Harbor County was named in honor of Captain Robert Gray in 1915, after changing its name from Chehalis County. In 1864, Mason County was renamed from Sawamish to Mason in honor of Charles Mason, the first secretary of Governor Stevens and the Washington Territorial Legislature. Pacific County is named after its ocean boundary. Wahkiakum County derived its name from the chief of a local Cathlamet Indian tribe.

Native Americans who inhabited much of the Columbia-Pacific region consisted of fishers and hunters. They were also fur traders who traded with one another, other Indians in the Washington and Oregon Territories, and white traders who came later to the area.

In 1805, the first American explorers ventured through much of the region. Meriwether Lewis and William Clark, under orders from President Thomas Jefferson, attempted to chart a navigable commercial waterway from the Mississippi River to the Pacific Ocean.

While Lewis and Clark never found the so-called Northwest Passage, they did discover abundant rich resources (e.g. beavers, sea otters, etc.) near and around the Columbia River. As a result of this exploration, four major fur trade companies were soon established: the Boston Fur Company, John Astor's Pacific Fur Company (which later was sold to the Northwest Company), The Northwest Company (which later merged with the Hudson's Bay Company), and the Hudson's Bay Company. The Hudson's Bay Company became the dominant company throughout the region and the Pacific Northwest, until about the late 1830s when most of the region had been over-trapped and fashions began to change.

As fur trade prospects declined, settlers and traders sought out other economic opportunities such as fishing and logging. Fishing consisted of salmon, steelhead, sturgeon, and shellfish. The fish were consumed locally as well as sent to the East Coast and Europe via established trade routes.

Logging was not a major industry early on because state-of-the-art equipment could not handle the huge old growth trees. As new innovations were created within the industry (e.g. greased skids, steam railroad, etc.), the logging industry emerged to become the economic backbone of the region. By the turn of the century forest products constituted the dominant industry throughout most of the Columbia-Pacific region.

Fishing and logging industries stimulated other value-added activities such as food processing, saw mills, and agriculture (namely dairy and livestock). While these industries were lucrative, forest products remained the dominant industry.

During the twentieth century, the logging industry experienced a number of cyclical ups and downs. For example, during World War I, the demand for logs surged when wooden steam ships were mass-produced in Grays Harbor. This was perhaps the greatest period of economic growth in the Grays Harbor area. On the other hand, the Great Depression of the 1930s led to the bankruptcy of many companies.

At present, logging on federal lands is nearly non-existent due to policies regarding Spotted Owl habitats, timber set-asides, and export bans. Changing economic conditions and technology have resulted in high unemployment rates for the Columbia-Pacific region relative to the State of Washington, and have resulted in continuing designation of this region as an economically-distressed area in regard to employment levels.

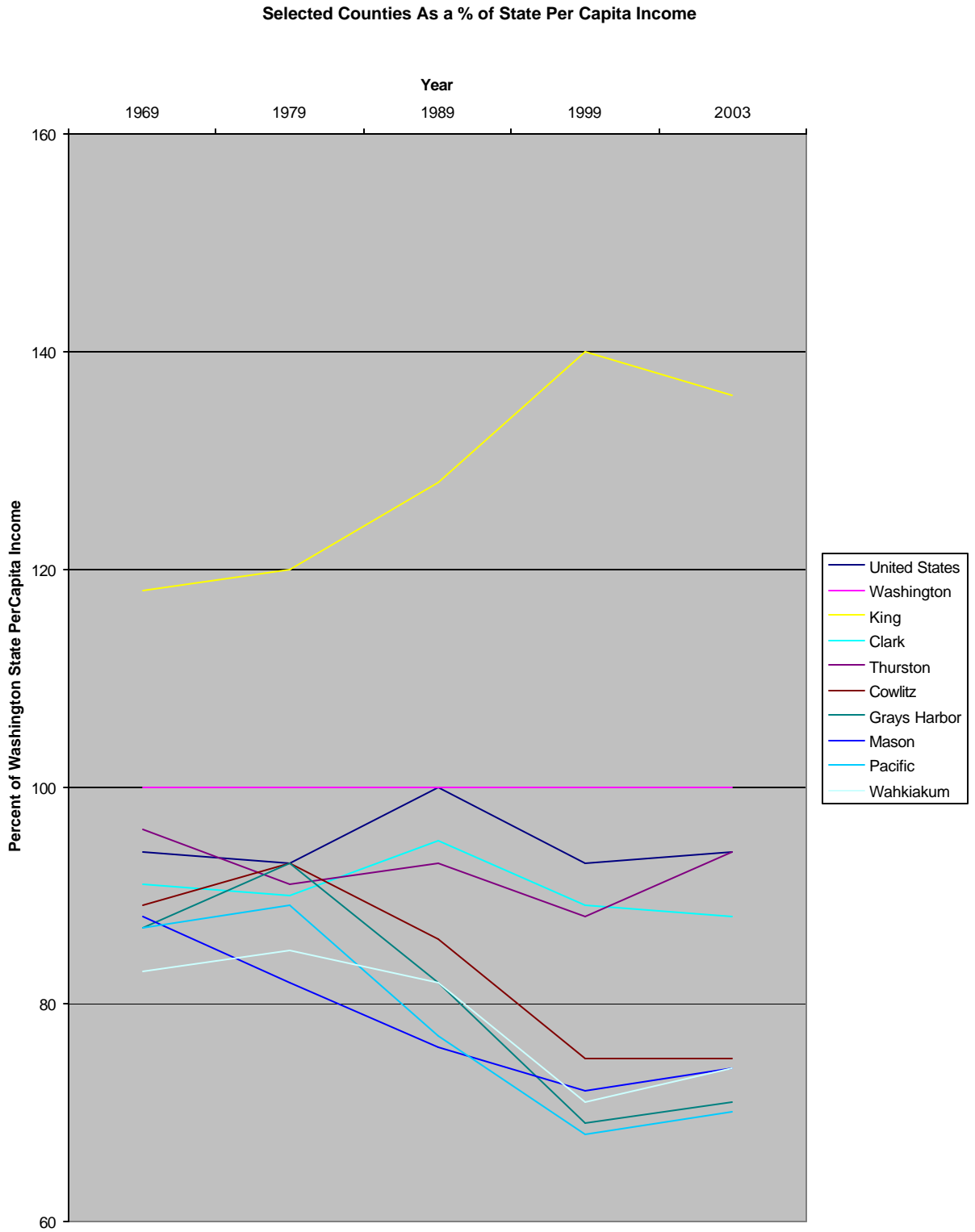
To illustrate, in 1979, according to U.S. Census Bureau Historical Data, the district's average median household income was 91% of the state average. However, by 1989, the district's median household income average had dropped to 77% of the state average. A slight improvement on that figure came about by 1999 with an increase to 79% of the state average. Recovery for all four counties since can only be described as slight. However, there are encouraging signs and significant economic diversification efforts in progress.

The seriousness of the situation is illustrated by Figure 3. The economic devastation that impacted all four of the counties in the district is undeniable. Per capita income dropped dramatically in the 1980s in three of the four counties (it began dropping in the 1970s in Mason County). Per capita income is just beginning to stabilize or rise slightly, but is still far below the state average.

Other industries have experienced employment growth to offset some of the decline in forest products. Diversified business activity encompasses industries such as printing & publishing, rubber & miscellaneous plastics, aerospace components, and machinery. Tourism is a growing source of income to the area. Hi-tech business is the newest activity in the district poised to develop and expand. The forest products industry itself has diversified, and value-added wood manufacturing businesses are popping up throughout the region. Although not generally recognized as a cluster, the growing number of retirees, and the health-related support businesses and leisure activities they bring with them, add capital and knowledge resources to the district.

A minor clustering development is becoming evident in Mason County as well, where food processing job growth is occurring at Stretch Island Fruit, Olympic Mountain Ice Cream, Taylor Shellfish and Hoodspout Winery.

Figure 3. Per Capita Income



Population & Demographic Characteristics

Characteristics of the population that could affect development prospects for the Columbia-Pacific district include: population trends and forecasts, demographic characteristics, and housing availability.

Selected Growth Centers

A multi-county Comprehensive Economic Development Strategy calls for identification of one or more growth centers. Growth centers serve as focal points for development and generation of employment opportunities. The intent is to concentrate economic development projects in viable locations — places that have strong potential for economic growth. A total of eight growth centers have been identified.

Criteria

Significant factors identified by the U.S. Economic Development Administration (EDA) as important in considering and selecting growth centers are:

- a) *Proximity and accessibility to redevelopment areas.* The center should be located in an area central to the district’s highway network and within commuting distance of the distressed redevelopment areas.
- b) *Size.* A center’s maximum size (250,000 population) is limited by statute, but the law is silent on minimum size. An economic development center must be big enough to attract job generation activities, and geographically and economically related to the district, so that its economic growth will contribute significantly to the alleviation of distress.
- c) *Regional services.* The center should have medical, financial, and service facilities.
- d) *Participation in the district program.* Local leaders must commit to have their community become a growth center. Evidence must exist that the entities represented by the district participate in and support the district’s economic development program.

Consideration of Columbia-Pacific Communities

Eight growth centers have been identified as appropriate *growth centers* in the Columbia-Pacific district:

Grays Harbor County:	Aberdeen-Hoquiam-Cosmopolis
Mason County:	Shelton
	Belfair
	Allyn
Pacific County:	Raymond-South Bend
	Ilwaco/Chinook
	Long Beach/Ocean Park
Wahkiakum County:	Cathlamet-Skamokawa

Grays Harbor County: The Aberdeen-Hoquiam-Cosmopolis area represents the region’s largest contiguous urban area, and is the focus of most industrial and commercial activity in the county, with the exception of tourism which is promoted countywide.

Mason County: Shelton is the only incorporated city in Mason County. With immediately adjoining unincorporated areas, Shelton accounts for the largest share of industrial and commercial activity. Belfair was added as a growth center in 1997. Belfair is approximately 36 miles northwest of the Tacoma metropolitan area. While not incorporated, the community is designated as an urban growth area (UGA) in the Comprehensive Plan (adopted April 1996), and community infrastructure such as water and sewer provision are in the planning stages. The Belfair community accounted for approximately 13% of the county's population in 1990. More recent population estimates for Belfair show that the community has experienced strong growth since 1990, now accounting for more than 15% of the county's population. As a result, the community has been selected by the county as a second growth center. The community of Allyn was added as the third Mason County Growth Center in 2000. That community is located approximately five miles south of Belfair on State Highway 3, and has completed installation of a sewer system as well as other major infrastructure improvements.

Pacific County: Raymond and South Bend are the largest communities in Pacific County and are located close to each other. The Ilwaco-Chinook area at the mouth of the Columbia River is identified as a second growth center to address impacts of salmon fishing curtailments and tourism potentials. Chinook is an unincorporated community and is nine miles from Ilwaco. In 1997, the county added Long Beach and adjoining Ocean Park as a growth center. Like the Ilwaco-Chinook area (located two miles to the south), Long Beach includes a significant portion of the county's population (nearly 7%), and its inclusion as a growth center is to promote tourism potentials and address the impacts of fishing curtailment.

Wahkiakum County: Cathlamet-Skamokawa is recommended as the growth center in Wahkiakum County. There were a record number of building permits for new home construction in 2004, and that number is expected to triple in 2005. Cathlamet is the county's only incorporated community. Skamokawa is the largest unincorporated community and is close to Cathlamet along the Columbia River and SR-4 highway corridor. Skamokawa recently formed a new sewer and water district, which will allow growth to occur.

Population Trends & Forecast

As of the 2000 census, the Columbia-Pacific region had a population of 141,387 residents. The region experienced an average annual growth rate of 1.4% since 1990. This reflects a significant increase over the 0.5% average annual growth rate in the 1980s.

Rates of population growth for the region were well below statewide levels in the 1980s. From 1990 to 2000, some areas of the region continued to experience population growth rates below statewide levels, but the gap narrowed significantly. Mason County experienced a population increase of 28.9% over the decade, outpacing the statewide average of 21.1%. The Mason County trend reflects the increasing movement of residents from more populated metropolitan areas back to relatively rural communities. Some of them are telecommuters, some are retirees, while some commute back to more populated areas to work. The high statewide average shows the influence that the high tech industries have had on the State of Washington.

However, the overall average district trend masks some important differences between individual counties. Grays Harbor is the most populous of the four Columbia-Pacific counties, with 67,194 residents in 2000. Census data show an estimate of 70,338 residents as of March 2005. It also had the slowest rate of growth from 1990-2000, averaging an annual 0.5% increase, for a total increase of 4.7%.

Mason County is the second most populated of the four counties, with 49,405 residents as of 2000. Located closer to Puget Sound's major metropolitan areas, Mason County experienced the greatest rate of population growth over the 1990-1996 period, averaging 3.2% annual growth. In the past four years of the decade, however, the growth rate slowed considerably to about a 1.1% increase per year. Still, the Washington Office of Financial Management, which makes population projections for the state, projects Mason County's population to grow to more than 95,000 by the year 2025.

Pacific County has approximately 20,964 residents as of 2000. The population increased by 12.6% over the decade, growing from 1990 to 1997, and then decreasing at an average annual rate of 0.4% from 1997 to 2000.

Wahkiakum County is the least populated among the four counties, with a 2000 population of 3,824 residents. The county experienced population growth at an average of 2% per year between 1990 and 1998. The population decreased slightly in 1999 and 2000, with the total population count remaining very near 3,900. The population over the past five years has increased, exhausting the county's inventory of available homes. New subdivisions are under construction to handle the current growth in population.

Figure 4. Columbia-Pacific Regional Population Trends (1980-2000)

Jurisdiction	1980	1990	2000	2004*	Percent Change in Population	
					1980-1990	1990-2000
Grays Harbor County	66,314	64,175	67,194	70,338	-3.23%	4.70%
Aberdeen	18,739	16,565	16,461	16,207	-11.60%	-0.62%
Cosmopolis	1,575	1,372	1,595	1,607	-12.89%	16.25%
Elma	2,720	3,011	3,049	3,131	10.69%	1.26%
Hoquiam	9,719	8,972	9,097	8,925	-7.68%	1.39%
McCleary	1,419	1,473	1,454	1,439	3.80%	-1.28%
Montesano	3,247	3,060	3,312	3,318	-5.75%	8.23%
Oakville	537	529	676	671	-1.48%	27.79%
Ocean Shores	1,777	2,301	3,836	4,125	29.48%	66.71%
Westport	1,954	1,892	2,137	2,188	-3.17%	12.95%
Mason County	31,184	38,341	49,405	53,637	22.95%	28.86%
Shelton	7,629	7,241	8,442	8,789	-5.08%	16.59%
Pacific County	17,237	18,882	20,964	21,246	9.54%	11.03%
Ilwaco	604	838	960	944	38.74%	14.56%
Long Beach	1,243	1,236	1,263	1,350	-0.56%	2.18%
Raymond	2,991	2,901	2,975	2,961	-3.00%	2.55%
South Bend	1,686	1,551	1,807	1,804	-8.00%	16.51%
Wahkiakum County	3,832	3,327	3,824	3,755	-13.17%	14.94%
Cathlamet	635	508	565	540	-20.00%	11.22%
Columbia-Pacific Area	118,567	124,725	141,387	148,976	5.19%	13.39%
State of Washington	4,132,353	4,866,663	5,894,121	6,203,788	17.76%	21.11%

Notes: * Estimates for 2004.
Source: U.S. Census Bureau

The Washington Office of Financial Management has forecast population growth for the state and counties through 2025. The Columbia-Pacific district is forecast to experience growth in population at a rate just below the statewide average.

Over the long-term (2003-2025), the district is expected to grow by about 2.1% per year, while the state is forecast to experience population increases at a 2.3% average annual rate.

By the year 2025, the Columbia-Pacific district’s population is forecast to be over 217,000 residents, a gain of 53.5% over 2000. Mason County is projected to surpass Grays Harbor County as the district’s most populous county with over 95,000 residents in 2025; Grays Harbor County is expected to be second with nearly 89,000 residents. Pacific County and Wahkiakum County are forecast to have about 27,000 and 5,800 residents respectively.

In 2000, the Columbia-Pacific district represented 2.4% of the total statewide population. This proportion is expected drop slightly to 2.35% by the year 2025.

A growing economy will require additional growth in local job markets to absorb increases in the labor force — the alternatives are an increase in out-commuting or higher rates of unemployment. In addition, increased demand for retail and service businesses as well as housing and essential community services is likely to follow.

In the case of Mason County, out-commuting is already a significant issue. The County has gone from in the early 1990’s where 30% of the workforce commuted elsewhere daily, to conditions today where 43% are on the road each day. Much of the traffic congestion in the I-5 Corridor today is a direct result of rural residents commuting to urban job locations. Easing restrictions on rural business development would go a long way toward solving traffic congestion problems.

Figure 5. Columbia-Pacific Regional Population Projections (1990-2025)

Jurisdiction	1990	2000	Forecast	Average Annual Population Growth	
			2025	1990-2000	2000-2025
Grays Harbor County	64,175	67,194	88,763	0.5%	1.3%
Mason County	38,341	49,405	95,437	2.9%	3.7%
Pacific County	18,882	20,964	26,987	1.3%	1.1%
Wahkiakum County	3,327	3,824	5,843	1.7%	2.1%
Columbia-Pacific Region	124,725	141,387	217,030	1.4%	2.1%
Washington State	4,866,663	5,894,121	9,215,093	1.8%	2.3%

Sources: U.S. Census Bureau and Washington Office of Financial Management, January 2002.

Demographic Characteristics

Compared to the state, the Columbia-Pacific region has historically had an above average proportion of the population in the age categories of 45 and up. The region has been underrepresented among younger adults from ages 20-44. As in all rural areas without a four-year post-secondary educational institution, youth tend to leave, making for a smaller proportion of young people in the area.

Between 1990 and 2000, the proportion of the population aged 45 and up has continued to increase, reflecting a trend that is taking place across the nation with the aging of the large baby boom population born in the post World War II era (from 1946 to 1964). In the Columbia-Pacific district, the median age is older than expected, partly due to the general population aging, youth leaving for better opportunities, and the settlement of retirees into the area.

Between 2000 and the year 2010, the proportion of the population in the age group of 45-64 is expected to continue to increase, while the proportion of younger adults of age 25-44 will continue to decline.

Figure 6. 2000 Age Distribution of Columbia-Pacific Region Population

Jurisdiction	Age 0-4	Age 5-19	Age 20-24	Age 25-44	Age 45-64	Total Age 20+
Washington State	394,306	1,288,713	390,185	1,816,217	1,342,552	4,639,070
Grays Harbor County	4,185	13,066	5,323	17,486	16,813	49,953
Mason County	2,663	8,956	3,796	13,080	12,761	37,786
Pacific County	963	3,537	1,251	4,439	6,059	16,484
Wahkiakum County	202	694	202	848	1,172	2,928

Source: U.S. Census Bureau

The aging of the population presents an even greater challenge to the Columbia-Pacific region than it might in areas with more diversified economies. As the number of jobs in the high technology and retail and service sectors increase, older people who want to work must be offered training in order to participate in employment opportunities in the changing labor market.

As of the 2000 Census, the population of the Columbia-Pacific region was predominantly white but growing more diverse. Persons of other races (including Native Americans and Blacks) represented 11.2% of the region's population, up from 6.3% in 1990. Persons of Hispanic background accounted for 4.8% of total population, up from 2.1% in 1990.

Figure 7. 2000 Race/Ethnic Characteristics of the Population

County/Region	White	Other	Total	Hispanic
Grays Harbor County	88.3%	11.7%	100.0%	5.3%
Mason County	88.5%	11.5%	100.0%	4.8%
Pacific County	90.5%	9.5%	100.0%	5.0%
Wahkiakum County	93.5%	6.5%	100.0%	2.6%
Columbia-Pacific Region	88.8%	11.2%	100.0%	4.8%
Washington State	81.8%	18.2%	100.0%	7.5%

Source: U.S. Census Bureau.

As is typical for non-metro areas of the state, educational levels of the adult population tend to be below comparable statewide figures. Approximately 81.8% of Columbia-Pacific adults completed high school, according to the 2000 Census. By comparison, 87.1% of all Washington residents had completed high school.

However, changing economic conditions and job expectations have led to major changes in educational efforts. Between 1980 and 2000, the share of Columbia-Pacific adults who had some college training or are graduates increased from 27% to 48.6% of the adult population. In Washington State as a whole, 62.2% of adults had at least some college education in the 2000 Census. In the Columbia-Pacific district, only 14.1% of adults have a bachelor's degree or higher, compared to 27.7% of all Washington adults. It should be noted that this figure is skewed by the approximately 49% of adults with bachelor degrees in Seattle.

In Grays Harbor County, 81.1% of adults have completed high school, 46.8% have some college education, and 12.7% have a bachelor's degree or higher. In Mason County, 83.7% of adults have completed high school, 51.3% have some college education, and 15.6% have a bachelor's degree or higher. In Pacific County, 78.9% of adults have completed high school, 47.4% have some college education, and 15.2% have a bachelor's degree or higher. In Wahkiakum County, 84.2% of adults have completed high school, 52.0% have some college education, and 14.8% have a bachelor's degree or higher.

Housing Availability & Cost

As of the 1990 U.S. Census, both homeowner and rental housing were considerably more affordable in the Columbia-Pacific district than in the Puget Sound area or statewide. However, since 1990, the cost of housing has increased significantly in the Columbia-Pacific district.

In 2004, the median selling price for a home in the Columbia-Pacific district ranged from \$100,450 in Pacific County to \$168,250 in Wahkiakum County, compared to a statewide median value of \$224,000. It should be noted that, due to the small market in Wahkiakum County, the median selling price for a resale home in that county historically fluctuated dramatically, but in 2004 remained relatively stable throughout the year.

In five years, from 1999 to 2004, housing prices increased 27% in Grays Harbor, 42.1% in Mason, 28.6% in Pacific, and 83.9% in Wahkiakum County. This compares to an increase of 32.5% in the median home price statewide in the last five years. While this is good for those who purchased and held homes prior to the turn of the century, because the value of their homes generally outpaced inflation, it makes it more difficult for new home owners to enter the market, as most people's income has not kept pace with housing prices.

In 2004, median housing prices ranged from 44.8% (Pacific County) to 75.1% (Wahkiakum County) of the statewide average. Although housing prices saw a significant jump in 2004 in all counties (4.7% in Grays Harbor, 10% in Mason, 11.5% in Pacific, and 34.7% in Wahkiakum), the Washington Center for Real Estate Research identified counties in the Columbia-Pacific district as still having some of the state's most affordable housing. This increases the likelihood of in-migration.

Figure 8. Comparative Housing Costs (1999-2004)

County	1997 Median Home Price	2002 Median Home Price	2003 Median Home Price	2004 Median Home Price
Grays Harbor County	\$81,125	\$87,000	\$98,400	\$103,000
Mason County	\$97,200	\$115,000	\$125,600	\$138,150
Pacific County	\$78,125	\$78,200	\$90,100	\$100,450
Wahkiakum County	\$91,500	\$128,000	\$124,900	\$168,250
Subtotal Columbia-Pacific Region	\$78,125 - \$97,200	\$78,200 - \$128,000	\$90,100 - \$125,600	\$100,450 – \$168,250
State of Washington	\$169,100	\$188,500	\$202,000	\$224,000

Source: Washington Center for Real Estate Research, Washington State University, April 2005,

Labor Force & Employment

Labor force, unemployment, and employment data reveal significant changes in the character of industrial and occupational activity in the Columbia-Pacific region over the last decade.

As of the end of 2004, total labor force of the Columbia-Pacific region was 65,040, an increase of 21.3% over 1994. Increases in Grays Harbor, Pacific, and Mason Counties' labor forces more than made up for a slight decrease in labor force in Wahkiakum County.

Unemployment in the region averaged 8.0% in 2004, remaining above the average statewide rate of 6.2%, but coming in significantly lower than the 1994 regional average of 10.7%, and the 2003 average of 9.0%.

Figure 9. Comparative Labor Force and Unemployment Data (Annual Averages)

Geographic Area	Labor Force		% Change in Labor Force	Unemployment Rate	
	1994	2004	(1994-2004)	1994	2004
Grays Harbor County	27,040	30,910	+14.3%	12.8%	8.4%
Mason County	17,030	23,420	+ 37.5%	8.4%	7.5%
Pacific County	7,900	9,110	+ 15.3%	10.8%	7.8%
Wahkiakum County	1,640	1,600	-2.4%	9.1%	8.1%
Subtotal/Averages Columbia-Pacific District	53,610	65,040	+ 21.3%	10.7%	8.0%
State of Washington	2,716,100	3,233,700	+ 19.1%	6.4%	6.2%

Source: State of Washington Employment Security Department.

After peaking at 15.5% in 1982, regional unemployment rates declined through 1990 to 8.2%. They increased again throughout the early and mid 1990's, declined again in the mid- and late 1990's, but seem fairly steady now. Unemployment rates climbed slightly during the most recent recession, but not nearly as much as statewide.

Through about the mid-1980s, Pacific County experienced the region's highest rates of unemployment. Since 1986 (about the time of the end of construction at the Satsop Power facility), however, the highest unemployment rates in the region have been experienced in Grays Harbor County, although the unemployment rate in that county have been trending downward toward the rates of the other counties.

Columbia-Pacific Employment Trends

Lower rates of unemployment combined with increased labor force participation reflect a turn-around that has been occurring in the region's economic base. These changes have occurred due to a leveling off of the decline in natural resource-based industries, as well as success in re-training of the labor force and diversification of the employment base.

Between 1983 and 2003, the Columbia-Pacific district has experienced a net gain of 6,639 employees (covered by unemployment insurance). Major job losses were experienced in manufacturing (-4,611) jobs, construction (-333) jobs (associated largely with the termination of WPPSS power plants in the early 1980s) and transportation, communications and public utilities (-170) jobs. Construction jobs have rebounded in the last ten years. Forestry jobs increased, due partly to a growing secondary forest products industry and the fact that significant job losses occurred just prior to 1983.

Several other service-related sectors have experienced employment increases including government (+4,927), followed by services (+5,834), reflecting the increased tourism trade and retirement services.

Figure 10. Columbia-Pacific Employment Trends by Industry

Employment Sector	1983	1993	2003	Employment Change 1983-2003
Agriculture	62	522	500	+438
Forestry	446	166	1,171	+725
Fishing, Hunting & Trapping	383	634	552	+169
Mining	101	85	102	+1
Construction	2,289	1,466	1,956	-333
Total Manufacturing	10,130	6,996	5,519	-4,611
Food & Kindred Products	1,247	1,094	1,139	-108
Lumber & Wood Products	6,794	4,563	2,468	-4,326
Paper & Allied Products	971	477	760	-211
Printing & Publishing	202	225	28	-174
Chemicals & Allied Products	98	0	88	-10
Machinery Except Electrical	311	376	166	-145
Stone, Clay, & Glass	26	0	64	+38
Transportation Equipment	76	212	511	+435
Misc. Manufacturing	56	49	91	+35
Other Manufacturing	339	0	204	-135
TCPU *	1,360	1,010	1,190	-170
Wholesale Trade	630	959	757	+127
Retail Trade	6,156	7,666	5,165	-91
FIRE *	1,060	1,422	1,583	+523
Services	5,940	7,313	11,774	+5,834
Government	7,550	7,241	12,477	+4,927
Not elsewhere classified	0	756	0	
Total Employment	36,107	36,236	42,746	+6,639

* Note: TCPU denotes transportation, communications and public utilities; FIRE is an abbreviation for finance, insurance and real estate.

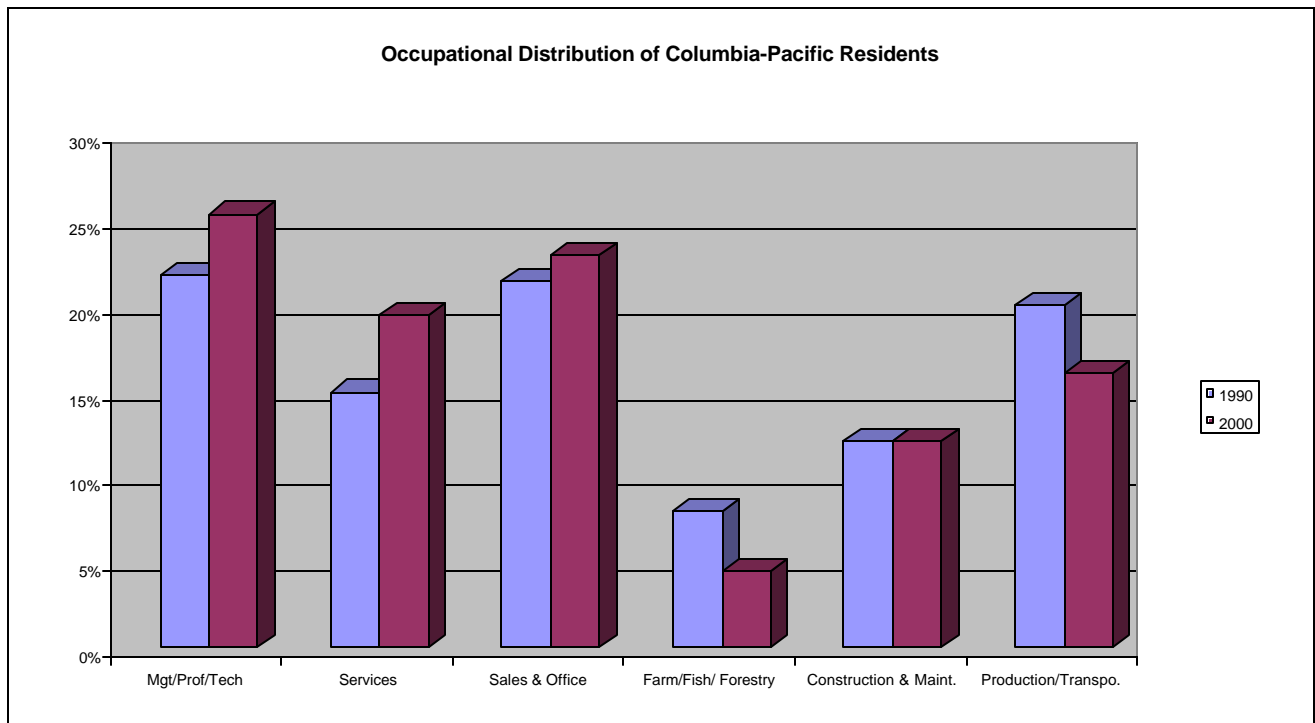
Source: State of Washington Employment Security Department. Data is for employees covered by unemployment insurance.

Between 1980 and 2003, manufacturing declined from 28% to just 13% of the region’s total employment. This has occurred as employment in natural resource based industries declined in absolute numbers as well as relative to the region’s total employment base. Manufacturing tends to have higher-wage jobs than many other sectors.

However, the loss of jobs in food processing, lumber and wood products, and pulp and paper has been partially offset by slow growth in diversified non-resource based manufacturing. Growth has also occurred in retail trade, finance, insurance, real estate, the services sector, and the government.

As the industrial mix of the region’s employment has changed, so too has the occupational mix. Census data indicate that managerial and service workers constitute an increasing share of the region’s labor force. In contrast, traditional agricultural, craft/repair and operator/fabricator occupations make up a declining proportion of the region’s workforce.

Figure 11. Employment by Occupation (1990-2000)



Source: U. S. Census Bureau

Income Trends

Sources of income data evaluated for the Columbia-Pacific district include the: 2000 Census and U.S. Bureau of Economic Analysis data.

Bureau of Economic Analysis data illustrates changing sources of personal income. On average, wages and salaries account for approximately 54% of personal income in the Columbia-Pacific district versus about 69% statewide. Other relatively important sources of income in the Columbia-Pacific region are: proprietor’s income; dividends, interest and rent; and transfer payments.

In the last 10 years transfer payments increased from a regional average of 23.5% to 25.6% of personal income. This reflects conditions of high unemployment as well as a growing base of retirees. In 2002, wages and salaries decreased two percentage points and transfer payments increased two percent regionally over 2001 (latest available). Since unemployment actually decreased, this is a sign of a rapid increase in retirees.

Figure 12. Comparative Sources of Personal Income

	Columbia-Pacific District*		State of Washington*	
	1992	2002	1992	2002
Wages & Salaries	56.1%	53.9%	69%	68.7%
Dividends, Interest & Rent	20.5%	20.5%	18%	17.7%
Transfer Payments	23.5%	25.6%	13%	13.6%

* Percentages may not total 100% of income due to other minor income sources not included in this table or rounding

Source: U.S. Bureau of Economic Analysis

The 1990s were a good decade for increasing income and bringing families out of poverty. As of 2000, Washington State per capita income was \$22,973, an increase of 53.9% from the 1990 figure of \$14,420. High figures in metropolitan areas compared to more abundant non-metro areas skews statewide per capita income figures.

Wahkiakum County had the highest per capita income in the region in 2000 at \$19,063. Mason County came in second with \$18,056, followed by \$17,322 in Pacific County and \$16,799 in Grays Harbor County. Growth in per capita income in the Columbia-Pacific district ranged from 42.5% in Grays Harbor County to 58.2% in Pacific County over 1990 figures.

Figure 13. Per Capita Personal Income

County	1990	2000	% Change 1990-2000
Grays Harbor County	\$11,787	\$16,799	42.5%
Mason County	\$12,050	\$18,056	49.8%
Pacific County	\$10,952	\$17,322	58.2%
Wahkiakum County	\$12,332	\$19,063	54.6%
State of Washington	\$14,923	\$22,973	53.9%
United States	\$14,420	\$21,587	49.7%

Source: U.S. Census Bureau

As of the 2000 census, median household incomes in the four counties of the region ranged from 68% to 86.5% of the statewide median figure of \$45,776. Incomes in all four counties have increased at a slightly faster rate than statewide.

With the exception of Wahkiakum County, significant gains were made in the 1990s in decreasing the rate of families living in poverty. Three of the counties are comparable to the U.S. level, and Wahkiakum County has a rate of families living below poverty well below that of the state level. Although the percent has decreased, Grays Harbor County still has a relatively high proportion of families living below poverty level. This may account for the lower per capita and household incomes in that county.

Figure 14. Per Cent of Families Living Below Poverty

County	1990	2000
Grays Harbor County	12.9%	11.9%
Mason County	9.6%	8.8%
Pacific County	13.3%	9.1%
Wahkiakum County	5.5%	5.9%
State of Washington	7.8%	7.3%
United States	10.0%	9.2%

Source: U.S. Census Bureau

Within the Columbia-Pacific region, Wahkiakum County has the highest percentage of residents owning and occupying their homes. In addition, Wahkiakum has the lowest percentage of residents paying more than 20% of their income for housing.

It is important to note that because of a large concentration of high salary households in the Puget Sound region of Washington State, the overall state median income level becomes somewhat skewed. Only 6 of 39 counties in the state meet the state median household income level.

Figure 15. Comparative Median Household Incomes

Jurisdiction	Median Household Income	% Change 1990-2000	% Individuals Below Poverty Level
Grays Harbor County	\$34,160	48.3%	16.1%
Mason County	\$39,586	50.5%	12.2%
Pacific County	\$31,209	55.8%	14.4%
Wahkiakum County	\$39,444	46.3%	8.1%
Washington State	\$45,776	46.8%	10.6%
United States	\$41,944	39.6%	12.4%

Source: U.S. Census Bureau.

Retail Sales & Travel Trends

A useful measure of retail activity is provided by taxable retail sales data. Between 1992 and 2003, taxable sales have increased in all four counties, at slightly more than the rate of inflation over the same period, except in Mason County where the increase in taxable sales was over 80% in ten years.

Two useful indicators of travel-related activity are hotel/motel receipts and highway traffic counts. Hotel/motel receipts have increased in two of the four counties since 1994—those counties with a growing coastal tourism trade.

Figure 16. Taxable Retail Sales & Hotel/Motel Tax Trends

County	1992 Taxable Retail Sales	2003 Taxable Retail Sales	1994 Hotel/Motel Receipts	2002 Hotel/Motel Receipts
Grays Harbor	\$508,528,275	\$669,113,250	\$22,093,314	\$24,629,821
Mason	\$217,712,866	\$394,472,884	\$3,172,511	\$4,110,578
Pacific	\$116,095,225	\$149,483,179	\$8,250,177	\$11,390,004
Wahkiakum	\$12,129,932	\$16,989,306	\$41,274	\$68,971
Region Total	\$854,466,298	\$1,230,058,619	\$33,557,276	\$40,199,374

Note: Taxable retail sales includes manufactured, wholesale, contractor and other items subject to retail sales tax as well as sales directly from retail stores.

Source: State of Washington Department of Revenue

Traffic counts on major regional roads have also generally shown steady increases. The need for highway infrastructure improvements to keep pace with traffic increases is well documented in the project section of this CEDS.

Figure 17. Highway Traffic Counts (Average Daily Traffic)

Highway/Location	ADT in 1990	ADT in 2000	ADT in 2002	ADT in 2003
SR 105 East of Westport – ADC R043	4,329	5,500	5,600	5,500
US 101 after Heron Street (Aberdeen)	16,000	19,000	19,000	19,000
US 101 Naselle – ADC R074	2,065	2,300	2,400	2,400
US 101 – Oregon State Line	4,165	6,200	6,800	6,900
SR 4 Wahkiakum-Cowlitz County Line	1,800	3,200	3,200	3,000
SR 6 Raymond (after US 101 junction)	5,400	5,900	6,400	6,200
SR 8 Elma (US 12/SR 8 junction)	11,700	16,000	17,000	18,000
US 12 Aberdeen (after US 101 junction)	12,500	15,000	15,000	16,000
SR 103 Ilwaco (after US 101 junction)	7,800	8,000	7,700	7,700
SR 115 Ocean Shores (before junc. SR 109)	5,300	6,800	6,500	6,700
SR 3 Shelton (at US 101 junction)	11,000	11,000	12,000	12,000
US 101 Shelton (before SR 3 junction)	9,400	14,000	16,000	16,000

Source: Washington State Department of Transportation

Major Columbia-Pacific Employers

The following chart lists major employers in each of the region's four counties. In Grays Harbor County and Wahkiakum County, a forest products firm is the largest employer. In Pacific County, two of the largest employers are seafood processing related firms. In Mason County, the government jobs available account for 35% of the total positions accounted for at the 50 largest private and public employment locations.

Forest products, health care, service-related businesses, and construction provide the majority of private sector employment. The Columbia-Pacific region remains largely dependent on natural resource industries for the bulk of industrial employment.

Figure 18. Major Columbia-Pacific Region Employers by County

Employer	Description	Full-Time Employment
<i>Grays Harbor County:</i>		
Weyerhaeuser Company	Veneer/paper plants	1,045
Grays Harbor Community Hospital	Medical facility	590
Westport Shipyard	Manufacturing	553
Stafford Creek Prison	Correctional facility	533
Aberdeen School District	School district employees/staff	532
Grays Harbor County	Grays Harbor County administration	463
Simpson Door	Manufacturing	446
Grays Harbor College	Community College	412
Quinalt Beach Resort	Hospitality	319
Wal-Mart	Retail	319
Hoquiam School District	School district employees/staff	285
Grays Harbor Paper L.P.	Paper products manufacturer	225
Sierra Pacific Industries	Manufacturing	210
City of Aberdeen	Government	175
SafeHarbor Technology	Telecommunications	170
Grays Harbor Public Utility District	Public Utility	169
Anchor Bank	Banking	165
Coastal Community Action Program	Social Service	165
Safeway	Retail	160
Swanson Foods	Retail	160
McDonald's Restaurants	Retail	152
Five Star Dealership	Retail	125
Mary's River Lumber	Manufacturing	125
Pacific Veneer	Manufacturing	125
Hoquiam Plywood	Manufacturing	116
Rognlin's	Construction	115
Dept. of Social & Human Services	Government	107
Bank of the Pacific	Banking	100
Duffy's Restaurants	Hospitality	100
Washington Crab Products	Food Processing	100

Figure 18. Major Columbia-Pacific Region Employers by County (continued)

Mason County:

Washington Corrections Center	Correctional facility	660
Little Creek Casino Hotel	Gambling establishment & hotel	611
Shelton School District	Educational facility	569
Wal-Mart	Retail store	500
Mason General Hospital	Medical facility	453
Simpson Timber Company	Lumber	400
Mason County	Government	360
Taylor Shellfish, Inc.	Shellfish	360
Olympic Panel Products	Plywood, veneer	350
North Mason School District	Educational facility	284
Squaxin Indian Tribe	Tribal facility	175
Safeway	Groceries	165
Fir Lane Health and Rehabilitation	Care provider	160
Welco Lumber Co.	Lumber	130
Mason County Forest Products	Lumber	120
City of Shelton	Government	115
Mason County PUD #3	Utilities	114
Skokomish Indian Tribe	Tribal facility	112
Alderbrook Inn	Resort	110
Pioneer School District	Educational facility	105

Pacific County:

Coast Seafoods	Food processor	230
Weyerhaeuser	Logging	180
Pacific County	County government	180
South Bend School District	Educational facility	180
Ocean Beach Hospital	Medical services	154
Naselle Youth Camp	Juvenile detention	130
Willapa Harbor Hospital	Medical services	107
Dennis Company	Retail	98
Jessie's Ilwaco Fish	Food processor	98
Nelson Crab, Inc.	Food processor	90
Raymond School District	Educational facility	86
Jolly Rogers	Food processor	80
Seaport Lumber	Wood products	70
Bell Buoy Crab Co. Inc.	Food processor	65
Eastpoint Seafood	Food processor	60

Figure 18. Major Columbia-Pacific Region Employers by County (continued)

Wahkiakum County:

Jerry DeBriac Logging Company, Inc.	Logging company	130
Wahkiakum County	County Government	80
Wahkiakum School District	Educational Facilities	68
Sunbridge Care & Rehab. Center	Care Provider	44
Dandy Digger & Supply, Inc.	Light manufacturer	24
St. James Family Center	Day Care & Family Services Provider	18
Cathlamet Timber/The Campbell Group	Logging company	15
Wahkiakum West Telephone & Television	Telephone communications	21
Elochoman Millwork	Cabinet Manufacturer	18
Wahkiakum County P.U.D. #1	Utilities Provider	10

Source: Information provided by county economic development councils.

Economic Development Accomplishments

The following describes economic development accomplishments that have taken place since the last CEDS was completed in 2004.

Columbia-Pacific Resource Conservation & Economic Development District

Satsop Demonstration Forest

The *Satsop Demonstration Forest* effort was made possible through a contract with the University of Washington to develop a Landscape Management Plan on the 1,100 acres of forest at the Satsop Public Development Authority site. The plan will show that harvesting can be allowed at the site, while enhancing habitat values and protecting wildlife species listed under the original no-harvest mitigation plan. The plan will scientifically track all timber, wildlife, and economic values on the site, allowing us to demonstrate the ecological and economic benefits of this type of management. Implementation of the plan can finally be allowed with the completion of the Grays Harbor Public Development Authority's (owner of the Satsop Development Park) master planning process, expected in 2005.

Free Market Carbon Credit System

A second major forestry effort is our plan to develop a *Carbon Sequestration Program for Forestlands* and system to sell carbon credits for managing forests to up-take additional carbon dioxide. This is a system that, whereby carbon credits will be sold on the commodity market. We will assist landowners in contracting and certifying their forests. A Carbon Credit component was added to the Landscape Management System developed by the University of Washington School of Forestry and thirteen other universities in the United States and Canada. We believe this process will eventually generate a reliable source of income for timberland owners, and at the same time achieve positive improvements to the environment. Columbia-Pacific RC&EDD is monitoring The Pacific Forest Trust's efforts to develop a carbon sequestration market, and is working with the Northwest Cooperative Development Council to form a carbon sequestration cooperative, allowing small forest landowners to take advantage of this opportunity.

Wastewater Treatment

The report, *Hybrid Poplar Trees & Rural Economic Development* continues to be utilized in projects for hazardous waste and alternative wastewater treatment in the EDD area. Many small communities cannot afford the cost of meeting environmental regulations, and Columbia-Pacific RC&EDD has taken on the task of finding alternatives and funding for these projects through a comprehensive training project to be conducted by the National Environmental Training Center for Small Communities.

Columbia-Pacific RC&EDD and the National Environmental Training Center for Small Communities (NETCSC) have developed a training project tailored to the communities of southwest Washington. This project will help communities and regulators understand the wastewater treatment options available to them. NETCSC has applied to the Rural Utilities Service Training and Technical Assistance program for funding support, and Columbia-Pacific RC&EDD will work to facilitate the project within the district. This project can serve as a model to be used in other rural areas of the country.

Hybrid Poplar Solid Wood

Since developing the solid wood business plan for Hybrid Poplar in 1993, the acres of hybrid poplar have increased to over 2,000 in the district. Since that first plan there have been corporations outside of the area that have developed solid wood plans, but none in the RC&EDD area. We continue to work with investors and companies towards the goal of establishing a solid wood poplar industry within the area.

Entrepreneur Revolving Loan Fund

Since 1995, the Cascadia Revolving Fund has provided loans to several businesses in the region, assisting them with start-up or expansion costs. Loan size has ranged from \$6,600 to \$50,500. The fund continues to grow, and now serves eight counties including all four counties in the Columbia-Pacific Economic Development District. Over 100 jobs have been created or retained in the past two years as a result of this program.

Assist in regional telecommunications development

Columbia-Pacific RC&EDD began discussions with Grays Harbor College to develop a joint strategy on workforce development. It is also investigating whether local school districts sufficiently use the K-20 telecommunications system in place, particularly whether virtual classrooms would add value to the work of the schools. Columbia-Pacific RC&EDD is also following progress on a skills center being planned in Mason County and a skills center/small business incubator being developed in Wahkiakum County.

Virtual Small Business Incubator

Small business incubation is a dynamic process of business enterprise development. Incubators nurture young firms, helping them to survive and grow during the start-up period when they are most vulnerable. Incubators provide an array of business support resources and services, such as hands-on management assistance, access to financing and orchestrated exposure to critical business or technical support services. Most also offer shared office services (e.g., reception, answering service, web page maintenance, marketing assistance), access to equipment, flexible leases and expandable space.

A small business incubator reduces the risk of small business failures. Startup firms in the over 800 small-business incubators which are members of the National Business Incubation Association (NBIA) increase sales and add an average of 3.7 full-time and part-time jobs per firm. Eighty-four percent of incubator graduates stay in their communities and continue to provide a return to their investors.

The most common goals of incubation programs are creating jobs in a community, enhancing a community's entrepreneurial climate, retaining businesses in a community, building or accelerating growth in a local industry, and diversifying local economies.

Columbia-Pacific RC&EDD is preparing to conduct an investigation of the feasibility of serving small businesses in their communities, to help grow businesses locally, rather than relocating to an incubator site. If services (such as bookkeeping, marketing, telephone answering service, web site maintenance, etc.) can be offered electronically, communities throughout the district may benefit by growing businesses.

Capacity Building of Nonprofit Organizations

Columbia-Pacific RC&EDD developed a new capacity-building program. In this program, nine organizations—each at a key point in its life stage for capacity building opportunities—and eight communities have been identified to provide assistance to increase their capacity. As part of this program, Columbia-Pacific RC&EDD will work in partnership with the Grays Harbor Council of Governments to teach communities how to prioritize and move projects off the shelf and into reality. In the meantime, Columbia-Pacific RC&EDD has begun assistance to the Ocean Shores Public Library, managing a capital campaign, to the East County Youth Center, working to bring Boys and Girls Club of America to areas of the District needing it, and to the East County Youth Foundation, assisting with a community asset inventory and creating a fund development plan.

Columbia-Pacific RC&EDD is committed to providing the training and technical assistance needed to help our communities learn how to pull themselves up by the bootstraps. By learning to build their capacity, organizations and communities realize what they can do to accomplish programs and projects, and what assets and resources are available in their communities to accomplish them. They learn to improve and expand services without relying on outside support, and build lifelong, self-sustaining fund development and community development strategies. When local support plays a role in community projects and programs, communities take more pride in the projects and themselves. When people invest in something that benefits their community, they are more willing to insure the success of the project. Stronger communities encourage and attract economic development.

Grays Harbor County

Grays Harbor County benefits from a well-established history of multi-jurisdictional collaborative efforts. This cooperative environment has fostered the development of a countywide economic development team to jointly participate in a wide variety of projects.

The core members of the economic development team include Grays Harbor Economic Development Council, Port of Grays Harbor, Grays Harbor Council of Governments, Grays Harbor Public Development Authority and Grays Harbor Public Utility District No. 1. Grays Harbor County and its cities are also integral components of the economic development team and participate according to the nature of the project.

Over the past year the economic development team has focused on infrastructure improvements and continues to respond to requests from companies that are interested in locating in Grays Harbor.

Tourism is up 10% over 2003, along with an increase of 20% in retail sales. Westport Shipyards has expanded to Hoquiam and Port Angeles, producing luxury yachts as the world's seventh and country's largest yacht builder with over 700 employees. Sierra Pacific's \$40,000,000 dimensional lumber mill is now in operation with 210 employees and plans started to build an adjacent \$40,000,000 stud mill and an additional 150 employees.

Grays Harbor Community Hospital is adding a new \$14,000,000 emergency facility which will be able to accommodate 15,000 patients more per year. A new Aberdeen High School is under construction, and Grays Harbor Community College is growing with \$32,200,000 worth of expansion.

Coastal communities are growing rapidly in Westport and Ocean Shores with numerous housing and commercial building permits issued. North Beach areas in the county are witnessing large developments at Seabrook (a \$65,000,000, 400+ home residential project just south of Moclips) and Hogan's Corner adjacent to Ocean Shores with a mixed-use plan of \$330,000,000 planned investment. Countywide there are twenty housing developments in progress.

In the east county, near Elma, the County has completed an \$800,000 expansion on the Fairgrounds and Raceway, attracting professional racing events. A new \$3,000,000 Microtel Hotel has recently gone into service serving the Fairgrounds, Elma and the Satsop Development Park.

In 2004, combined with current projects under construction, there is over \$1,100,000,000 of new investment in Grays Harbor County.

Satsop Development Park:

Under the management of Grays Harbor Public Development Authority (PDA), Satsop Development Park site activities have progressed rapidly during the year. The Satsop Development Park continues its rapid expansion, with twenty companies located in the Park and a recently-completed road expansion.

- TechTell operates a 24 x 7 Network Operations Center on site that monitors the networks of companies throughout the U.S. TechTell also manages the PDA's Colocation facility, which rents cabinets and rack space for servers and other equipment to a variety of public and private entities.
- Safe Harbor is a high-tech internet incoming call center. The company now employs 185 people with over half being Grays Harbor County residents. Safe Harbor counts among its client base companies such as Washington Mutual Bank, Sun Trust Bank, American Airlines, Adobe, Intel, and the State of Washington.
- Home Plate Siding, a former division of the Boise Corporation, has completed a \$100 million Wood Plastic Composite (WPC) manufacturing plant producing a unique building siding product that utilizes 100% recycled urban wood waste and plastic. The 250,000-sq. ft. facility employs 95 people on a 24 x 7 schedule.
- By the end of 2004, the PDA will have completed a master plan for the entire 1700 acre park. It is working in partnership with the Columbia-Pacific RC&EDD and the State Department of Wildlife to explore beneficial uses for the 1,200 acres of mitigation property owned by the PDA.
- The PDA added 3.5 miles of new road to the park. It completed Olympic View Drive and Technology Lane using \$3.0 million in Federal funding. The PDA entered into a 3-year contract to sell off the remainder of all the original power plant equipment.
- Currently, Satsop Development Park houses 20 tenants who have created approximately 400 permanent jobs on site.

The Port of Grays Harbor:

Port accomplishments over the past year include:

- The Port of Grays Harbor, in partnership with AG Processing Inc. (AgPRO), an agricultural cooperative based in the mid-west, added a bulk loading facility totaling \$15,000,000 of investment. The Port added an 8,600 foot looped rail track to facilitate loading directly from railcar to ship. AGP plans to load 22 ships with over 240,000 tons of soybean meal and grain for export overseas in 2005.
- Added a 110,000 sq ft Home Depot at \$25 million, employing 110 people. Home Depot leased 10 acres from the Port; the new store employs 110 people.
- Guesthouse Suites added 29 rooms to its 87-room hotel located on Port property.
- New buildings in Commerce Park include a 9,500 sq.ft. kidney dialysis center operated by Renal Care Group Northwest, and the corporate office for Masco Petroleum, a fuel products supplier. The 15-acre light industrial park now has five tenants.

- Suburban Propane opened a tank farm, Cascade Sand and Gravel opened a batch plant on Port property, and the Council of Governments and Coastal Controls moved into existing Port offices in 2004.
- Westport Shipyard upgraded its facilities to enable building 98', 110', 130' and 150' fiberglass hull yachts. Paneltech employs 40 people at their high-tech coated plywood operation. It added about five employees to its resin operation, but shifted others to the plywood operation.
- The Port and the City of Westport are implementing the \$2.5 million Phase II project of the Marina Master Plan. The Port completed the sale of 350 acres und to LANCO LLP for the development of seaside condominiums, restaurants, convention center and a Scottish links golf course.
- The Port upgraded its marine terminal to allow covered loading of railcars and upgraded the underground fuel storage at Bowerman Field.
- Currently, the Port of Grays Harbor's tenants employ more than 1,300 workers.

City and County Infrastructure Projects:

Significant progress has been made on several infrastructure projects throughout Grays Harbor's communities.

- The City of Aberdeen is well into a downtown revitalization project that includes the removal of several deteriorating buildings to make room for an expanded transit area. New traffic lights have been installed and the city will begin constructing bump-outs for them in July. Other major construction projects include the Aberdeen High School, a four story classroom building at Grays Harbor College, a new emergency center at Grays Harbor Community Hospital and the new Home Depot.
- The City of Cosmopolis is implementing a \$1.2 million second phase of its Downtown Corridor Improvements Project. Phase II includes the construction of sidewalks, ADA ramps, street lighting, landscaping, irrigation, and a transit stop.
- The City of Elma completed water system improvements and the siting and development of a new well that was funded by a \$745,000 Community Development Block Grant. The City also adopted a Comprehensive Land Use Plan and adopted a Unified Development Code.
- The City of Hoquiam has initiated a broad-based redevelopment program named Hometown Hoquiam developing from multiple community inputs a vision and multi-year plan to revitalize its business, tourism, and residential footprints.
- The City of McCleary completed the final stage of its comprehensive development plan. The City completed sidewalk replacement in the downtown district and numerous paving projects. The construction of a new library will be completed in June 2003 and a wastewater treatment plant is in the design phase. A \$6.6 million restructuring of the SR8 interchange leading into the City that was begun last year will be completed this fall.

- The City of Montesano is conducting a riverbank stabilization project along SR 107 to halt erosion along a segment of the Chehalis River and repair the eroding river bend. This CTED-funded project will save over 110 jobs at Mary's River Lumber in Montesano. Montesano is also conducting a \$215,000 City Wide Sidewalks project that involves the reconstruction of substandard sidewalks throughout the City's Business District.
- The City of Ocean Shores broke ground on a \$20 million Convention Center project with completion by yearend 2005. The City is also currently replacing two bridges. To facilitate traffic to the jetty, the ocean and the City's hotels for the 4.0 million tourists each year, a reconstruction plan for city streets is in planning. Additionally a Comprehensive Plan for downtown revitalization is under review from community inputs and a major upgrade of the municipal water system is under study.

Grays Harbor County and Inter-city Infrastructure Projects:

Inter-community and county projects include:

- **North Beach Regional Groundwater Study:** The County has begun the North Beach Regional Groundwater Study to develop future groundwater sources for the Ocean Shores, Ocean City, and Hogan's Corner area.
- **Aberdeen-Hoquiam Industrial Corridor:** The initial plan for the \$156.6 million Industrial Corridor Project was completed in 1999. The purpose of the project is to establish a four-lane access that utilizes existing portions of US 12, US 101, and SR 109 through Aberdeen and Hoquiam. Two high-level bridge crossings over the Hoquiam and Wishkah Rivers are included. Because of budget restraints, Washington State Department of Transportation has discontinued preliminary engineering, but the cities hope that the project will be revived in the near future.
- **SR 12/Keys Road Intersection Overpass:** Construction of a \$6.6 million grade-separated diamond interchange at the intersection of SR 12 and Keys Road is recognized as important for providing a main access to Satsop Development Park and eliminating the high-volume, westbound-turning cross-traffic onto SR12 during peak traffic hours. Washington State Department of Transportation secured Hazard Elimination funding for the design and development of major intersection improvements. The Grays Harbor Public Development Authority and the businesses at Satsop Development Park have agreed to help fund remaining segments of the project.
- **Grays Harbor Central Corridor Improvements:** This \$9.5 million project involves widening and realignment of several roadway segments, which includes the Wynoochee-Wishkah Road, Wishkah Road, East Hoquiam Extension, and the Youmans Road segment that bypasses SR 12 and US 101 through Aberdeen and Hoquiam.
- **Grays Harbor Vehicular Ferry:** This \$5.5 million project began in 1984 and involves a 16-vehicle, 140-passenger, year-round ferry between Ocean Shores and Westport. The ferry would effectively close a three mile gap in the Washington Coastal Highway by connecting State Routes 115, 109 in Ocean Shores and 105 in Westport.
- **McCleary Industrial Zone Road:** This \$6 million project involves the construction of ½ to ¾ mile of new industrial road and access modifications at SR 8 and Highway 108.

- **Grays Harbor Transit Authority (GHTA)** is requesting Federal Transit Administration program funds over six years for a \$6.9 million replacement of fleet vehicles. These include 19 buses and 9 dial-a-ride vans.
- **Phase I and Phase II of the Industrial Waterline project begun in 2001 are complete.** The waterline now extends between Lake Aberdeen to the Port of Grays Harbor in Hoquiam. The project included new sewer and upgrades to the rail connection in Junction City that allowed Sierra Pacific to build in the area. Phase III is under study.
- **The Grays Harbor Economic Development Council** continues to focus its efforts on business expansion, job retention, and recruitment. Collaboration with the Workforce Development Council, Grays Harbor Community College and WorkSource has resulted in training for the targeted marine boat building industry. This group is additionally focusing on the wood products industry due to projected high growth and a need for training in specialty operations and management. Last year the EDC had contact with 150 companies, gave direct assistance to 10 companies, and counseled 80 business startups. A total of 95 jobs were created or retained.

In addition to the above, the following projects from the 2004 Grays Harbor County WACERT list are progressing or have been completed:

- Industrial Water Line Rehabilitation/Junction City RR Spur
- Aberdeen Wastewater System Improvements
- Port Industrial Area Expansions & Development
- City of Elma Capitol Facilities Improvements
- McCleary Inflow I infiltration Study/Elimination Phase 2
- North Beach Water & Sewer Systems
- Westport Downtown & Marina Infrastructure Development
- Ocean Shores Shoreline Protection and Storm Damage Reduction
- Aberdeen Downtown Revitalization
- Fairground Improvements
- Oakville Downtown Improvement Project
- Westport Industrial Pretreatment Facility
- Aberdeen Surface Water Improvements
- Cosmopolis Downtown Corridor Improvements Phase II
- McCleary Industrial Lands Infrastructure
- Satsop Development Park Adaptive Reuse Phase III
- Elma Water Distribution System Improvements
- Quinault Water Expansion
- GH/Pacific County Food Bank Distribution Center
- Downtown Aberdeen Transit Center
- Satsop Community Assessment and Implementation
- Ocean Shores Marina Re-Development and Ferry Project
- Quinault Area Planning & Infrastructure
- Junction City Non-Project Environmental Study
- Montesano Wastewater Collection/Treatment Expansion/East step Collection Phase I
- Cosmopolis Public Safety Facility
- Pacific Beach Main Street Improvements

- Aberdeen's Newell Street
- Lake Quinault Community Center
- Court House Repairs

Mason County

In Mason County, significant economic development has been accomplished in the past six years even though the median household income remains at 14 percent below the state average. Public facilities availability to private business has been very helpful.

The most spectacular developments have taken place at the Port of Shelton where nine new buildings have been erected to accommodate new and expanding businesses. Additional infrastructure expansion includes an improved rail loading facility, log yard paving, road construction, water system improvements, airport fencing and upgraded office facilities for port administration. One of the more important developments during past several years was establishment of fiber optics and cable modem telecommunications access for businesses located at the port.

Concerning individual business development at the port recently, total employment at businesses located there now exceeds 554 full-time jobs. Although a number of tenants are experiencing significant growth, several are most notable as a cluster of high-tech manufacturing that extends well beyond port property.

Inside the port perimeter, Olympic Tool and Engineering has finished its first production model, privately owned, submarine and is actively seeking additional orders. Equally exciting are new products and expanding job opportunities at Sims Vibration where there seems to be no end to the innovative applications of their vibration dampening technology. In a more traditional application of technology the value added wood products company, Techwood, has expanded into another building. Though 62 manufacturing jobs were lost in the failure of Olympic Wood Products in 2003; the mill site now operates under Mason County Forest Products with 120 employees. Additionally, a large log mill will be opened by the same company this year and will employ another 50-70 workers, in some of the best paying jobs in the county.

Overall, at the Port of Shelton we see continuing business development at both the Sanderson Field and John's Prairie sites. In both areas there is obviously a "clustering" of business activity that is self sustaining in business to business support as well as creating an environment that is conducive to expansion and recruiting. The high-tech businesses are concentrated at Sanderson Field while the more traditional industrial work is mostly centered in the John's Prairie area.

We expect that Port of Shelton businesses will benefit greatly in the future from a regional infrastructure project that will provide sewer and water services.

Concerning developments on public property in the north end of the county, the Belfair Water District made significant progress this year toward completion of new tanks, well connections and distribution lines. That project has been under development for the past seven years.

At the Port of Allyn, tourism opportunities have been enhanced by an expanded dock system in Allyn, reconstruction of the North Shore dock and development of a Kayak park. One of the more significant developments this past year has been identification of funding for improvements to the port's water system which will make it available for economic development opportunities throughout the community.

Progress on the CEDS project list from 2004 includes:

- Partial funding on the Shelton Area Regional Water and Wastewater project as well as partial funding on the City of Shelton Infiltration and Inflow correction project.
- Some funding was also made available for the Industrial Development Area project in Belfair as well as the Hoodspout Finch Creek community septic system project.
- Belfair UGA Planning effort has been completed.
- The Brownfields clean-up at Johns Prairie has been partially funded and work is in progress.
- Long-Range County-Wide Economic Development Planning has been completed. Follow up work is being planned.
- A contract was issued to study the feasibility of connecting the Allyn sewer system with Belfair and, coincidentally, adding sidewalks, storm water drains, and a third land to Highway 3 through Belfair. The consultant's report is being further evaluated.
- At the Port of Shelton the rail loading facility has tracks in place and a hard surface loading area established. The facility is now being used to load rail cars from the lumber transport from Mason County Forest Products mill.
- The road paving to Rainier Cast Parts has been completed at the Port of Shelton with funding from the county .08 infrastructure fund.
- Planning efforts on the Allyn UGA are moving forward.
- Additional progress has been made on the county-wide fiber optics backbone installation by PUD-3.
- The Alderbrook Water System Distribution Replacement and Reservoir has been completed.
- Rustlewood Sewer Improvements have been partially funded by a \$100,000.00 loan from the .08 infrastructure fund.

Pacific County

Pacific County economic development efforts continue to focus largely on activities that support improvements to the county's infrastructure; however, industry cluster development has also continued in 2004-2005. A continued emphasis is on improving high-speed telecommunications services.

Each year the county's economic development effort receives assistance from a number of federal and state sources. In the past several years this assistance has allowed the Pacific County effort to move forward in a number of important areas such as:

- The identification and development of six major clusters which are Forest Resources, Agriculture, Retail (Hospitality)/Tourism, Marine Aquaculture/Fishing, Technology and Healthcare/Retirement Services. The goal is to develop industry strategic plans for each cluster with regards to value-added projects.
- Successful development of a business-to-business program called Pacific Employer Resource Contact that aids expansion and retention of existing businesses through the program's business human resource services. In 2004, 124 employers were included in PERC's database.

- The continuation and expansion of a state-funded Business Retention and Expansion (BRE) program aimed at specifically the crab and shrimp industry in the development of a long-term disposal solution of crab and shrimp shell. Industry cluster collaboration supported the completion of a feasibility study in early 2005.
- The creation of several new tourism and youth mentoring projects as a result of a well-attended Leadership Conference (October 2003).

In addition to the above, the following specific Pacific County projects from the 2004 WACERT list are showing significant progress, or have been completed:

Port of Ilwaco—Marina Reconstruction
 City of Raymond—Pacific Wholesale Site Cleanup (completed)
 Pacific County—Lebam Water System
 City of Ilwaco/Port of Ilwaco—First and Howerton Roadway Utility Improvement (completed)
 City of Ilwaco—Ilwaco Streetscape Improvements to Downtown and Port Area
 Port of Ilwaco—Boatyard improvements
 City of Raymond/Pacific County—North County Swimming Pool
 Ilwaco Heritage Museum—IHM Millennium Project
 City of Raymond/Willapa Bay Organization—Willapa Historic Carriage Museum (completed)
 Long Beach Peninsula Visitors Bureau Building Project (completed)
 Lewis & Clark Bicentennial Event Planning

Wahkiakum County

In Wahkiakum County recent economic efforts have focused on small business start-ups and expansions, tourism marketing, developing needed infrastructure and renovating old buildings into retail and office spaces.

Tourism based attractions such as the Elochoman Slough Marina & RV Park, Skamokawa Vista Park and the Skamokawa Paddle Center along with additional target brochure development for the lower Columbia River and Naselle have enhanced our visitor related economy.

Economic Development Administration (EDA) and other agency funding assistance to the county has aided in the replacement of sidewalks and curbs on Main Street in the Town of Cathlamet, Cathlamet water improvements and expansion, and Wahkiakum Public Utility District's west end water source improvements. Skamokawa Sewer and Water District has completed construction of the community's first sewage treatment system and are in the planning stages of developing a community-wide water system. CenturyTel Telephone Company now provides Digital Subscriber Line Access Services (DSL) in Cathlamet with plans to expand that service to other areas of Wahkiakum County not currently served. Wahkiakum West Telephone is the provider of DSL in Naselle, Rosburg and Grays River.

Business growth in Wahkiakum County has included the following recent county business openings: Newton House Bed & Breakfast, Hair Javu Hair & Nail Salon, Cathlamet Dance, Wooden Bridge Farm, The Scarborough of Cathlamet, Sharon's Pizza & More, P.J.'s Pizza Express, Schreiber's Micro-Mini-Mall, Phantasy Photography, The Farm on Grays River Bed & Breakfast, Tom Doumit Attorney at Law, The Silver Heron, Jim's Plumbing, Janet's Junction & Bakery, and The Villa at Little Cape Horn Bed & Breakfast.

Wahkiakum County's new comprehensive plan is nearing completion, using an economic development strategy as its centerpiece. The Wahkiakum Comprehensive Plan Steering Committee sponsored a series of community meetings to establish a community vision as a first step. Next, they identified economic sectors where the county has a natural competitive advantage. The group is in the process of developing policy and strategies to encourage specific types of growth. The economic strategy will be analyzed against other elements of the plan (housing, transportation, community facilities) to determine effects and to evaluate how well the plan supports the community's vision. The Steering Committee will make needed adjustments and will ask for public review before crafting final changes. The Planning Commission will give the plan in-depth review before sending a final draft plan to the County Commissioners for public hearing and consideration for adoption by early 2004. Preliminary strategy elements include value-added agriculture and forestry, technology and telecommunication, tourism, arts and entertainment, business retention and expansion, and entrepreneur development.

The Wahkiakum County Community Foundation has been formed to encourage philanthropy among the citizens of Wahkiakum County. The Julia Butler Hansen house has recently been gifted to the foundation and will be renovated and used as a Cultural Heritage Center.

The following specific Wahkiakum County projects from the 2004 WA-CERT list are showing significant progress, or have been completed:

- Western Wahkiakum Water System Expansion
- Port District No. One's Mini-Convention Center Feasibility Study and Construction
- New Grade School Playground Equipment - completed
- Skamokawa Creek and Elochoman Slough Dredging - completed
- Cultural Arts Center (Pioneer Church)
- New Cathlamet Fire Hall Replacement
- Cathlamet Skate Park
- Lewis & Clark Bicentennial Planning
- Port Dist. #2 Svensen Park Boat Ramp
- Puget Island Water System Transite Pipe Replacement
- Diking Dist. #1 North Welcome Slough Road Bank Erosion Project
- Pancake Point Erosion Project
- Brown Slough Pump Station Bank Erosion
- Downtown Revitalization/Town Hall Remodel
- Groves Slough Pump Station Sedimentation Project
- Skamokawa Water System Construction
- Grays River Erosion Control Structures
- Fossil Creek Restoration
- Grays River Salmon Habitat Restoration
- Pillar Rock Altoona Main Line
- Vista Park Expansion & Shoreline Trail
- Feasibility Study to 3 Phase Distribution Inter-Tie West and East County Project
- Library Study
- River & Division Street Improvements

Economic Environment

Infrastructure

As is true throughout most non-urban counties, the extent and quality of infrastructure is an important determinant of realistic potentials for economic growth and diversification. In this planning context, the term *infrastructure* is broadly defined to cover both capital facilities (such as roads, rail, water, sewer, telecommunications lines and equipment, and harbor maintenance) and services (including education and land use planning).

In the Columbia-Pacific district, infrastructure needs have received considerable emphasis in previous and continuing economic development planning.

Grays Harbor County: A community's infrastructure has a great impact on the area's economic development potential. Countywide efforts are the development of water and sewage systems for residential and industrial use and adequate housing for attracting companies to the area.

Grays Harbor has an up-to-date telecommunications system. A 72 stand OC48 fiber optic loop runs from the I-5 corridor to Aberdeen and back creating true optical redundancy resistant accidents and backhoes. The county benefits from 3 network operations centers at Satsop Development Park, the PUD in Aberdeen and the CELL Center (currently unoccupied, in the Port Administration building) in Aberdeen.

Grays Harbor County is connected to I-5 by SR-12/8, the only four-lane divided highway to the Pacific Coast north of San Francisco. The county also has the only deep-water port on the Washington coast. Five major highways, a countywide transit system, two marinas, and four municipal airports serve the region. Bowerman Airport is the only jet-capable airport on the Washington coast equipped with an Instrument Landing System (ILS).

While there are many advantages to the region's transportation system, some transportation problems exist in water, air, highway, and railroad travel.

The deep-water port requires dredging for channel maintenance, although dredge disposal is not a problem because there is an economical and environmentally acceptable in-water disposal site at Point Chehalis.

Highway improvements are needed. High traffic volumes exist in the urban area that inhibit industrial expansion, tourism expansion, and downtown revitalization efforts. In the high traffic summer months, beach highways (SR-109 and SR-105) often become heavily congested.

A cross-harbor vehicle ferry between Ocean Shores and Westport would reduce the isolation of these areas and improve tourism travel. In March 2000 the Quinault Indian Nation received a \$2.3 million Rural Economic Vitality grant through the Community Economic Revitalization Board to fund vessel construction.

Rail America provides a short line rail service from Aberdeen to the mainline operators to the Union Pacific and Burlington Northern Railways.

Mason County: Like most rural counties, the local tax base is such that major infrastructure needs are very difficult to achieve without outside governmental assistance. At the same time, increasing regulatory pressures present demands that impose impediments to economic development from both the business and governmental services perspectives. Given those realities, Mason County is addressing its infrastructure needs and taking positive steps to correct deficiencies while at the same time capitalizing on its considerable asset base.

The main highway system, though adequate to handle most traffic volume, is approaching overload in several areas during peak traffic hours. US Highway 101 serves as the main connector northward from Shelton as a two-lane communication with the rest of the Olympic Peninsula. South of Shelton, Highway 101 serves as an efficient four-lane connection to I-5 at Olympia. However, a major danger intersection exists at Lynch Road and Highway 101 where several deadly accidents have occurred during the past few years. Traffic revision plans are in the works but moving slowly. State Highway 3 connects Shelton with Kitsap County to the northeast via a two-lane road. On this road, traffic through Belfair has reached the point of saturation and an alternate route through the community must be provided soon.

Rail service to the county was significantly improved several years ago when Puget Sound & Pacific Railway came into ownership of the local service line. Outstanding and expanding service continues with ownership again having changed hands to Rail America, Inc. in 2001. The line will continue to operate under the Puget Sound & Pacific name and actively pursue an expanded customer base. Significant effort toward expanded rail service comes from the Port of Shelton, too. There, the recently completed loading area greatly improves usefulness of the John's Prairie industrial site. We are seeing far greater use of that site with shipments from Mason County Forest Products. That will give the Port and the EDC another useful tool in business expansion, support, and recruiting efforts.

Comparatively speaking, Mason County is moving toward broadband telecommunications deployment at an above average rate for a rural county. That progress can be attributed to a willingness on the part of several providers to commit assets, finances and effort to the community. Mason County PUD#3, as a member of NOANET, has brought a fiber optics backbone to the county and deployed it throughout with some looping redundancy. Prior to that, Qwest provided a self-healing alternate routing in two directions for telecommunications to and from the county. Hood Canal Communications, Wave Communications and Comcast Broadband have all invested in considerable hardware too. Additionally, two new Internet Service Providers have come into operation in recent years: Reach One Internet and Adjacent.com. Broadband connections are coming to businesses and residents more rapidly all the time but like most rural areas, deployment is somewhat slower than in urban areas due to low customer density and high equipment costs. The Economic Development Council is helping to accommodate deployment through its Telecommunications Development Committee, however. A map of broadband availability can be found at the EDC web site, www.hctc.com/~masonedc/. The broadband availability map has already resulted in a company relocating from out of state and bringing jobs to Mason County that were formerly located off shore.

Considering water availability and distribution, the county is typically rural with mostly private wells that are interspersed with small community systems and one major system serving the City of Shelton. Overall, the subject of water is of serious concern to the economic health of Mason County for two reasons.

First, although no scientific study has suggested a shortage of water or receding water levels anywhere in the county, state wide water rights issues hinder issuance of new rights and even use of old rights is questioned under some circumstances.

The second water issue pertains to distribution systems both public and private. Mason County PUD#1 in Hoodspport has stepped forward to become the major small water systems manager throughout the county. As such, they have assumed management of many small and some relatively large community systems that are in need of significant upgrade. Improvements are taking place, but the effort will need continuing financial infrastructure support. Additionally, there are a number of public and private systems under individual entity control, such as Belfair Water District, Port of Shelton, Port of Allyn, the City of Shelton, Hoodspport and the Lakeland Village development. All of these distribution systems must be adaptable to support business development needs in order to maintain a healthy economic atmosphere.

Sewer systems needs go hand in hand with water requirements but in many ways are more difficult and expensive to solve. Though several small treatment systems exist, only one major sewer system is operating in Mason County today. That system is run by the City of Shelton and is essentially limited to city residents. The second largest system serves the Washington State Corrections Center west of Shelton and involves a land application requirement. A similar system is now in operation in the Allyn/North Bay/Case Inlet area and the same type of solution may well come to serve Hoodspport and Belfair in the near future. The Allyn area system came about through major efforts by Mason County and local residents' intent on water quality and economic development improvements. A combination of loans and grants helped bring about the project that now stands as a model of cooperation and multifaceted accomplishments. Several beaches that were threatened with complete closure to shellfish harvesting have had that threat significantly reduced and other business development opportunities have resulted from the project.

Working intently for the past several years in the feasibility phase, a study is in progress to determine if the Washington State Corrections Center, the State Patrol Training Academy, and the Port of Shelton can be joined with the City of Shelton in regional sewer and water systems. If so, the entire area will take a major step forward in infrastructure development that will serve public and private residential as well as business needs. At the same time, the project will establish a major protection element for the aquifer recharge area critical to the City of Shelton water sources.

Pacific County: Pacific County is served by two designated Highways of Statewide Significance, U.S. Highway 101 and State Route 4. Secondary highways include State Routes 6, 105, 103, 100, 103 and 401. The state highway system provides connection to both the I-5 corridor to the east, and north-south connections to Grays Harbor County and the Astoria/Oregon coast areas. County roads and city streets play an important role in the county's circulation, especially in the tourism and natural resource extraction sectors. An increase in tourism-related traffic is projected for Pacific County as the Lewis and Clark Bicentennial commemoration gets underway, 2003-2006. Access to the county from the Seattle and Portland metropolitan areas is critical to the success of the commemoration.

Pacific County has continued to concentrate its efforts on insuring its roads and bridges remain in good condition. Maintenance efforts on its roads and bridges are often in partnership with the Washington State Department of Transportation (WSDOT), as it completes its projects in the county. Recent improvements have included the 60th Street project, which links the Sand Ridge Bay area to SR 103 north of Long Beach. Future projects include an upgrade of facilities at Chinook Park, to include ADA restrooms, Lewis and Clark Bicentennial shuttle parking area and a protected left turn lane into the park.

A key state project that will be under way in the near-term is the realignment of US 101 in the Station Camp vicinity, south of Chinook. Successful projects in the past have included the signalization of the Astoria-Megler Bridge on the Washington side, and the construction of a groin at Washaway Beach, which halted erosion threatening SR 105 and surrounding areas.

The City of Long Beach is sponsoring the Discovery Trail. The trail provides pedestrians and bicyclists visiting and living in the area a spectacular view of the ocean from the trail covered by Captain William Clark and members of the expedition during their 18 days in Pacific County, November 1805. Segments of the trail linking Fort Canby to Ilwaco are in the design phase. Ultimately the trail is projected to be 30 miles long, covering southern Pacific County from Knappton Cove to Long Beach.

In northern Pacific County, a paved trail links Raymond to South Bend and work is underway to extend the trail to Menlo, east of Raymond. Ultimately, the Willapa Hills Rails to Trails project will convert the abandoned rail line from Chehalis to Raymond, for a total of 56 miles. Replacement of two bridges on SR 6 at Pluvius and Rock Creek are high priorities, as they solve safety and capacity deficiencies in the vicinity of the trail.

Pacific Transit continues to cover the county with fixed route and dial-a-ride service and connecting service with Aberdeen and Astoria. The cutbacks from Initiative 695 have resulted in the service being more dependent on competitive grants. Pacific Transit recently participated in a Job Access Reverse Commute (JARC) grant procurement effort with Grays Harbor Transit, under the auspices of the Coastal Communities Community Action Council in Aberdeen. The grant allows for more vehicles to assist the working poor with transportation needs. Pacific Transit has also partnered in a Fort Clatsop to Fort Canby tourist shuttle in conjunction with the Lewis and Clark activities.

Pacific County continues its long-range and short-term transportation planning through the Pacific Council of Governments and by actively participating in the Southwest Washington Regional Transportation Planning Organization.

Wahkiakum County: State Route 4 is the major transportation corridor through Wahkiakum County. The highway parallels the Columbia River from the Cowlitz County line west and then northwest through Cathlamet and Skamokawa. From Skamokawa, the highway turns inland, passing through the unincorporated communities of Grays River and Rosburg before connecting with Highway 401 and U.S. 101 in Pacific County.

Highway 4 provides a less traveled and highly scenic route from the Interstate 5 freeway at Longview-Kelso to the Washington coast. In a recent needs assessment study, The Southwest Washington Transportation Planning Alliance has concluded that Highway 4 will figure prominently not only in Wahkiakum's transition towards tourism but will also benefit the entire region. In the past five years, Highway 4 has seen an increase in industrial truck traffic, which is taking a toll on the Highway, and is becoming a concern to residents living along the route. However, funds that might become available through the Tourism Implementation Plan for the Bicentennial Commemoration of the Lewis and Clark Expedition could provide a means for making some improvements to the highway over the next five years.

With only one incorporated community (Cathlamet), much of the population depends on rural or individual property services rather than municipal sources for water and wastewater treatment.

Changes In Economic Environment

This section summarizes current conditions that may affect economic development in each county with special focus on pertinent changes in environmental conditions reported since previous CEDS documents.

Grays Harbor County

Grays Harbor County is situated midway along the coast of western Washington. It is bounded by Jefferson County on the north; Pacific and Lewis Counties to the south; Mason and Thurston Counties to the east; and the Pacific Ocean on the west. With 1,918 square miles, Grays Harbor County ranks 15th in size among Washington counties.

Grays Harbor County contains 14 large rivers. Its terrain consists of forested hills, beaches and gently rolling lowlands. The river valleys have extensive floodplains with benches rising above them. Over 88% of the County is classified as forestland.

Political Geography: Grays Harbor County has nine incorporated municipalities that together contain 62% of the county's population. Aberdeen, Hoquiam and Cosmopolis border on each other at the eastern tip of Grays Harbor Bay forming a contiguous urban community of over 27,000.

The Quinault Indian Nation is governed by an elected Tribal Council and develops and submits its own CEDS.

There are sixteen school districts having a total k-12 enrollment of 16,737 in 2001.

The Grays Harbor County Public Utility District No. 1 services all of the county's electricity needs except for the City of McCleary, which is serviced by McCleary Light and Power Company, a city-owned utility.

The Port of Grays Harbor is the county's primary public economic development agency. The Port owns and manages 1350 acres of land within the county including many prime industrial sites, the boat basin at Westport and the Bowerman Field Airport in Hoquiam.

The Grays Harbor Transportation Authority was formed in June 1974. It has the responsibility to operate a countywide public transportation system. The Transportation Authority is governed by the County Commissioners, the Mayors of Aberdeen and Hoquiam, and a mayor representing the smaller cities.

Land Usage/Zoning: Because Grays Harbor County has experienced slow growth for the last 70 years and has had historically high unemployment, it is one of only 10 Washington Counties that are not covered by the Growth Management Act (GMA). However, the County has enacted zoning ordinances to protect agricultural lands.

Historic Sites: Eleven sites in the county are on the National Register of Historic Places. Historic sites are the Finch Building and the Sierra shipwreck site (Aberdeen); Cooney Mansion (Cosmopolis); Wishkah River Bridge (Greenwood); Carnegie Library, Hoquiam River Bridge, and Hoquiam Castle (Hoquiam), McTaggart-Lachlin House, Polson Museum and Seventh Street Theatre and Grays Harbor Light Station (Westport).

Superfund/Hazardous Materials Sites: There are no Superfund sites listing in Grays Harbor nor are any sites listed as National Priority Sites by the U.S. Environmental Protection Agency (EPA). However, 160 sites are identified on the Resource Conservation and Recovery Information System (RCRI) list for Grays Harbor County.

Prime or Unique Farmland: Many river valleys and some flat hilltops are federally designated “prime” agricultural lands in the county. In addition, cranberry growing areas along the coast are federally designated “unique” agricultural lands. Cranberry areas and most of the prime agricultural land that has historically been used for farming are included in one of three agricultural zoning districts.

Conservation Areas: Grays Harbor County has significant areas of salt water and freshwater wetlands. Most are under the jurisdiction of the Washington State Shorelines Management Act. The county and cities all have adopted floodplain regulations, which comply with Federal Emergency Management Agency (FEMA) regulations, and all participate in the federal flood insurance program.

The Grays Harbor County, Aberdeen, Cosmopolis, Elma, Hoquiam, Ocean Shores, and Westport Shorelines Master Programs are part of the federally approved Coastal Zone Management Plan for the State of Washington. The development plan in this OEDP is consistent with the federally approved Coastal Zone Management Plan.

The following threatened or endangered animal species are found in Grays Harbor County: the spotted owl, gray whale, harbor seal, stellar sea lion, porpoise, dolphin, peregrine falcon, bald eagle, brown pelican, snowy plover, Caspian tern, great blue heron, marbled murrelet, brant, Olympic mud minnow, black stickleback, and the short-tailed weasel.

Mason County

Mason County is located in western Washington at the southwest end of Puget Sound. It is bordered to the north by Jefferson County, to the south by Grays Harbor and Thurston Counties, to the east by Kitsap and Pierce Counties, and to the west by Grays Harbor County. It ranks 29th in size among Washington counties with 961 square miles.

Mason County’s topography was strongly influenced by glacial activity, which accounts for the nearly 100 lakes throughout the county. The six largest lakes are Lake Cushman, Mason Lake, Lake Limerick, Isabella Lake, Timberlakes and Spencer Lake. Past glacial activity also shaped the mountainous region in the northeastern portion of the county and made way for the dense forestlands of the county to grow and thrive.

Political Geography: The county’s one municipality, Shelton, accounts for over 8,500 residents or 16% of the county’s population. The county’s largest unincorporated community is Belfair, which has been selected as the county’s second growth center. The community of Allyn is the third urban growth area through recent designation as an Urban Growth Area.

Major components of Mason County natural resources are its forests and the 90 square miles of water in the county that support aquaculture industries and tourism. Forestlands in the county are controlled largely by the U.S. Forest Service and Simpson Timber Company. A portion of the Olympic National Park also is located in Mason County.

Approximately 63% of Mason County consists of forested land area.

Land Usage/Zoning: As the most difficult and controversial development issue facing Mason County, the struggle over the Growth Management Act (GMA) implementation, and other land use issues, has been debated for almost a decade. While challengers have successfully petitioned the Growth Management Hearings Board (GMHB) repeatedly for more restrictive rural area land use regulations, businesses and other private interests have argued for preservation of the historic economic engine and rural character. In order to achieve compliance with GMA, the county has been forced to place severe restrictions on business development, particularly in outlying areas where businesses are typically born and thrive.

In opposing views to the philosophical trend of the GMHB, published studies by the Washington Research Council, Washington State Rural Development Council, The Evergreen Freedom Foundation, the Lewis County Economic Development Council and the Governor's Competitiveness Council argue that GMA and other land use regulations are destroying the economic engines that have historically driven rural counties. In Mason County the Economic Development Council's 2001 Business Demographics Study paints a graphic picture of a typical rural county economy. There, 56 percent of the businesses with employees are located outside the Urban Growth Areas (UGAs). Sixty-two percent of all businesses are located outside the UGAs, Rural Activity Centers (RACs) and hamlets. Forty-four percent of their total employees are located outside the UGAs and 38 percent of the total private payroll is generated there too.

On the other hand, Mason County came into compliance status with GMA in 2004 and that may prove valuable in establishing regulatory predictability and add to the attractiveness of the area for business development. Additionally, the County will update its Comprehensive Plan in 2005 and add an economic development planning element. That should help balance competing objectives that have previously frustrated business development. If a balance is not achieved, however, some economic difficulties may be expected.

- Job opportunities may decrease.
- The industrial and commercial tax base may decrease.
- The present 43% of the work force that commutes daily to work elsewhere may increase in size.
- Increased commuting traffic may contribute to increased congestion throughout the Puget Sound area.
- As commuters spend more time on the road and less time in support of family needs, social ills throughout the community may increase.
- Retail leakage may increase its impact on local businesses as residents working elsewhere tend to shop there as well. That retail loss may lead to increased local business failures.
- If business activity and jobs leave the county, its basic character may change from a classic rural setting to that of bedroom communities in Shelton and Belfair in support of Bremerton to the north and Olympia to the south.

Historic Sites: As part of Mason County heritage, there are a dozen sites listed on the National Historic Register including Shelton's oldest existing civic structure, Shelton Public Library and Town Hall, built in 1914. Additionally, two new sites have been added recently: the A.B. Govey building at Fourth and Railroad and the H.A. Ahlskog house on Birch Street, both in Shelton.

Superfund/Hazardous Materials Sites: Goose Lake, northwest of Shelton off Highway 101 (EPA ID: WAD980723159) is not a National Priority Site. Mason County has two sites identified on the Comprehensive Environmental Response Compensation and Liability Information System (CERCLIS) and 60 sites on the Resource Conservation and Recovery Information System (RCRIS).

Prime or Unique Farmland: Located on Puget Sound, the shellfish growing areas of Mason County are some of the best producing in the nation. Under the leadership of Taylor Shellfish, the local industry is a national model of environmental responsibility and development technology.

Critical/Conservation Areas: Mason County has completed critical areas mapping and inventories under the requirements of the Growth Management Act. Detailed information is available through the Mason County Comprehensive Plan and pertinent ordinances.

Pacific County

Pacific County is situated along the Pacific coast of western Washington, including Willapa Bay and south to the mouth of the Columbia River. It is bordered to the north by Grays Harbor County; the Columbia River and State of Oregon to the south; Lewis and Wahkiakum Counties to the east; and the Pacific Ocean to the west. With 908 square miles, Pacific County ranks 30th in size among Washington counties.

Pacific County is located within the Willapa Basin, which is dominated by a range of hills with elevations up to 2,600 feet. The Willapa Bay estuary occupies the western portion of the basin. Willapa Bay is a teeming wildlife area surrounded by marshes, grasslands and dense forest.

The Long Beach Peninsula, which is a narrow appendage of land approximately three miles wide and twenty miles long, lies along the western boundary of Willapa Bay. The Pacific Ocean and the Willapa Bay salt water estuary surround the Peninsula on three sides. The southernmost part of the county along the Columbia River is a coastal lowland with extensive wetlands.

Political Geography: Area residents prefer a more “localized” style of government as demonstrated by six separate school districts, four public port districts, two public utility districts (electric and some water service), and four incorporated communities. Pacific County is also home to the Shoalwater Indian Reservation and the Willapa Bay National Wildlife Refuge.

Land Usage/Zoning: Land use planning and zoning have slowly evolved in the county. The Pacific County Growth Management Comprehensive Plan was adopted on October 13, 1998 and updated in 2000 and 2002.

The Pacific County Shoreline Master Program regulates land usage along all county shorelines, which are subject to state law requirements. Shoreline development represents the bulk of all development in the county. The county has also adopted land use controls for subdivisions, floodplain construction, waste disposal and economic development.

Oysterville, Washington, on the north end of the Long Beach Peninsula is within an Historic District Overlay Zone. The overlay zone recognizes the historic architectural significance of the Oysterville's many pre-1900 homes and buildings. The Oysterville Design Review Board reviews all building plans for conformity with an established design criteria for the area. It is the only such zone in the entire county.

Pacific County has joined with Grays Harbor, Cowlitz, Wahkiakum, and Lewis Counties in a Regional Transportation Planning Organization (RTPO).

Historic Sites: Pacific County has several sites on the National Register of Historic Places, including the Pacific County Courthouse; Oysterville Historic District; Cape Disappointment lighthouse; Chinook Point; Ft. Columbia State Park; the Colbert House; Fort Canby Historic District; North Head lighthouse; and the Shelburne Inn. Additional sites on the Washington State Register of Historic Places include: S.S. Matthew's Whalebone House and the Martin Archaeological Site. The Ilwaco Heritage Museum is also an officially recognized site on the Lewis and Clark Bicentennial Trail.

Superfund/Hazardous Materials Sites: Pacific County has no federally designated superfund sites. However, Pacific County does have five sites identified by EPA on the Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) and 39 sites on the Resource Conservation and Recovery Information System (RCRIS).

Prime or Unique Farmland: Pacific County has approximately 750 acres in cranberry production. Cranberries are grown in two areas of the county -- Grayland and Long Beach. The Grayland area has approximately 550 acres in cranberries and Long Beach has over 200 acres. The federal Soil Conservation Service has designated the cranberry bogs as unique farmland. Cranberry bogs are the only farmlands in the county to have this unique classification.

The Soil Survey of Pacific County identifies 23 soil types which are classified as prime farmland. This accounts for a total of 81,923 acres, or approximately 14% of the entire county. The county has not yet experienced major conversions of prime farmland to other land uses. The areas that would most likely be susceptible to conversion are those that are higher in elevation and free of wetland constraints.

Conservation Areas: The Willapa National Wildlife Refuge is located in Pacific County.

Due to its topography and high annual level of rainfall, Pacific County has extensive floodplain and wetland areas. Approximately 35% of the county jurisdiction is in floodplain and/or wetlands. These areas primarily involve Willapa Bay and its associated tributaries.

Pacific County and all of the incorporated communities participate in the Federal Emergency Management Agency (FEMA) flood insurance program. The federal program requires all local agencies to adopt specific floodplain construction requirements.

The county as a whole has had a history of wetland removal for dredge spoil disposal, pasture, game management and urban and industrial development. A 1977 study of Willapa Bay reported over 50% of the total wetland inventory had been removed. The County had a history in the 1800s and early 1900s of wetland removal. The majority of wetland loss was due to diking for agricultural purposes and for siting of towns (much of Raymond and South Bend were under water at extreme high tide and/or during storm events, and were therefore considered wetland). A good portion of the 50% loss of wetlands cited in the study consists of Raymond and South Bend. Once the highway went in, the state considered everything

on the upland side of Highway 101 to be a lost wetland and added it to the loss percentage. Almost all of the diking was done between 1890 and 1930. Individual site development along the bay hasn't filled much since then. In fact, there is a net increase in tidal wetlands over the last five years. The wildlife refuge has removed tide gates and breached dikes. The Fish and Wildlife Service will be breaching a dike outside South Bend within two years. There are other large tidal wetland restoration projects currently in the conceptual stage. The result is hundreds of acres of revitalized tidal wetlands.

The Critical Areas Ordinance ended these practices (unless the mitigation sequence is followed and impacts to wetlands and/or buffers are mitigated) for tidal and upland/freshwater wetlands in 1997. Pacific County, unlike Grays Harbor, is subject to the growth management act. As a result, the county has significantly down-zoned the unincorporated area (rural lot sizes range from 5 to 40 acres in size). Development pressure recently has been concentrated in the cities and on pre-existing lots. Much of the pressure and competition (as measured by price and development volume) is occurring in upland and incorporated areas not associated with wetlands (too difficult to permit). The rules are working as intended – to force development into existing developed areas. There is some illegal wetland filling, but the Army Corps and County regulations are such that the amount is a miniscule percentage of the historic level.

Pacific County is an active participant in the federal, state-administered Coastal Zone Management (CZM) Program. The federal CZM program is administered at the local level by the Shoreline Master Programs, with the state Department of Ecology acting as the overseer. The local Shoreline Master Program is adopted and approved as a part of the statewide master program, which is in conformance with federal CZM consistency requirements. The County does not receive any administrative CZM funding from the Department of Ecology to operate programs, however, it has received a number of project specific grants (e.g., funds to support Spartina identification and education for property owners and for Spartina bio-control research). Planning funds are generated locally.

Wahkiakum County

Situated in the southwest portion of Washington state, Wahkiakum County is bordered to the north by Pacific and Lewis Counties; the south by the Columbia River and state of Oregon; the east by Cowlitz County; and the west by Pacific County. Wahkiakum County is the third smallest county in Washington state, ranking 37th in size with 261 square miles.

Wahkiakum County is rather hilly due to its location in the Willapa Hills, reaching elevations of around 1,000 feet above sea level. There are also several tributaries originating in the Cascades, which run throughout the county.

Political Geography: Governmental jurisdictions include Wahkiakum County, the City of Cathlamet, two port districts, the Skamokawa Sewer and Water District, the Wahkiakum School District in the east end and the Naselle-Grays River School District in the West End, and the Skamokawa Park and Recreation District. Planning support has been provided through the Cowlitz Wahkiakum Governmental Conference.

Land Usage/Zoning: On the local level, development proposals in the unincorporated area are expected to conform to the Wahkiakum County Comprehensive Plan. Small scale light manufacturing and home-based manufacturing activities are allowed under all of the major land use categories defined in this plan, as long as they do not create a nuisance, problem, or disrupting effect in the immediate vicinity of the proposed activity. Wahkiakum County currently does not have an adopted zoning ordinance.

The Wahkiakum Health District regulates installation of septic tanks and other on-site sewage disposal methods in Wahkiakum County according to defined standards relating to density and soil suitability for septic tank disposal.

Publicly-owned industrial park sites in Wahkiakum County are not currently developed. However, a small number of vacant sites suitable for industrial development are available in the Cathlamet area in relatively close proximity to water and sanitary sewer services. Port One is in the process of recruiting a developer for a recreational destination resort and is actively promoting plans for development and building of a light industrial business park within the Cathlamet urban area.

Historic Sites: Wahkiakum County is home to a district of historic significance that can date its beginnings over 2000 years ago. Skamokawa Historic District is part of the historic heritage that is Wahkiakum County. In addition to Skamokawa being named a National Historic District, there are seven identified properties on the National Register of Historic Places. The Julia Butler Hansen Heritage Center has been acquired by the Wahkiakum Community Foundation and is being restored. It will be open for visitors Summer 2005. Eight Lewis and Clark Trail heritage sites have been marked for the upcoming bicentennial commemoration.

Superfund/Hazardous Materials Sites: The EPA documents, “Superfund: Progress at National Priority List Site” and “Superfund Sites In The Northwest EPA Region 10” of 1992 and 1994 respectively list no sites in Wahkiakum County for clean-up or designation. Wahkiakum County does have eight RCRIS listed sites.

Prime or Unique Farmland: Wahkiakum County’s best agricultural lands are located on Puget Island and in the Elochoman, Skamokawa, Grays River, Deep River and Eden Valleys. The soils and climate of Puget Island are best suited for commercial cropping, and it was primarily on Puget Island that successful vegetable and mint farming was carried out prior to the 1960s.

Soils in the valleys are deep and productive along the rivers and streams, but have become less productive on the terraces and alluvial fans adjacent to the river valleys. These valleys are also much colder and wetter than Puget Island, limiting the types of crops suited to this area. Available cottonwood production has added another value-added crop for the area’s property owners.

Conservation Areas: Development of industrial activities in Wahkiakum County requires conformance with the requirements of the Washington State Environmental Policy Act, the Washington State Shorelines Program, and the state Uniform Building Code, and other permitting requirements that are defined by specialized state laws relating to specific development proposals. These Waterfront management plans, along with Shoreline Conservation Plans, have been done for both Elochoman River and Skamokawa Creek. Requirements are the same for all counties within the State of Washington.

Current Economic Profile

As indicated by the comments on Median Household Income (page 17) economic conditions across the Columbia-Pacific district have been abnormally difficult for the past two decades. As in the case of most rural areas, this is because the economic engine is driven by natural resource-based industrial clusters. In the Columbia-Pacific case, most natural resource-based businesses have been adversely impacted by resource depletion and use restrictions resulting from political decisions.

Generally speaking, some economic gain is noted over the past few years as efforts to diversify the economy have met with success and natural resources are being used in different ways.

Natural Resources Clusters

The Columbia-Pacific region provides a distinctive array of natural physical features and resources. In the north, the Olympic Peninsula offers the beauty of lush forests including the Olympic National Forest as well as the Olympic Mountains. To the south is the Columbia River with shipping activity. The eastern portion of the region offers the fertile land of the Puget Sound Basin, as well as the Willapa Hills. The west yields the rich resources of the Pacific Ocean and coastal areas.

Four natural resources related industrial clusters are integral to Columbia-Pacific's economy and way of life: forest products, fishing and related aquaculture (including clams and oysters), agriculture, and food products. While each of these is viewed as a cluster, it should also be recognized that subsets of each cluster blend together and blur descriptions that would attempt to categorize some businesses within particular clusters. For example, a small machine shop in Grays Harbor County may be part of a far reaching network of similar businesses that both support and compete with each other as a cluster. Yet, each exists as a subset of forest products, agriculture, fishing and food products clusters as well. With that caveat, no cluster of business activity is more influential over the Columbia-Pacific economy than the forest products industry.

Forest Products Cluster

Forest products activities are defined to include jobs in forestry, lumber and wood products, and pulp and paper. After a decline of over 38% in forest products employment in the region from 1980 to 1992, the remainder of the 1990's saw a leveling off at around 5,000 people employed.

Total forest products employment accounted for 43% of the region's manufacturing employment as of 2002. This represents a decline from 1992, when forest products accounted for 77% of the region's manufacturing employment. Overall, the four county area accounts for more than one-fourth of the timber harvest in Washington State. Almost 90% of the harvest is on private land.

Figure 19. Timber Harvested by Land Type - 2001

County	Public ¹	% of state	Private	% of state	Total	% of state
Grays Harbor	41,227	6.87%	402,070	12.91%	443,297	11.93%
Mason	12,860	2.14%	131,504	4.22%	144,364	3.88%
Pacific	27,586	4.59%	249,836	8.02%	277,422	7.47%
Wahkiakum	19,159	3.19%	77,304	2.48%	96,463	2.60%
Columbia-Pacific district	100,832	16.79%	860,714	27.63%	961,546	25.88%
WASHINGTON	600,442	100.00%	3,115,534	100.00%	3,715,976	100.00%

Source: WA Department of Natural Resources

Thousand board feet

¹Public includes federal, state, county and city

Issues ranging from increasingly stringent environmental regulations to changing market conditions contributed to the sharp decline in forest products employment seen throughout the 1980's. However, it is hoped that the situation has stabilized. State and federal aid in the form of worker retraining programs and salmon habitat restoration programs for displaced timber workers helped throughout the 1990's in shifting some of the lost employment to other sectors including emerging technology sectors.

Economic development planners across the region have worked hard to diversify their economic bases to take up the slack left by decreasing forest products manufacturing. Mason County relied on forest products for 84% of its total manufacturing employment in 1992, and by 2001 that figure had dropped to 62.4%. Likewise in Grays Harbor County, forest products manufacturing accounted for 77% of all manufacturing employment in 1992, and by 2001 stabilized at 68%. Pacific County remained stable through the 1990's at around 45% of manufacturing in forest products. New economic growth has occurred in the home construction sector, and new jobs have been added in service related businesses. Progress in these areas point to a slow but steady diversification of the county's economic base. Current conditions and prospects for forest products are also based on circumstances unique to each of the four counties in the Columbia-Pacific district.

A particularly encouraging observation of the regional forest products industry is contained in a recent article in the Washington State Department of Employment Security report *Washington Labor Market* stating that the near future of the wood products industry may be much brighter than the recent past. In that report, the Employment Security Department indicates that second and third growth timber is coming available at the southern end of the Olympic Peninsula, and is expected to support a very healthy forest products industry. That opportunity is specifically focused on the Grays Harbor area where Sierra Pacific Industries has built a \$45,000,000 mill that was placed there to take advantage of log availability. The facility is expected to employ 150 within a few years and produce 200 million board feet of lumber annually. The significant increase in marketable timber affects all four counties in the Columbia-Pacific district, as even existing mills are seeing increases in production and jobs.

Grays Harbor County: Forest resources in Grays Harbor County provide the base for the county's most dominant industry. Over 88% of the county's land area is in renewable forests. The county is also an industry center for forest management, forest product manufacturing and related support services.

Since its peak in 1983, with over 900 million board feet of timber being harvested each year, timber harvests have continually declined and dropped below 400 million board feet in 2001. As a result, manufacturing jobs in Grays Harbor County declined from just under 6,000 jobs in 1982 to just over

4,000 jobs in 2001. However, unemployment levels in the county have improved from the fifth highest in the state during the 1990s to eleventh in 2002. The positive results in employment are due largely to successful economic diversification into other industries and an increase in lower paying service and governmental jobs.

Weyerhaeuser, the county's largest employer, has over 1000 people in 5 separate divisions within Grays Harbor County. Other large forest related companies include Simpson Door, Oakville Forest Products, Mary's River Lumber, Rayonier, Sierra Pacific and Tubafor Mill. The majority of the more than one hundred companies that depend upon the forest for their livelihood have less than 10 employees.

Mason County: As the historical mainstay of private industry employment in Mason County, Simpson Timber Company formed the nucleus of the county's forest products cluster. After a major downsizing in the mid 1980s to accommodate reduced timber supply, depressed market conditions, and equipment upgrade necessities, employment remained stable at slightly over nine hundred until 2002 when it dropped to 845 and further settled to 782 in 2003. During that same period the company split into two separate corporations and sold its plywood mill to Atlas Holding LLC. In May of 2004, the timber division was renamed Green Diamond Resource Co. and operates today with 84 employees. The second major division, Simpson Timber Co. employs 400. Olympic Panel Products, the Atlas Holding Company plywood mill works with 350 employees. As the third largest wood products business in Mason County, Skookum Lumber employment is up by 50% over several years ago with 130 employees. The fourth largest employer in the forest products cluster is Mason County Forest Products with Manke Lumber and several small mills completing the cluster.

In another shift in the forest products cluster in the past 20 years, local hardwoods that were once treated as scrap have become a more highly valued commodity. Several specialty log processing mills have become successful over the past several years and there appears to be strong future market potential for local alder and maple logs. Here again an important subset of that segment of the cluster is the value-added hardwood products business of Techwood Inc. They have been a steady employer in Mason County for the past decade and are currently planning to expand.

In a second subset of the forest products cluster we find a very important industry in minor forest products. There we find a substantial portion of the 100 million dollar greens business located in Mason County where an estimated 600 full time and seasonal workers are employed. In that industry, evergreens, floral greens, mushrooms and other forest floor products are picked and processed. The industry faces regulatory challenges from the Department of Labor and Industries, but if those challenges can be overcome we see a bright future for a growing industry where most of the sales are outside the county and bring new money to the local economy.

Separate from, but related to, the forest products cluster is a complex of business activity at North Mason Fiber where wood waste is processed into compost, fuel and mulch. In addition to producing useable by-products, the business activity sources materials from the entire region and serves as an ecologically sound means of waste reuse.

Finally, in a very bright note that epitomizes how industry clusters work in a rural area, a small Mason County mill burned in July of 2004, which put 25 employees out of work. In less than a month, production was shifted to another part of the facility, new equipment was put in place and they were back at full production and employment. That accomplishment took extraordinary effort and cooperation from area millwrights, contractors, electricians, machine shops, bankers, suppliers and other mills, all focused on helping a neighbor. But that is the kind of synergistic activity that can take place in an industrial

cluster and Mason County has seen the same thing happen at three other disastrous mill fires in the past 10 years.

Pacific County: There are twelve industrial timber companies that own and harvest timber in Pacific County. Of those, only two process or add value to the wood before it is sold or exported out of the area, Weyerhaeuser and the Seaport Lumber Company. Despite declines in employment since the 1970s, these two companies together have employed and/or subcontracted jobs to over 500 residents annually since 1993, providing an average annual wage of \$28,760. As of 1996, there were 42 businesses registered in the lumber and wood products industry. Eighty-eight percent of them employed one to four people. Seventy-six percent were in logging businesses. The other twenty-five percent were in milling or wood products manufacturing. The majority of these businesses are located in the north portion of the county. These numbers do not include those businesses and self-employed people who are manufacturing wood products that do not show up on the employment tracking system or whose income is below business tax reporting requirements.

Forest resources has been identified as one of the six major industry clusters in Pacific County. Asset mapping and industry discussions have begun in order to develop strategies to support valued-added businesses in forest resources.

Wahkiakum County: The wood products industry was the mainstay of the Wahkiakum County export economy through much of the 20th century. Wahkiakum County retains large private timber holdings with fewer restrictions on harvest levels than have affected federal and state lands. They do, however, have approximately 1/3 of their forestlands in Washington State Department of Natural Resources ownership. Shipment of logs to export markets occurs through the Port of Longview or Cosmopolis. Transfer of product to other states is another recent trend developing, and it is still unclear what this means to the county economy.

There are a number of local factors that affect production of wood products in Wahkiakum County. These include the following: a) difficulty in accessing timber stands due to steep terrain and the cost of constructing roads; and b) the cost of increasingly stringent environmental controls on the harvesting of lumber on lands adjacent to publicly owned forests.

Fisheries Resources Cluster

The district's economy traditionally has relied on an active sport and commercial fishing industry which forms another major business cluster. As a subset to that, oyster, clam, mussel and crab harvests are another important aspect of the aquaculture industry.

Fishing has experienced severe set backs beginning in the mid 1980s as a result of fishing curtailments, declines in salmon and ground fish, and other regulatory issues. Mismanagement of the ground fish fishery led to the over-harvest of several rockfish species, prompting drastic harvest reductions in ground fish generally. Commercial landings for salmon in Washington State declined from 34.4 million pounds in 1980 to a low of 14.8 million pounds in 1998. Salmon takes have been increasing since, although unevenly, and are still not close to historical rates. The dollar value of finfish dropped from \$114.7 million in 1987 to the 1998 low of \$37.8 million. As of April, the 2005 salmon fish counts are lower than planned forecasts, and may result in reduced catches.

Figure 20. Washington State Chinook and Coho Salmon Catch History

Year or Average	Chinook Catch*			Coho Catch*		
	Troll	Sport	Total	Troll	Sport	Total
1960-69	157.6	118.3	275.9	637	323.1	960.1
1970-79	249.5	173.3	422.8	846.1	552.3	1398.4
1980-89	78.8	42.8	121.6	204.1	182.4	386.5
1990-99	35.7	9.1	39.3	64.6	89.0	153.6
2000	17.9	8.5	26.4	27.4	68.2	95.6
2001	49.3	23.0	72.3	65.6	168.3	233.9
2002	92.9	57.8	150.7	17.7	74.1	91.8
2003	90.9	34.2	125.1	19.9	139.1	159.0
2004	100.6	24.9	125.5	75.2	112.9	188.1

*In 1000's of fish

Source: Pacific Fishery Management Council, Review of 2003 Ocean Salmon Fisheries, February 2004,

Income received from commercial and recreation or sports fisheries has dropped dramatically in recent years. The value of commercial and recreational fisheries for Washington coastal communities in 2004 was less than 16% of the 1976-80 historical average.

The decline in income for fisheries activity on the Washington Coast has drastically affected the economies of all four Columbia-Pacific area counties. Slight increases in the last three years over 1996-2001 are a sign of improving conditions in the finfish industry, but catches are still well below historical averages. The addition of several stocks throughout the region to the Endangered Species Act listing does not bode well for the future of finfish fishing.

Conservative area and season restrictions were adopted in 2003 to rebuild stocks of bocaccio, canary rockfish, cowcod, darkblotched rockfish, and yelloweye rockfish. Fisheries that have a significant bycatch of these species will be dramatically restructured. While there is no one area that is closed to all fishing, all areas from 0 to 250 fathoms are likely to feel the effects of these changes. Fishing effort will shift to nearshore and deeper water areas, which will require that more care be taken to manage groundfish in those areas

Figure 21. Income Impacts for Commercial and Recreational Ocean Salmon Fishery
(All figures are in thousands of 2004 dollars)

	Historical Averages		1986-90	1991-95	1996-2000	2001	2002	2003	2004
	1976-80	1981-85							
Ocean Troll									
Westport/Columbia River	\$21,157	\$5,341	\$2,419	\$720	\$161	\$490	\$947	\$797	\$892
Total Washington Coastal Community	\$33,722	\$6,808	\$3,150	\$1,241	\$307	\$739	\$1,560	\$1,952	\$1,852
Puget Sound	\$7,149	\$1,526	\$885	\$171	\$88	\$0	\$0	\$38	\$23
Recreation Fishing:									
Westport/Columbia River	\$16,015	\$12,245	\$6,704	\$4,053	\$1,875	\$6,026	\$5,175	\$6,254	\$5,144
Total Washington Coastal Community	\$19,628	\$14,381	\$7,719	\$4,630	\$2,200	\$7,023	\$6,004	\$7,467	\$6,585

Source: Pacific Fishery Management Council, Review of 2004 Ocean Salmon Fisheries, February 2005

Shellfish Cluster

Commercial shellfish harvesting in the region is as old as the forest products industry. The vast majority of the state's oyster, clam and mussel production comes from Willapa Bay and South Puget Sound. The region accounted for 65% of the State's total oyster production in 2001. Washington State produces 21% of the nation's domestic oysters, with Willapa Bay and Grays Harbor representing 13% of the total U.S. production, down from about 20% ten years ago. This decrease in per cent of production is due to increased production elsewhere in the U.S. In spite of serious threats to the industry by burrowing shrimp and non-native plant life invasions, the industry has registered explosive growth during the past 15 years. Since 1987, in Mason County alone, licensed commercial shellfish businesses have grown from 30 to 120 in 2002. Today there are 37 licensed operations in Pacific County and another 15 in Grays Harbor County.

Figure 22. Washington Shellfish Production and Income

	Clams		Oysters		Shrimp	
	Pounds	Income	Pounds	Income	Pounds	Income
1993	1,767,605	\$16,115,858	7,378,910	\$13,459,609	15,884,057	\$5,368,530
1998	1,968,115	\$25,501,455	6,518,347	\$17,308,282	3,137,843	\$2,636,659
1999	2,228,333	\$26,784,866	6,769,087	\$17,797,812	4,177,461	\$2,891,648
2000	2,114,910	\$28,011,388	8,458,154	\$22,473,331	5,536,306	\$3,620,718
2001	2,510,153	\$30,465,442	8,257,717	\$20,915,037	7,765,066	\$3,696,976
2002	2,908,028	\$33,386,136	6,633,950	\$18,353,034	10,838,228	\$3,067,290
2003	3,030,838	\$35,580,380	8,681,054	\$25,028,397	8,867,459	\$3,723,664

Source: National Marine Fisheries Service

Grays Harbor County: Although salmon and ground fish harvests have decreased significantly in the last 20 years, increases in pacific whiting, Dungeness crab and other types have increased the total pound yield from about 23 million pounds to over 40 million pounds and the dollar value has increased from \$15m to almost \$25m (2000 dollars). As with other natural resource industries, fishing is subject to influence from outside factors such as endangered species regulations, driftnet treaties, Canada-United States salmon treaties, and catch and processing allocation decisions.

Besides salmon, rockfish, sole, flounder, various bottom fish (Pacific cod, sablefish, whiting, polluck and surf perch), as well as, albacore and sturgeon populate Grays Harbor. Major shellfish varieties include crab, shrimp and oysters. The major processing and landing facilities are at Westport, and the major oyster processing plants are in South Bay, though some oyster rearing also occurs in the North Bay area of Grays Harbor.

The Grays Harbor seafood processing industry is heavily dependent upon local commercial harvests. Ground fish, shrimp, oysters and crab are processed locally by 4-5 major companies, including Washington Crab Producers, Quinault Pride, Westport Seafood Exchange, Associated Seafoods and Ocean Gold Seafoods. However, a large portion of the total commercial catch receives only minimal processing before being shipped to other areas for wholesale distribution or further processing. Several small custom canneries freeze, can and smoke salmon and sturgeon. Grays Harbor College operates a successful fisheries processing program, training individuals for the fisheries and aquaculture industries.

Mason County: The aquaculture industry cluster is a classic organization of large and small businesses that both compete with and support each other. At the same time there are many related businesses that would not exist except for the aquaculture industry, which reaches across the economic development district and beyond. As Mason County's second most important private employer, the estimated industry employment exceeds 650. The industry is financially rewarding to hard working business owners and employees. Because the vast majority of the shellfish production is exported from the county, most of the money generated from sales adds to the general wealth of the county as new money. As is the case with exported manufacturing sales, new money from shellfish production generates additional jobs in the service and support sectors.

In a recent update of a 1987 study, the Economic Development Council of Mason County reports that shellfish sales have grown from \$5.6 million in 1987 to \$32.2 million in 2001. Concerning payroll, the industry generated \$17.7 million in 2001 compared with \$2.7 million in 1987.

Though shellfish production originally relied upon native species, the industry is driven today by introduced species and state-of-the-art growing and harvesting techniques. Manila Clams and Pacific Oysters are still the most valuable introduced species, but the influence of man in the native Geoduck cultivation process has a promising future with particularly strong demand from the Asian market.

With the introduction of non-native mussels, the worldwide market potential is almost limitless as mussels are the world's most popular bivalves. Because of natural food and temperature conditions in Mason County waters, the growing rate for mussels exceeds that of most other production areas.

Considering the opportunity to enhance water quality through shellfish production, there are two very strong driving forces. First, bivalves are filter feeders that pass tremendous volumes of water daily. In so doing, they perform a natural cleansing action by their feeding process. The more bivalves at work, the more filtering action takes place. Secondly, the entire aquaculture industry is heavily dependent on clean water. With the rising economic influence of aquaculture more and more local political force is being focused on clean water efforts. In 1998, the Washington State Department of Health, Office of Shellfish Programs, reclassified portions of the Lower Hood Canal commercial shellfish growing area from "prohibited/restricted" status to "approved" status. That action was the result of long-term concentrated efforts to upgrade failing septic systems and control agricultural runoff. Countywide efforts in that direction continue. An accrued benefit of clean water is realized in the tourist and recreation industries as well.

With the national production and leadership status of Mason County's Taylor Shellfish, Inc., other local growers benefit from Taylor's cutting edge technological developments and processing facilities. The synergistic effect boosts the shellfish industry throughout Western Washington and the four-county Columbia-Pacific district in particular.

As bright as the future seems to be for this very important segment of the Mason County economy, there are significant obstacles to overcome en route to the industry's full potential. From the regulatory arena, there are concerns that nationally applied rules at the federal level could do unintended local harm. From another sector there are forces that would prevent raft-borne cultivation for various reasons, which, if successful, would greatly reduce the county's aquaculture expansion potential. Overall, however, the industry is healthy and expanding rapidly.

Pacific County: In the late 1970s, many factors affected the Pacific County fishing industry: the Boldt Decision, below-normal salmon runs, fuel shortages, rising gas prices, reduced commercial seasons, reduction of recreational limits, and El Niño. Ilwaco's fleet of recreational salmon charters peaked in 1978 with 130 charters, and dropped to only 40 charters by 1985. The resulting job loss totaled 159. Chartering has remained at approximately this level throughout the 1990s.

Primary productivity in the Pacific Ocean is influenced by the position of the Aleutian Low pressure system, which determines weather conditions across the northeastern Pacific from Alaska to California, including ocean upwelling rates and in a broad sense, local weather conditions. Researchers have seen a twenty-year-long pattern (21 to 24 years for most cycles) in this system; the cycle is called the Pacific Decadal Oscillation. When the Aleutian Low is near the Pacific Northwest, productive ocean conditions are found off of the coasts of British Columbia, Washington and Oregon, with good phytoplankton production, strong upwellings and favorable conditions for salmonids, bottom fish and shellfish. Local weather was wetter and cooler. Since roughly the year 2000, this has been the local pattern. From the late 1970s to about 2000, however, the Aleutian Low was closer to Alaska and provided favorable ocean conditions in northern BC and Alaska, with record salmon harvests, and highly productive conditions for fish and shellfish there. During the same period, ocean conditions here were generally poor, and local weather was warmer and drier. Prior cycles alternated throughout the twentieth century. This oscillation of good or poor ocean conditions in Pacific County and the Pacific Northwest, along with the weather, is opposite that in Alaska; this pattern has been going on for thousands of years.

In fifteen to seventeen years, the Aleutian Low is expected to shift back to the north, with warmer, drier weather here, and wetter weather in Alaska. With this shift, primary productivity and a variety of fish and shellfish harvests are likely to decline in Washington and Oregon. Note that upwelling areas are uniquely vulnerable to climate change: if global warming increases significantly, it is very likely that the upwelling sites around the world will slow down and stop. If this happens, local productivity will decline severely regardless of the position of the Aleutian Low.

Razor clam harvests over the past several years have been strong, due in large part to improved ocean conditions. Razor clam harvests are interrupted by harmful algal blooms (naturally-produced biotoxin events), which prompt closures due to high levels of domoic acid or other natural biotoxins, particularly in the fall. The Washington Department of Fish and Wildlife has scheduled short harvest openings throughout the year to provide more recreational opportunities, and reduce the odds that any one harvest period will be closed during a given season due to biotoxins. These toxins are produced by a variety of phytoplankton, and are usually not harmful to fish, marine mammals or birds. However, some toxins at high concentrations can cause widespread kills of marine animals and birds. These conditions are probably more likely during warmer, drier periods.

Willapa Bay continues to produce half the oysters in Washington despite challenges in the control of cordgrasses, increasing burrowing shrimp populations, and soft market conditions for shucked oysters. A recent bay-wide trial of a new herbicide in 2004 was very effective, and preliminary findings (late winter 2005) indicate that control and eradication may be possible, barring legal challenges to its use. Non-chemical control methods for burrowing shrimp remain problematic.

Finfish culture has been established in Pacific County since 1886. The oldest remaining private hatchery in the state is located in Chinook, and the first Washington State Fish Hatchery is located at Forks Creek. Private sector fish farming is currently contrary to Washington State agency policy. Cooperative finfish enhancement projects between the Washington Department of Fisheries and local groups, however, are supported by the state. These operations release smolts of several species to grow to maturity in the ocean, rather than the highly controversial 'net pen to pan' form of fish farming.

Willapa Bay, the Columbia River, and associated wetlands and tributaries support this productive fish base prior to smolting. Fishing (which includes shellfish) is an important sub-sector of the income base in Pacific County, as well as the seafood supply in the state of Washington. Half of the state's oysters, 25% of the state's crabs, 99% of the sturgeon catch, and over 10% of the salmon catch are landed in this region. The ecosystem support comes via productive natural habitats, which include spawning, juvenile and adult habitats from small streams in the hills down to the estuaries and continental shelf of the Pacific Ocean. Freshwater and estuarine areas are impacted at several levels by other land use practices, including commercial timberland management and the spread of urban areas into natural landscapes.

As the major shellfish production and processing center on the Washington coast, Pacific County's economy includes a substantial marine resources component. The commercial fishing industry, based primarily in Ilwaco and Chinook, includes over 200 vessels and nearly 1,300 fishermen, with annual landings exceeding 21 million pounds of fish and shellfish with an ex-vessel value of nearly \$15 million. Dungeness crab, Pacific pink shrimp, albacore tuna, and bottomfish production are the major components of the commercial fishery, generating over \$25 million in personal income, and over a thousand jobs to the county's economy. Many fishermen also participate in the distant water fisheries in Alaska, adding an additional \$21 million in county personal income contributions.

Pacific County is home to the largest shellfish culture industry on the West Coast, with nearly 50 million pounds of oysters and clams produced each year; these have a wholesale value exceeding \$10 million (this is a very low average; some years it is over \$20 m). The industry generates over \$12 million in personal income, and provides nearly 600 jobs to the local economy.

Fish and shellfish processing and retail sales of seafood are a key production and income source. Eight seafood processing plants and fifteen seafood retailers provide seafood products to area distributors and consumers.

Sport fishing is one of the major reasons visitors come to this area. The summer salmon season on the Columbia River is very popular. Fishers either bring their own boats or go out on charter boats from local ports. The charter boat industry in Ilwaco includes over thirty vessels, offering sports fishing, local history and whale watching trips. Willapa Bay also hosts sport salmon and sturgeon fishing, and several tributary rivers are considered choice steelhead streams.

Visitors come to this coastal area enjoy local parks and natural areas, including county, state and federal parks along the ocean, rivers and beaches. Parks and conserved areas make up less than five percent of the land base of Pacific County, but contribute disproportionately to the attractiveness of the region. These sites are attractive to birders, hikers, fishers, hunters and campers. While firm visitation numbers are difficult to find, it is generally estimated that daily spending per visitor is \$50-200; this is a national range. Visitation to Pacific County is probably around 1 million visitor-days per year. Cape Disappointment by itself has 400,000 day-visits and 102,000 overnight visits. It is likely that an increase in parks and conserved areas for recreation would increase visitations, prolong by days the duration of each visit, and proportionately increase local spending by visitors.

Wahkiakum County: Decline of Columbia River salmon runs has taken its toll on Wahkiakum County's traditional fishing industry, which has been the second mainstay of the area's natural resource based economy (after forest products). The decline of fishing in Wahkiakum's home waters has led local boat operators to fish elsewhere where stocks are more abundant. Residents fish in Alaska waters and return with revenue to the county.

Columbia River fishing has been in decline since about mid-century, displacing gillnetters, traditional Native American fishing sites, and cannery workers in Wahkiakum County as well as up and down the Columbia in both Washington and Oregon. The remains of many of these canneries, which are the oldest in the state, can be found in Wahkiakum County at Cathlamet, Cottardi Station, and Pillar Rock. Due to the recent listing of Lower Columbia Steelhead stocks as endangered under the Endangered Species Act, Wahkiakum County is now engaged in a comprehensive planning and recovery effort involving other neighboring counties as well as state and federal agencies.

Agricultural Resources

Agricultural resources have historically been an important part of Columbia-Pacific's community character and economy. Farming has been a part of the region's heritage since early settlement in the mid-1800s. At one time, agriculture made up a large percentage of the Columbia-Pacific region's economy, but the last fifteen years have shown a continuing decline, a trend that cannot be expected to reverse.

Figure 23. Value of Agricultural Production

County	# of Farms [†]	2002 Value of Production			Overall Rank in State*
		Crops	Livestock & Poultry	Total Value	
Grays Harbor County	510	\$13,936,000	\$16,079,000	\$30,015,000	27
Mason County	320	\$5,016,000	\$46,947,000	\$52,008,000	23
Pacific County	341	\$4,315,000	\$26,352,000	\$30,667,000	25
Wahkiakum County	125	\$84,000	\$2,895,000	\$2,979,000	39
Total Columbia-Pacific Region	1,296	\$23,350,000	\$92,273,000	\$115,669,000	

* Note: Out of 39 counties in the state of Washington.

† Note: The Census of Agriculture definition of a farm is any place from which \$1,000 or more of agricultural products were produced or sold, or normally would have been sold. This definition was first used in the 1974 Census of Agriculture, and has been used since. The constant amount on which the definition is based accounts largely for the dramatic increase in the number of farms between the 1997 and 2002 Censuses.

Source: 2002 U.S. Census of Agriculture

Total value of agricultural production for the four-county region (as of 2002) was over \$115 million. With the exception of Grays Harbor County, where nursery and dairy products dominate, livestock and poultry are the predominant sources of agricultural income.

While none of these counties rank in the top tier of agricultural counties statewide, this region is important for a number of specialty agricultural crops including nursery stock, Christmas trees, hybrid poplar, cranberries, and aquaculture. More detailed county-by-county information is useful to describe particular strengths of the region's agricultural base.

Grays Harbor County: Agriculture in Grays Harbor County has been fairly stable over the past 15 years, although a downward trend has developed as dairy and cranberry industries struggle in the face of unfavorable market conditions and pollution of resource areas.

Significant areas of prime agricultural land are found along the Chehalis, Satsop, and Wynooche Rivers in east Grays Harbor County. Nearly all of the land classified as agricultural is actively farmed and is located in the alluvial soils of the lower reaches of the Chehalis River, its tributaries and several smaller rivers. Despite high overall yearly rainfall, summers are usually quite dry, so areas soggy with moisture during the cool season benefit from irrigation during the growing season.

Figure 24. Grays Harbor Agricultural Trends

Agricultural Indicator	2002	1997	Percent Change
Total number of farms	510	389	+31.1%
Total acres in farms	53,594	42,350	+26.6%
Average farm size (acres)	105	109	-3.7%
Full time farms	256	179	+43%
Estimated Average Market Value:			
Land and buildings (per farm)	\$317,879	\$261,918	+21.4%
Land and buildings (per acre)	\$2,317	\$2,769	-16.3%
Machinery and equipment (per farm)	\$66,061	\$32,377	+104%
Market Value of Agricultural Sales:			
All agricultural products	\$30,015,000	\$15,029,000	+99.8%
Average per farm	\$58,853	\$38,635	+52.4%

Source: USDA, National Agricultural Statistics Service, 1997 and 2002 Censuses of Agriculture,

The only significant agricultural activity not located in the Chehalis Basin area occurs in the cranberry bogs of Grayland and North Cove, on soils uniquely suited for such crops. Grays Harbor County has the unique conditions of climate and soils needed to successfully grow cranberries. Consequently, Grays Harbor County, together with Pacific County, put Washington State on the list of five states which produce the majority of cranberries in the U.S. Washington ranks fifth in cranberry production behind the states of Wisconsin, Massachusetts, New Jersey and Oregon.

There was good news for cranberry growers in the year 2000. After a sharp decline in the price per barrel in 1999 (a low of \$12.80), prices doubled to \$25.20. Yield per acre increased 31% over 1999 to an average of 120 barrels per acre. With the increase in yield and price, the value of production doubled from 1999 to 2000, although still much lower than the record high of \$63.70 set in 1998.

Dairy products remained the county's largest agricultural commodity, providing over \$7.6 million or 51% of the county's agricultural value.

A small core of specialty nurseries is located in the county. Chief among them is Briggs Nursery, which has over 90 employees and a major grower of container plants. It is also the largest grower of Rhododendrons in the world. Other operations include a specialty fuchsia grower, an herb farm and a wholesale heather nursery.

Mason County: Of the region's four counties, Mason has traditionally been the least dependent on agricultural activity. However, it is the one county that is currently showing significant gains in the value of its agricultural production.

The number of farms has increased in Mason County from 145 in 1992 to 211 in 1997, and to 320 in 2002. Total acreage in farms has increased as well, from 10,965 in 1992 to 19,986 in 1997 and to 21,641 in 2002.

The most striking statistic in Mason County’s agricultural profile is the increase in market value of agricultural sales from \$1.1 million in 1992 to \$13.3 million in 1997 and to \$52 million in 2002. This is due mainly to the burgeoning aquaculture industry, which is by far the top valued commodity. Other top commodities include nursery and greenhouse crops, cattle and calves, hay and silage, and vegetables.

Figure 25. Mason County Agricultural Trends

Agricultural Indicator	2002	1997	Percent Change
Total number of farms	320	211	+51.7%
Total acres in farms	21,641	19,986	+8.3%
Average farm size (acres)	68	95	-28.4%
Full time farms	153	101	+51.5%
Estimated Average Market Value:			
Land and buildings (per farm)	\$379,939	\$302,155	+25.7%
Land and buildings (per acre)	\$4,958	\$4,100	+20.9%
Machinery and equipment (per farm)	\$45,072	\$16,539	+172.5%
Market Value of Agricultural Sales:			
All agricultural products	\$52,008,000	\$13,365,000	+289.1%
Average per farm	\$162,524	\$63,340	+156.6%

Source: USDA, National Agricultural Statistics Service, 1997 and 2002 Censuses of Agriculture

Pacific County: At one time, farming made up a large proportion of Pacific County’s economic activity, but the last 25 years have shown steady declines in income. While the area has diverse cultivated crops and ranches, the vast majority of activity is in the cranberry industry. More than 2/3 of the county’s \$14 million farmgate sales are from cranberry harvest:

- 69% sales from cranberry production
- 14% dairy/cattle
- 6% specialty crops
- 5% mushrooms
- 5% other

The county’s current agriculture economy is dependent upon broader economic trends and global influences on key markets:

- Global consolidation of competitors and customers means that there are fewer and larger customers placing greater demands upon grower prices and services
- Agricultural land is often well-suited for urban uses, and therefore may compete with those uses. Competition is most apparent on the fringes of the floodplain, and represents the most serious potential threat to continued agricultural production.
- Suitable land for agricultural expansion is limited, while there is a perception that transportation and logistical services are quite distant from product demand centers.
- Growing conditions are ideal for cranberries, with plentiful water and an infrastructure to support it.

- These same growing conditions tend to not be well suited for other types of crops and plants.
- Ocean Spray is the largest cranberry marketing entity in the U.S., with operations in Pacific County. Cranberry farming represents a stabilized crop in Pacific County's agricultural industry.
- Dairy and cattle operations are a significant part of county activity. In the past ten years changing markets, the cyclical nature of beef prices worldwide, an oversupply of milk, waste management restrictions, and rising property prices have forced some families out of the farming business.

Figure 26. Pacific County Agricultural Trends

Agricultural Indicator	2002	1997	Percent Change
Total number of farms	341	253	+34.8%
Total acres in farms	51,824	40,228	+28.8%
Average farm size (acres)	152	159	-4.4%
Full time farms	190	150	+26.7%
<i>Estimated Average Market Value:</i>			
Land and buildings (per farm)	\$347,338	\$367,825	-5.6%
Land and buildings (per acre)	\$2,076	\$2,369	-12.4%
Machinery and equipment (per farm)	\$102,766	\$34,562	+197.3%
<i>Market Value of Agricultural Sales:</i>			
All agricultural products	\$30,667,000	\$16,964,000	+80.8%
Average per farm	\$89,932	\$67,052	+34.1%

Source: USDA, National Agricultural Statistics Service, 1997 and 2002 Censuses of Agriculture

Wahkiakum County: Wahkiakum County has seen the most dramatic decline in agriculture of the four Columbia-Pacific counties over the past ten years. Total market value decreased 41% from over \$5 million to under \$3 million. Livestock sales accounted for 97% of the 2002 market value, with crop sales at just 3%.

Figure 27. Wahkiakum County Agricultural Trends

Agricultural Indicator	2002	1997	Percent Change
Total number of farms	125	108	+15.7%
Total acres in farms	12,386	13,379	-7.4%
Average farm size (acres)	99	124	-20.2%
Full time farms	58	47	+23.4%
<i>Estimated Average Market Value:</i>			
Land and buildings (per farm)	\$257,411	\$348,263	-26.1%
Land and buildings (per acre)	\$2,690	\$2,348	-14.6%
Machinery and equipment (per farm)	\$29,422	\$30,767	-4.4%
<i>Market Value of Agricultural Sales:</i>			
All agricultural products	\$2,979,000	\$2,715,000	+9.7%
Average per farm	\$23,830	\$25,135	-5.2%

Source: USDA, National Agricultural Statistics Service, 1997 and 2002 Censuses of Agriculture

Manufacturing

Beyond the forest products industry, covered above, one natural resource related manufacturing industry, food products manufacturing, will be discussed. Additionally, we will touch on the High-Tech/Light Manufacturing, Tourism, and Health Care/Retirement clusters.

Food Processing Cluster

Food processing is a significant manufacturing activity in the district, with the exception of Wahkiakum County. In Pacific County, food processing currently accounts for 43% of the total manufacturing employment; in Mason it is 13%; and in Grays Harbor the figure is 8%. It is based on the district's agricultural and fisheries resources, particularly cranberries, fish, and shellfish.

Following some volatility in the 1980's, the district's food processing industry stabilized slightly during the 1990's. Regionally, gains in employment in Mason County offset losses in Pacific and Grays Harbor toward the end of the decade. In the early years of the 21st century, some gains in employment in this cluster were made.

Mason County: Mason County's food processing industry, though relatively small, is growing and has a bright future if allowed to expand under increasing growth management constraints. The majority of the food processing jobs are at plants and facilities in rural areas. Examples include Taylor Shellfish, Olympia Oyster, Stretch Island Fruit, Olympic Mountain Ice Cream, and Hoodspout Winery. Growth will be severely restricted under presently proposed land use regulations. There are currently over 300 good paying jobs in this industry.

Pacific County: Of the four counties, the food processing industry is most significant to Pacific County, where it accounted for an average of 45% of the manufacturing activity throughout the 1990's and into the 21st century.

Pacific County has businesses throughout the county that process shellfish and oysters: Ekone Oysters, canned and smoked oysters; Goosepoint Oysters, canned and "shooters"; Bell Bouy in Chinook, crab; Jessie's Ilwaco Fish, whiting, crab shrimp and sardines; Taylor Industries, shellfish; Dungeness Development, crab, caviar, shrimp and albacore tuna; Nelson Crab, shrimp and crab.

Changes continue to occur in the food processing industry in Pacific County, which is highly dependent upon favorable harvesting seasons and market prices each year for cranberries, fish, and shellfish.

In 2004 through 2005, the Pacific Shellfish Byproducts Consortium was formed in response to a Department of Ecology mandate that a long term solution be developed in the disposal of shellfish products. The Consortium represented a first-time collaborative effort by the county's shellfish processors to work together for the benefit of the industry.

Grays Harbor: Food Processing accounted for only 7.9% of the total manufacturing employment in the County in 2000, employing 338 persons (Manufacturing accounted for 18.7% of workers by employment sector.). Lumber & wood products surpassed all other manufacturing sectors for employment with 2,047 workers. Next, in order of employment, was paper and allied products, industrial machinery & equipment, and transportation equipment.

Because food processing is still a relatively small segment of Grays Harbor's manufacturing activity, changing market conditions do not have a dramatic effect on the overall economy as they do in Pacific County.

Other Clusters

High Technology & Light Industry Cluster

Mason County: Beginning in the mid-1950's Certified Aerospace, located in Shelton, established itself as a major sub-contractor to Boeing and brought Mason County into a new industrial arena – high tech machining and fabrication. The business grew to over 400 highly skilled and very well-paid machinists before it sold and eventually became insolvent in the early 1990's. Fortunately, several other high tech machine shops spun off from Certified during the period of its demise.

Today's local industry forms a loosely knit, mutually supporting, light manufacturing cluster that revolves around several highly diversified but related businesses.

Though not nearly so closely connected to Boeing as in the past, the recent slump in the aviation industry has caused closure of one aerospace machine shop and significant job loss at another. Even so, Olympic Tool and Engineering has launched into manufacturing its own line of submarines while two other businesses are devoted to aviation parts overhaul and repair.

In a non-related high tech development, Sims Vibration, Inc. is expanding rapidly with product lines that will revolutionize vibration dampening science and application. Near by, two light-industry casting businesses are coming into full production capacity. In a completely different arena, Gerbings Heated Clothing has secured a very high volume contract with Harley Davidson Motorcycle Co. as well as a number of motor sports equipment manufacturers. In another high-tech business, American Cushion Industries has just expanded their production facilities by 12,000 square feet in order to capture a larger share of the automotive seat cushion replacement business.

All of these high-tech and light manufacturing businesses are mutually supportive and have a synergistic effect on future growth of the cluster. The future is bright with high growth potential and expectations for demand of highly skilled labor, which has historically been available.

Tourism Cluster

Mason County: Even though two and a half million cars pass through Mason County annually and part of Olympic National Park lies within its borders, tourism has historically been only a minor part of the economy. Today, however, visitors have become a very important and growing economic factor. Beginning with the establishment of Little Creek Casino, south of Shelton, in the mid 1990s, tourism has been on steeply increasing trend. The recently constructed hotel at the same location adds to the length of stay for the average visitor. Between the two facilities 600 jobs are new to the County in the past eight years.

In another major tourism development north of Shelton on the south shore of Hood Canal, Alderbrook Inn is now open as a remodeled and expanded facility that supports another 110 jobs. Between those two facilities, and several other smaller tourism oriented businesses, tourism has become a highly significant element of the Mason County economy and it is expected to continue in rapid growth in several undeveloped directions, including sport fishing.

Wahkiakum County: Tourism, recreation, fishing, and hunting have become a small industry in Wahkiakum County. The beauty of the hills, wetlands and the Columbia River are attracting many outdoor lovers. Lodges, Bed & Breakfasts, and guide services are on the rise and our area is determined to become a destination.

Health Care/Retirement Cluster

Mason County: With Mason General Hospital as a nucleus, numerous doctors offices and clinics, pharmacies, dentists, eye care facilities, laboratories, nursing homes, retirement homes and home health care businesses form the health care cluster in Mason County. The health care industry is an extremely important part of the social and economic picture. An estimated 650 direct jobs depend on health care while another 271 jobs exist in support of the cluster. This is a classic case of businesses existing in support of one another and spurring growth because of what already exists in a specific geographical location. For example, a kidney dialysis center is presently under construction. The facility will eliminate the need to have patients travel two hours, one way, as many as three times a week for treatment.

Economic Development Evaluation

The Columbia-Pacific district's economic development potentials are evaluated from the perspective of economic activities that historically, currently, or prospectively have significance to the region's economy. Economic clusters reviewed include:

Agriculture	International Trade
Fisheries/Aquaculture Resources Cluster	High technology and light Industry clusters(non-resource based)
Forest Products	Visitor Services

This assessment recognizes attributes common to the entire region, and those unique to one or more counties. Strengths, weaknesses, and opportunities associated with each of these sectors are explored. This evaluation provides a basis for determination of updated regional economic development goals, objectives, development strategy, and implementation plan.

Agriculture

While agriculture is an important component of the economy for all four counties, this industry generally is not expected to offer opportunity for significant employment growth. However, employment growth may occur in *specialized niche products*, such as cranberry, nursery, organic and free-range farming, and hybrid poplar production.

Strengths of the Columbia-Pacific agricultural economy includes diverse climatic conditions and the general overall stability of the region's agricultural industry. Location considerations may be of increasingly strategic importance. The strategic location between Portland and Seattle and the desirable soil type may lure businesses to consider Grays Harbor or Mason County as potential plant production or nursery sites, as occurred when Briggs Nursery re-located the bulk of its facilities to Porter in Grays Harbor County.

Grays Harbor County agricultural policies have helped protect the agricultural resources highly susceptible to urbanization pressures, primarily from the Olympia area. Policies also protect the cranberry bogs in coastal areas.

Weaknesses include a limited suitable land base for expanded operations and perceived distances from markets. Agricultural land is often well suited for urban uses, and therefore may compete with those uses. Competition is most apparent on the fringes of the floodplain, and represents the most serious potential threat to continued agricultural production.

For counties planning under GMA (Mason and Pacific), recent Growth Management Hearings Board decisions impose serious limits on some farms lands through application of fish and wildlife protection buffers.

Weaknesses in Grays Harbor County are physical limitations directly related to the geography/topography of the region. The vast majority of land within the county consists of hills, steep slopes, lakes, rivers and their associated wetlands. The lowlands within the county support agricultural and dairy interests while flooding remains a problem. While lack of available land may limit traditional natural resource-based

manufacturing industries, it provides an excellent opportunity for non-traditional type industries that promote quality of life issues. The inability to expand natural resource operations due to geographical boundaries is offset by the development of new and innovative uses for those resources.

Opportunities for agricultural production include expansion of nursery activities and hybrid poplar production throughout the region. Other opportunities have been identified for purebred beef, llamas, poultry, and specialty animals such as squab, pheasant, quail, emus, and mink. Also being explored are valued-added products such as specialty cheeses and organic produce.

Fisheries/Aquaculture Resources Cluster

The Columbia-Pacific region's fisheries and aquaculture industries are diverse with more optimism on the aquaculture side than for fisheries. Though regulatory issues are a restraining factor in both cases, resource availability is clearly a limiting factor in the recovery of the fishing industry. Shellfish, on the other hand, have little of the same considerations.

Strengths include a diversity of ocean, river and Puget Sound/estuary fishing, an in-place infrastructure (including harbors, boats, processing facilities and skilled workers), and two large estuaries with good water quality. On the shellfish side, Mason, Grays Harbor and Pacific counties contain some of the most productive waters in the world. Production potential is almost unlimited especially considering species where commercial production is in its infancy.

Mason County's aquaculture industry is the second most important private industry in the county, with clam production being number one nationally. Oyster and mussel production levels represent a high percentage of the national production. The shellfish industry's dependence on high water quality tends to positively influence programs and policies that promote clean water. In Mason County, wage levels in the shellfish industry are competitive with the forest products industry.

Weaknesses relate to issues of environmental degradation, shellfish toxicity concerns, and continued curtailments of commercial and sport fishing seasons. Concerning finfish, added Endangered Species Act listings throughout the region threaten the industry. For the shellfish industry, regulatory and political pressures at the state and local levels are forcing long-time local companies to focus their growth efforts on Canada, Mexico and neighboring West Coast states. The district is in fact losing growth in the mussel industry. Additionally, the industry is threatened by predators and habitat destruction through spread of exotic weeds and ghost shrimp growth.

Opportunities relate to value-added processing of items presently exported from some counties unprocessed. Processing locally would provide added jobs and income.

Pacific County's Willapa Bay contributes 50% of the state's oyster production, with Grays Harbor accounting for another 12%, and has the potential to expand the products cultivated. Nori (seaweed), mussels, Atlantic salmon, clams, and other species all are potential revenue-producers.

Forest Products

The forest products industry is the dominant economic activity in the Columbia-Pacific region and despite significant downsizing and restructuring, is likely to remain a significant economic activity due to the vast forest resources in the district.

Strengths include the reality of continued existence of this most significant industrial cluster in spite of serious degradation over the past two decades. Though not nearly as robust as in the past, both the physical infrastructure and the local know-how are intact for rapid recovery and re-growth of the industry.

Weaknesses of the industry include the regulatory constraints on timber harvesting that contributed to the precipitous drop in the region's level of living and continue to inhibit the rebirth of the industry.

Figure 28. Softwood Log and Lumber Exports, Washington State 1989-1999
Millions of board feet

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Lumber	1,002.30	886.20	760.7	617.1	581.7	536.2	567.2	567.8	538.4	282	238
Logs	2,356.90	1,932.10	1,548.30	1,393.60	958.1	891.1	999.1	916.7	599.1	476.6	434.9

Source: WFPA, 2004

Opportunities include not only the abundant availability of second and third growth timber, but also signs that there may be some tendency toward an easing of regulatory constraints on harvesting. The vast forests create an opportunity for capital importation from carbon credits. Additionally, the Hybrid Poplar plantings of the past are more and more coming to maturity and providing a source of wood that was heretofore unknown. The area is well served by highways and port facilities. Good highway accessibility is particularly important for attraction and establishment of secondary, value-added manufacturers. Mason County is served by an excellent freeway system connecting directly to Interstate 5, as is Grays Harbor County. Wahkiakum County has access to the Port of Longview and to Interstate 5 as well, while Pacific County is served by the Port of Grays Harbor, with connections to Olympia via Highways 8 and 12.

International Trade

Located within the nation's number one export state, the Columbia-Pacific district shares significant opportunities for increased international trade. The long-term trade potential of the Port of Grays Harbor is of particular importance.

Strengths of the district include its proximity to the Pacific Rim countries and to major export facilities, including the Port of Grays Harbor (bulk commodities), Tacoma/Seattle (containers), Port of Olympia (containers and bulk), and Seattle-Tacoma International Airport (air freight). Wahkiakum County is positioned to access air service through Portland International Airport.

Weaknesses include the perceived distance of the region from competitive shipping facilities, difficulty in diversifying beyond bulk commodity exports, and the need for navigational improvements.

One specific transportation-related weakness is the need to dredge Willapa Bay. This may be offset by production or use of flat-bottom boats (barges).

Opportunities are of two types. The first involves attracting companies who want a rural location and proximity to major Puget Sound ports for container cargo. The second is the Port of Grays Harbor's potential as a multi-cargo facility.

The Port of Grays Harbor is making improvements to help diversify and increase international trade activity. The deeper-draft navigation channel has been deepened from the north mouth of Grays Harbor

to the Highway 101 bridge. The Port is also reconfiguring and improving the dock area to handle a variety of cargoes, and has begun to host cruise ships relocating between summer and winter cruise areas. The port has foreign trade zone designations to provide significant relief from import/export duties.

The six ports represented in Pacific and Wahkiakum Counties are working together to develop a plan, seek funding, and purchase dredging equipment to be utilized by all six ports. Wahkiakum County's neighbor, Port of Kalama, has also been designated as a foreign trade zone, improving opportunities for increased import and export of goods. The Army Corps of Engineers is planning a change of management practices, allowing dredging to deepen the Columbia River navigation channel, which could add new opportunities for shipping.

Developing cargo-handling capabilities at the Port of Olympia present improved shipping opportunities for Mason County. Additionally, one of the largest Foreign Trade Zones in the United States now encompasses two sites under the Port of Shelton's ownership in Mason County.

High Technology and Light Industry Clusters (Non-Resource Based)

All four counties emphasize diversification, focusing on the clustering of non-resource-based industries.

In Mason County a complementing and synergistic arrangement of high-tech, light manufacturing businesses is located at the Port of Shelton as well as private locations in rural areas. At the Port, Sims Vibration uses cutting-edge technology and materials applied to aluminum products to do such things as reduce vibration in baseball bats and archery bows. The company is growing rapidly and faces a very bright future. Nearby, Olympic Tool and Engineering is applying innovative techniques to construct privately owned submarines for research and recreational use. Olympic Tool's main business, in precision aerospace machining, serves as a vital support function to the aircraft and missile manufacturing industry. Complementing Olympic Tool and Engineering are Northwest Brass and Rainier Cast Parts, which are both light-industry casting businesses.

Not far from the Port of Shelton is Aero Controls, which refurbishes used aircraft parts in a 70,000 sq. ft. manufacturing and warehousing facility. Further to the north, near the community of Union, Gerbings Heated Clothing is using innovative technology to manufacture and distribute heated suits used by motorcycle riders and open car drivers. There seems to be no end to applications of this technology either. South of Shelton, Quality Precision Products provides sub-contracting services to local machine shops as well as others throughout the Puget Sound area.

In Grays Harbor County, the Satsop Development Park is an excellent example of how industries are attracted to facilities that have needed infrastructure in place. The Washington Public Power Supply System (WPPSS) default left the blight of an abandoned, incomplete nuclear power plant on the Grays Harbor County landscape. The extraordinarily high construction standards and infrastructure required for a nuclear power generation site made it an ideal setting for secure high-speed communications and data storage facility. With the laying of a 72-strand fiber optic cable directly through the site and aggressive marketing, companies began to take notice. One company, SafeHarbor Technologies, an Internet services company, located in an office building built by the Satsop Development Park, and immediately hired 175 local employees. Their success attracted TechTell, Inc. to locate its Network Operations Center (NOC) in an adjacent building. TechTell monitors company networks 24X7 as well as provides a secure environment for company servers. The combination of available existing building space, a redundant fiber optic loop and a secure setting combined to attract like businesses to the site.

Strengths of the Columbia-Pacific district include an available labor force with industrial backgrounds and the lower cost of operations for firms seeking a non-metropolitan location. East Grays Harbor and Mason Counties may offer the greatest potential due to their proximity to the urbanized areas of the Puget Sound.

Customized training programs are another strength. For example, Olympic College in Shelton, Grays Harbor College in Aberdeen, and nearby Lower Columbia College all provide retraining for dislocated timber workers who are eligible to take academic, professional, or technical courses. Lower Columbia College has a business and industry center and net counseling in conjunction with the Small Business Development Center in Vancouver, Washington.

Weaknesses include the region's distance from Interstate Highway 5 (I-5), with the exceptions of Mason County and east Grays Harbor County. Also, there are a limited number of suitable industrial sites in some areas, and limits on the workforce size and availability.

Light industrial manufacturing expansion in Pacific County is perceived as limited due to the county's distance from the I-5 corridor, a still-developing infrastructure and transportation system, topography, and a small labor force. Pacific County has very few industrially-zoned properties.

The region has been hard hit by declining employment opportunities in the natural resource sector. Early availability of employment and high wages in natural-resource based industries caused a large segment of the population to forgo higher levels of formal education and technical training. This equates to a workforce that is not currently trained to take advantage of opportunities in high technology fields.

Cultural perceptions related to employment and available resources have had a limiting effect on economic development opportunities in Grays Harbor County. Due to the cyclical nature of natural resource based employment opportunities, generational unemployment has impaired certain segments of the community from identifying and exploring new career options. Educational providers within the community are working to change the perceptions of the existing labor pool by providing the resources necessary to tap into the diversified employment opportunities existing in the county.

Opportunities are likely to be greatest for locations offering proximity to larger metropolitan markets. For example, Mason County reports that new businesses seeking lower fixed operating costs and proximity to the Interstate 5 corridor are increasingly attracted to Mason County.

In Grays Harbor County, the cities of McCleary and Elma, their associated industrial properties, and the Satsop Development Park are situated just 25 to 30 miles from Interstate 5, with little traffic and easy access, the regional benefits from a good transportation system that connects the county to the commercial lifeline of I-5. Grays Harbor is served by the only four lane divided highway to the coast north of the San Francisco Bay, and provides the only deep-water port on the Washington coast. The region is also served by five major highways, a countywide transit system, two marinas, rail, three small municipal airports and Bowerman Field, which is the only jet-capable airport on the coast equipped with an Instrument Landing System. This transportation network is one of the region's top assets for economic prosperity and quality of life.

For locations more removed from major metro markets and highway facilities, greater emphasis on smaller-scale industry may be more appropriate. For example, 96% of the residents surveyed in 1985 in Wahkiakum County placed a high priority on encouraging the development of new industries in local

communities. Substantial community support is demonstrated for industrial development which does not disrupt the current lifestyle of the area, and which protects the natural environment.

Another opportunity exists for knowledge-based industries that rely on telecommunications to transport their product. The region is actively expanding telecommunications capacity. Satsop Development Park in Grays Harbor County is a success story in this area. It focuses on recruiting firms that depend on a state-of-the-art telecommunications infrastructure. In only four years, permanent employment at the Park has reached 400 employees in 25 businesses. It is expected to continue to grow and expand. In Mason County, telecommunications development has greatly enhanced the ability of rural businesses to compete on an equal footing with their urban counterparts.

To counter the problem of a limited trained and available workforce, success has been achieved working with local colleges to train workers for a specific company or industry that may be locating or starting up in the region.

Many of the workers displaced from natural resource industries have participated in continuing education and retraining opportunities offered by various organizations within the county. Grays Harbor College, Olympic College, Coastal Career Center, and the Transition Center provide displaced workers with up-to-date skills.

Although distance from I-5 has traditionally been considered a weakness for the district, in some industries it is currently an advantage. Many companies working with the EDCs are reportedly seeking to leave the Puget Sound region due to competition for employees and the high cost of doing business. Rural locations, quality of life, lower fixed operational costs, and many other factors are becoming a growing advantage.

Visitor Services

Tourism is an important part of the economic base for all four counties in the Columbia-Pacific region. This is illustrated by a brief county-by-county review of tourism activity.

Strengths of the Columbia-Pacific region include its diversity of recreational attractions, particularly for people with a strong outdoors or sports orientation. All four counties are within one to three hours from the Seattle and Portland markets, and include small craft and yachting activities. All four counties offer waterfront parks and full service marinas.

The tourist and second home industries are dependent on the region's abundance of natural and scenic resources. The second home industry is particularly significant. According to the 2000 census, 33.2% of the housing in both Ocean Shores and Long Beach is for seasonal, recreational, or occasional use; the percentage in Ocean Park is 45.6%.

Destination points and activities to satisfy a wide range of tastes can be found in Grays Harbor County. Rolling hills, lush green forests, and abundant rivers and lakes all provide a wide range of activities from camping and hiking to hunting and fishing. Bird watching is a popular activity at the ocean beaches and at the regionally-renowned Bowerman Basin. Annual community festivals such as the Oakville Rodeo, Loggers Playday, and the annual Crab and Oyster Feed draw large crowds. The Montesano Festival of Lights, held in December, brings visitors from three states. National events like the Westport Long Board Competition and the Ocean Shores Harley Rally draw thousands of visitors from across the United States each year.

Mason County serves as a vacation area for the Puget Sound's populated urban centers. Currently, 20.2% of Mason County residences are occupied seasonally. In addition to seasonal residences, Mason County offers a number of campgrounds and recreational areas. Vacation and tourism attractions include the county's 100 plus lakes, Hood Canal and Olympic National Forest.

Pacific County's natural beauty on the edge of the Pacific Ocean, with Willapa Bay (the most pristine estuary in North America) and the Columbia River within its boundaries, makes it a prime vacation area and tourist location. The area boasts the end of the journey by the Lewis & Clark Corps of Discovery as they reached their destination, the Pacific Ocean. Preparations for the influx of tourists throughout the bicentennial period are underway. Pacific County's several museums include the Willapa Seaport Museum, the Pacific County Historic Society, the Northwest Carriage Museum, the World Kite Museum and Hall of Fame, the Cranberry Museum and the Willapa Bay Interpretive Center.

As a mecca for tourists, Pacific County has six tourist information centers and an award-winning tourist information website. The area is dense with restaurants (several of which have received national attention).

Wahkiakum County has identified its potential to become a major tourist activity area. The county provides the first stop in a lower Columbia River loop tour. Historical Native American settlements are found in the area, as well as eight Lewis & Clark expedition heritage sites. The county offers the Columbia River Canoe Trail and Lewis & Clark history experiences. Movie production companies have used Cathlamet's realistic waterfront and cannery remains to film three movies in the last decade. Cathlamet's Historical Museum exhibits include photos of early day logging, fishing and pioneer way of life.

Wahkiakum County towns were dependent on the Columbia River; Skamokawa's historic district is known as "Little Venice." Redmen Hall, built in 1892, houses the River Life Interpretive Center where the story of these small fishing and cannery villages is told. Many historic buildings, such as the Skamokawa Landing Building, are being refurbished into offices. Puget Island is the home of the last passenger/vehicle ferry on the lower Columbia River. The state's oldest—and only—covered bridge on a public roadway is located in Wahkiakum County over the Grays River. State Highway 4 (Ocean Beach Highway) along the Columbia's north shore is bordered by mountainous cliffs and provides magnificent views. Low-lying clouds and fog-shrouded landscapes often contrast with the clear views and vistas offered by a sunny afternoon along the river or a Columbia River ferry crossing.

Wildlife abounds in the Wahkiakum-Naselle area. The islands, sloughs, and sheltered expanses of water in the area's wildlife refuges serve as both a wintering and migratory stopover for Pacific flyway waterfowl originating in Alaska, and provide one of the few remaining havens in the Pacific Northwest for the endangered Columbia white-tailed deer. A full-service marina enables boating visitors to enjoy refuges, and the area is well known to birders.

Unique attractions and events in Wahkiakum County include the Julia Butler Hansen Wildlife Refuge and Viewing Center, historic churches and buildings, Bald Eagle Days Festival, the Cathlamet Wooden Boat Show & Festival, the Annual Crab Feed, the Wahkiakum County Fair, Labor Day Chili Cook-off, and the Finnish-American Folk Festival, all of which attract many visitors. Over 6,000 visitors from many countries and the United States have visited the Naselle area for the Finnish-American Folk Festival.

Wahkiakum County reports that much of its tourism activity is centered on water-based recreation. Sports such as yachting, windsurfing, fishing, ship watching, and canoeing and kayaking are playing an increasing role in the overall tourism economy. Additionally, the county markets historic walking tours and wildlife viewing activities as both Wahkiakum County and Pacific County have experienced growth in nature-based tourism or “soft adventures” travel. The Paddle Sports Center in Skamokawa is just one of the successes in developing this soft adventure market. A 1.5 million dollar investment has been made on the Skamokawa waterfront, which reopened the general store, created a bed and breakfast inn, small retreat center, condominiums, and a full service Sports Paddle Touring Center. Several new waterfront businesses have opened. The new Scarborough building in Cathlamet has opened with high-end shops and a glassblowing studio. In addition, a new Italian Tuscany style Villa Bed & Breakfast has been built on the Columbia River near Cathlamet. The Villa will cater to water traffic as well as scenic by-way travelers and will offer corporate parties, weddings, and kayak tours.

Weaknesses include limited overnight accommodations in many areas and the lack of meeting/convention space as limiting factors. Other weaknesses are the vulnerability of areas dependent on sports-related fishing/clamming to seasonal restrictions and lack of infrastructure. In some areas of each county, visitor-related development is restricted due to limited water, wastewater, and storm drainage infrastructure.

Despite its attributes, the Columbia-Pacific district has experienced relatively modest growth in tourism traffic in recent years. Tourism travel below regional potentials is related to several factors. First, the salmon decline in the Pacific Northwest and the impact of court decisions have severely affected sports fishing operations in the Ilwaco/Long Beach Peninsula and Westport areas. Second, a shortage of infrastructure to support higher-end tourists makes much of the area a pass-through rather than a destination area. Addressing such visitor related infrastructure deficiencies has become a major emphasis of economic development and county agencies.

Opportunities for increased visitor business throughout the Columbia-Pacific region can be stimulated by regional tourism marketing, development of stable multi-sport fisheries, improved lodging facilities consistent with market demand, and quality small-town shopping experiences. Several projects have been listed on the project lists of each of the counties. In Wahkiakum County, Port District #1 has completed preparations for its marina site to include a hotel, restaurant, and mini-convention and retreat center on the waterfront. Port Dist. #1 has also completed the expansion of its RV Park to include 13 new sites with full hook-ups. Other projects slated to begin in Wahkiakum County include Port One’s convention center marketing efforts and Port District #2’s Skamokawa Vista Park expansion.

In Mason County, the reopening of Alderbrook Inn created expectations that the facility will be an even greater tourism asset than previously. In the south end of the county, the Little Creek Casino continues to draw a very large patronage. The new hotel at that location is expected to generate even more visitor spending.

The Lewis and Clark Bicentennial Commemoration promises a new influx of tourist traffic to both Wahkiakum and Pacific Counties. As an event of national significance, it also opens the opportunity to improve local infrastructure. As infrastructure deficiencies and visitor amenities in the region are overcome, the region’s growing tourism market will continue to expand.

III. VISION: WHERE DO WE WANT TO BE?

Vision Statement

Columbia-Pacific Economic Development District will strive to preserve the rural quality and promote the economic health and character of Mason, Grays Harbor, Pacific, and Wahkiakum Counties and the five American Indian reservations within the district for the benefit of our residents and visitors. We will work to maintain and support our rural assets, which include: abundant natural resources; scenic and recreation areas; healthy ecosystems; and clean air and water.

We intend to promote the traditional economic engine, through business development, that has allowed residents to work where they live rather than have to commute to urban population centers.

We will work to enhance our communities, which will serve as centers of economic, cultural, civic, and social activity. We will work to diversify our economic base and help communities to become more self-sustaining in order to achieve greater economic stability and growth.

We will act as a catalyst in fostering cooperation on economic development and natural resource issues by building partnerships and facilitating action to achieve economic health and quality of life in our communities.

Goals & Objectives Defined

Formulating goals and objectives for economic development follows the assessment of the local economy and represents an important planning process function. Goals and objectives have been prepared based on:

- A review of existing planning documents for the district, each of the four counties and those American Indian reservations that prepare such documents.
- Suggestions and comments made by CEDS committee representatives.

In general, goals and objectives have been designed to be applied district-wide; however, they also represent the counties' individual interests. Greater detail specific to the unique circumstances of a particular county or community is provided in the project listings.

CEDS goals are intended to provide a framework for public and private decision-making. They should reflect the desires of most area residents and state the types of economic activity to be encouraged.

While goals are abstract and general, objectives should be concrete and specific. Objectives are derived from the opportunities and constraints analysis.

Columbia-Pacific District-Wide Goals & Objectives

CEDS goals and objectives include six objectives, supporting previously identified goals in natural resource industries, business development and diversification, visitor and commercial services, community development, and partnerships. The first goal is aimed at short-term economic recovery. Subsequent goals are part of a longer-term economic development and diversification strategy.

Short-Term Economic Recovery

- Goal:* Take immediate action to mitigate effects of declining employment in natural resource-based industries.
- Objectives:* Support workforce training and other employment assistance and re-training programs to help workers displaced from traditional resource based industries gain skills and education for long-term employment in other fields.
- Raise capital to generate jobs.
- Focus near-term assistance on firms, nonprofit organizations, and individuals to alleviate poverty.
- Provide funding for public works projects and business developments, which can help create or retain jobs.

Natural Resource Industries

- Goal:* Sustain and diversify the natural resource-based industries for which the Columbia-Pacific district has a competitive advantage and makes our region unique.
- Objectives:* Cooperatively develop plans that balance management and sustainable use of the region's natural resources.
- Support a cooperative and predictable regulatory and planning framework for protection, restoration, and long-term management of natural resources.
- Investigate value-added opportunities for natural resource-based products.

Business Development & Diversification

- Goal:* Retain and encourage the expansion of existing businesses, and develop new business taking advantage of local resources.
- Objectives:* Assist in developing adequate, suitably-zoned, serviced, and environmentally acceptable sites to meet the full range of industrial and commercial business needs and opportunities in each county of the Columbia-Pacific region.
- Encourage investments in transportation, water, sewer, telecommunications, and other infrastructure as needed to leverage investments that create or retain jobs.
- Attract a more diversified base of non-resource related industries.
- Incubate and support entrepreneurship.
- Assist local businesses to ascertain needs and opportunities for continued operation and expansion.
- Disseminate business planning information for business start-ups and expansions.

Visitor & Commercial Services

Goal: Maintain and expand commercial retail and service businesses.

Objectives: Enhance the region’s visitor appeal with cooperative marketing and development of additional visitor facilities and the infrastructure necessary to support growth of the industry.

Support local downtown commercial revitalization programs.

Encourage the development of educational and interpretive facilities to promote opportunities organized around the region’s heritage, waterfronts, recreational, and eco-tourism attributes.

Support marketing efforts of the Columbia-Pacific region.

Community Development

Goal: Enhance the availability of education, health, human, and social services throughout the Columbia-Pacific region to help make communities more attractive to business.

Objectives: Encourage maintenance of existing housing and development of new housing consistent with changing population and household demands.

Support efforts to stabilize, retain, and expand existing health care opportunities.

Capitalize on opportunities to attract major public facilities that provide secure, long-term employment.

Assist in the development of public-use facilities that will enhance business attraction and retention.

Partnerships

Goal: Foster partnerships between organizations, communities and counties of the Columbia-Pacific region, and with state and federal agencies, to effect long-term economic development and diversification.

Objectives: Maintain and strengthen the existing economic development organizations operating in each county of the Columbia-Pacific region—the economic development councils, port districts, and public development authorities.

Cooperate with municipal, county and tribal governments in projects for economic improvement and diversification.

Capitalize on partnerships with county services and colleges and training centers to create a well-educated workforce.

Update the Columbia-Pacific CEDS every year to reflect changing economic conditions, needs, and opportunities.

IV. ACTION PLAN: HOW DO WE GET THERE?

The Columbia-Pacific district's development strategy links the assessment of local economic potentials, goals and objectives, with the programs, activities and projects described by the implementation plan. The development strategy also serves as an overall long-term guide to future actions, while specific projects in the implementation plan may change on an annual basis in response to changing needs or opportunities.

This section of the CEDS refines the development strategy to more closely link the economic development evaluation with corresponding items in the implementation plan.

Development Strategy

The development strategy represents a multi-year course of action for economic development and diversification activities throughout the Columbia-Pacific district. This district-wide development strategy also reflects a continuing planning process, which reflects a balance of governmental jurisdictions, private business and citizen interests.

A CEDS Committee with representation from each of the district's four counties shaped the CEDS and provided updated listings of local project priorities. It is emphasized that this development strategy sets a multi-year course of action for meeting regional economic development goals and objectives, as well as local economic development objectives and planning policies.

Economic and Development Assumptions

The following economic and development assumptions serve as guiding principles that link the assessment of economic potentials and resulting goals and objectives to the formulation of a project-specific implementation plan. They have been completely revised and placed in order of their significance to accomplishing goals and objectives and implementation plan items.

- 1. The cooperative, multi-county framework for economic development that we have established through the Economic Development District is increasingly important for recovery and vitality of the Columbia-Pacific district.***

While each county faces its own set of localized economic issues, Grays Harbor, Mason, Pacific, and Wahkiakum Counties share a broader agenda for development — reflected in a common set of economic goals and objectives. The EDD provides the four county region with a forum where economic development issues can be discussed and resolved in a coordinated effort for local capacity building.

Business and industry, both at the state and federal level, recognize the counties and communities of the Columbia-Pacific district as a distinct economic region. Public agencies and economic development organizations similarly expect to seek regional solutions for economic recovery and diversification in an era of increasingly limited public fiscal resources and growing regulatory constraints.

2. ***The regulatory framework in which we must operate is constraining our ability to accomplish our goals and objectives.***

These increased regulatory constraints are offsetting our balance between conservation and business/employment development. We have been implementing conservation practices on our lands in cooperation with private and public landowners for almost three decades, and have maintained some of the most pristine natural areas in our state. At the same time, we have utilized our natural resources in an increasingly sustainable way, which provides our communities with long-term economic opportunities.

Environmental concerns at the state and federal level have unfairly placed a great deal of blame on rural communities for depletion of our natural resources. Therefore, we are not being allowed to practice bottom-up problem solving. In actuality, we have known for many years how to take care of our land so that it will continue to give back to us for generations to come. Nearly all land use, growth and environmental concerns stem from the long history of economic decisions being made from outside the region by those who do not have to live with the consequences of those decisions.

We will continue to advocate for common-sense local solutions to issues such as growth management and sustainable development.

3. ***Economic recovery and diversification is predicated on improvements to the region's public infrastructure.***

Improvements to the roads, rail, telecommunications, water, sewer and drainage systems have been major priorities of Columbia-Pacific counties in recent years. Other elements of public infrastructure receiving increased attention as precursors to economic development include parks, environmental and habitat improvements, and educational facilities.

The majority of CEDS projects identified for the region and each county reflect a continuing need for infrastructure improvements. The region's ability to establish a competitive advantage for business and industry requires continued attention to supportive public services and capital investments.

The updated implementation plan project list for this CEDS includes a large number of public infrastructure projects to promote business and industrial growth, as well as to add infrastructure to support the growing tourism industry. Public infrastructure projects include highway corridor improvements, deep water port improvements and harbor dredging, telecommunications projects, a number of municipal and rural water system projects, and a particular focus on sewer and wastewater facilities expansions and upgrades, including alternative waste systems both domestic and industrial.

4. ***The impetus for the region's economic recovery will come from a combination of natural resource and more diversified activities.***

Well-managed use of our natural resources will continue to provide our region with the basis of its economy. We are confident that a balance can be maintained between a healthy environment and a healthy economy.

Activities that bring in new wealth by sales of goods or services to the rest of the world are the economic base of any community, and our natural resources will continue to be our biggest economic asset. Nine clusters have been identified as important to the Columbia-Pacific district's economic stability and future prosperity:

- Forest Products
- Aquaculture/Fisheries
- Agriculture/Food Processing
- Telecommunications/E-Commerce
- Rail Service Upgrades
- Light Industry
- Visitor Services
- Retail Trade
- Marine Boat Building

The first three activities are natural resource-based. Economic stability depends on management of the resource base and increased value-added processing — deriving more jobs and income from each unit of resource. The last five activities represent realistic opportunities for diversification, given the region's current and prospective competitive advantages. Telecommunications, rail service upgrades, light industry, visitor services, and retail trade all can be developed to complement and reinforce the region's existing strengths in natural resource industries.

Several projects, which support the growth of these diversified sectors, are included in the updated project lists. Examples include the feasibility of a virtual incubator, business and industrial park development (such as the Satsop Development Park), marina improvements, and a number of transportation improvements and highway projects to service tourism and facilitate freight mobility.

5. *The Columbia-Pacific district is in need of economic development and diversification to provide jobs and relieve conditions of both short- and long-term economic distress.*

The four-county economy has been dependent on the natural resource-based industries of agriculture, aquaculture/fisheries, and forest products. Fisheries and forest products activities are severely affected by reduced resource availability, changing technological and market conditions, and environmental regulations. All four counties are listed as Timber and/or Salmon dependent rural areas for the 2004-2005 biennium by the Governor's Rural Community Assistance Team (GRCAT) and the President's Economic Adjustment Initiative.

Regional and county projects specifically address capitalizing on new economies through telecommunications improvements. Developing infrastructure to support e-commerce and other high tech industry is high on the priority list.

Plan And Schedule For Implementation

For this CEDS, the EDD has identified several regional implementation plan projects. These projects have district wide effects on economic development and are chosen to focus economic development efforts on projects with the most immediate and sustained impacts.

The Columbia-Pacific district's plan for implementation represents the final step in the annual CEDS planning process. The development strategy links the assessment of local economic potentials, goals, and objectives with resulting programs, activities, and projects described by this implementation plan. This planning process also has been guided by established CEDS criteria for resource utilization and project selection.

Criteria for Resource Utilization & Project Selection

As part of this CEDS, several criteria have been identified for project submittal. Projects for implementation of this CEDS have been suggested for consideration by the Columbia-Pacific Resource Conservation & Economic Development District Council, the Grays Harbor Economic Development Council, the Pacific County Economic Development Council, the Economic Development Council of Mason County, and the Lower Columbia Economic Development Council. Criteria identified for project submittal and evaluation include:

- Promoting economic diversification
- Facilitating infrastructure improvements
- Providing long-term sustainable economic opportunities
- Creating a business-friendly environment
- Reversing declining wage trends

Regional projects are the product of the EDD and CEDS Committee facilitation processes. History has demonstrated that opportunities are reliant on many factors coming together, so these projects are not prioritized. Each county has identified and prioritized its own implementation plan projects.

Implementation Plan Projects

District Projects

A total of 14 Columbia-Pacific regional economic development projects are included in this CEDS implementation plan. Regional projects are generally broad in scope and on-going in nature, reflecting the goals and objectives of the district. Therefore, the CEDS committee chose not to put specific timelines on many of these projects.

The projects chosen represent the application of the Columbia-Pacific district's development strategy, which links local economic development goals with specific programs and activities. The regional project list for this CEDS update includes a number of common themes, which relate the projects to the overall development strategy for the region. Some of these themes include:

- Technology-driven, more diversified natural resource sector;
- Infrastructure and community facilities to maintain competitiveness in industries ranging from trade to tourism; and
- Cooperative, multi-jurisdictional planning and implementation.

The Columbia-Pacific CEDS Committee has approved inclusion of all projects in this listing for further consideration by the U.S. Economic Development Administration, U.S. Department of Agriculture's Rural Development Division, and other appropriate funding entities. The CEDS Committee and Columbia-Pacific EDD are prepared to work in cooperation with EDA, local jurisdictions, and other funding entities to provide further information to advance this recommended implementation program.

Figure 29. Columbia-Pacific RC&EDD District Areas for Diversification

Project

Provide assistance to local economic development organizations so that they can provide [technical](#) assistance to businesses and companies experiencing problems that could lead to plant closures and technical and research assistance to new and expanding companies and organizations to determine needs, seek resources and conduct economic development planning activities

[Work with local economic development planning agencies to develop](#) the District's [regional](#) Comprehensive Economic Development Strategy

Assist local units of governments with grants, grant-related applications and economic development activities
Investigate sustainable development opportunities for local industries

[Participate in developing regional tourism opportunities](#)

Work with higher and secondary educational institutions on workforce development planning

Conduct a feasibility study for installation and management of a small business and virtual incubator

Provide information to small communities about alternative ways to meet environmental requirements of wastewater treatment to keep it as affordable as possible

Support research, development and introduction of new materials, products and technology for the forest industry

Coordinate and/or provide ongoing information and education opportunities for LMS and carbon sequestration

Seek opportunities to subsidize the use of small logging equipment for salvage harvests

Encourage transportation infrastructure development

Increase employment opportunities by assisting employees in retaining jobs

Alleviate high cost of health care by facilitating access to prescription drugs for indigent seniors

Work with low-income housing organizations to plan for the elimination of substandard housing

Source: Columbia-Pacific Resource Conservation and Economic Development District, May 2005.

County Projects

Each of the four counties within the Columbia-Pacific region has separately identified county-level implementation plan projects. All county-level projects were chosen according to the overall development strategy and the criteria for resource utilization and project selection. A total of 127 county-level economic development proposals have been received and are included in this implementation plan.

These projects are closely aligned with county-specific projects identified for the year 2003 Washington Community Economic Revitalization Team (WA-CERT) program which, in conjunction with the Governor's Rural Community Assistance Team (GRCAT), implements the President's Economic Adjustment Initiative in Washington.

County-level project priorities are submitted by each county, without further prioritization by the CEDS Committee. The Columbia-Pacific CEDS Committee has approved inclusion of all projects in the county listings for further consideration by the U.S. Economic Development Administration and other appropriate funding entities.

Economic Development professionals work in cooperation with city, county, state, and federal government representatives to apply for funding and complete projects as soon as possible. Prioritization allows for projects with the greatest potential economic and social benefit to receive top consideration for funding.

Grays Harbor County

The following figure identifies the Grays Harbor project listing. The projects are prioritized based on their importance to the economic development potential and social benefit to the county. The CEDS project list is consistent with the county's WA-CERT project list and includes a number of types of projects including:

- Municipal and rural infrastructure development such as water and sewer upgrades.
- Habitat restoration for creeks and watersheds.
- Industrial and commercial development such as business and industrial parks.
- Specific initiatives in the agroforestry and hybrid poplar industries
- Port development such as warehousing and marine terminal improvements.

Figure 30. Grays Harbor County Economic Development Project Listing

Priority #	Lead Agency	Project Name	Est. Project Cost
1	Aberdeen/Grays Harbor County	Industrial Water Line Rehabilitation-Junction City Railroad Spur	\$16,000,000
2	Aberdeen	Wastewater System Improvements	\$1,250,000
3	Port of Grays Harbor	Port Industrial Area Expansions and Development	\$25,370,000
4	Elma/Grays Harbor County	City of Elma Capital Facilities Improvement	\$10,000,000
5	McCleary	Inflow and Infiltration Elimination Study Phase 2	\$310,505
6	Grays Harbor County	North Beach Water & Sewer Systems	\$11,000,000
7	Port of Grays Harbor/Westport	Westport Downtown & Marina Infrastructure Development	\$1,112,000
8	Ocean Shores	Shoreline Protection and Storm Damage Reduction	\$40,000,000
9	Aberdeen	Aberdeen Downtown Revitalization	\$6,000,000
10	Grays Harbor County	Grays Harbor County Fairgrounds	\$1,250,000
11	Oakville	Downtown Improvement Project	\$345,000
12	Westport	Industrial Pretreatment Facility	\$2,000,000
13	Aberdeen	Surface Water Improvements	\$2,500,000
14	Cosmopolis	Downtown Corridor Improvements Phase 2	\$2,560,000
15	McCleary	McCleary Industrial Lands Infrastructure	\$1,653,000
16	Grays Harbor Public Development Authority/Columbia-Pacific RC&EDD	Satsop Adaptive Reuse Phase III	\$23,112,460
17	Elma	Water Distribution System Improvements	\$2,626,200
18	Grays Harbor County	Quinalt Water Expansion	\$300,000
19	Grays Harbor County	Grays Harbor/Pacific Counties Food Bank Distribution Center	\$2,000,000
20	Aberdeen	Downtown Aberdeen Transit Center	\$1,000,000
21	Grays Harbor County	Satsop Community Assessment and Implementation	\$1,500,000
22	Quinalt Indian Nation	Ocean Shores Marina Re-development & Ferry Project	\$29,243,816
23	Grays Harbor County	Quinalt Area Planning and Infrastructure	\$15,000
24	Aberdeen	Junction City Non-Project Environmental Study	\$3,750,000
25	CELL Center	CELL Center East	\$160,000
26	Montesano	Wastewater Collection/Treatment Expansion/East Step	\$1,415,000

Collection Phase 1			
27	Cosmopolis	Public Safety Facility	\$375,000
28	Grays Harbor County	Pacific Beach Main Street Improvements	\$50,000
29	Aberdeen	Newell Street	\$312,500
30	Grays Harbor County	Lake Quinault Community Center	\$350,000
31	Grays Harbor County	Courthouse Repairs	\$8,800,000

Source: Washington Community Economic Revitalization Team website, April 2005.

Mason County

The following figure identifies the Mason County project listing. The project listing serves both as the county's CEDS project list and the WA-CERT list. The 37 projects are prioritized according to WA-CERT application requirements. The CEDS project list includes a number of types of projects including:

- Municipal and rural infrastructure development such as water, sewer, and electrical power upgrades.
- Emergency services expansion.
- Brownfield restoration and river restoration.
- Transportation improvements such as park and rides and highway interchange expansion.
- Telecommunications development

Figure 31. Mason County Economic Development Project Listing

Priority	Lead Agency	Project	Estimated Cost
1	City of Shelton	Shelton Area Regional Water and Wastewater Facilities	\$38,000,000
2	Mason County	Belfair-Hood Canal Sewer Plan	\$220,000
3	City of Shelton	City of Shelton Infiltration & Inflow Control Project	\$25,000,000
4	Mason County PUD #1	Finch Creek Community Sewer System	\$1,400,000
5	Mason County	Long Range County-Wide Economic Development Planning	\$90,000
6	Pacific Northwest Salmon Center	Pacific Northwest Salmon Center - Phase II	\$17,000,000
7	Port of Shelton	Brownfield Clean Up Johns Prairie	\$100,000
8	Port of Allyn	Upgrade Allyn Water System	\$200,000
9	Port of Shelton	Rail Loading Facility-Johns Prairie	\$350,000
10	Port of Shelton	Replace AC Water Lines	\$490,000
11	Mason County	Fairgrounds Relocation	\$2,000,000
12	City of Shelton	State Route 3 Corridor Improvements	\$1,000,000
13	City of Shelton	Seventh and Alder Intersection Improvements	\$1,000,000
14	Mason County	Hartstene Pointe Outfall	\$700,000
15	Allyn Urban Growth Area Planning	Allyn Urban Growth Area Planning	\$25,000
16	Mason County PUD #3	Electric Utility Upgrade and Infrastructure in PUD#3 Area	\$11,000,000
17	Mason County PUD #3	Substation Construction and Upgrades	\$3,000,000
18	Mason County PUD #3	Countywide Fiber Optics Backbone Installation	\$5,000,000
19	Port of Allyn	Industrial Development Area Belfair	\$1,000,000
20	Port of Shelton	NBC Building	\$2,000,000
21	Mason County Fire District #5	Co-location of Mason County Communications	\$758,100
22	Port of Shelton	Sewer Collection Infrastructure	\$150,000
23	Port of Shelton	Highway 101 Access Enhancement	\$150,000
24	Port of Shelton	Site Prep and Infrastructure – Tenant Headquarters	\$250,000

Priority	Lead Agency	Project	Estimated Cost
25	Port of Shelton	Renovation of Building 1	\$1,600,000
26	Mason County	Restoration of Skokomish River	\$1,000,000
27	Mason County	Rustlewood Reservoir	\$300,000
28	Mason County PUD #1	Capital Improvements-Lake Arrowhead Water System	\$1,400,000
29	Mason County Fire District #5	Central Administration Repair & Training Facility	\$1,600,000
30	Mason County	Rustlewood Sewer Facility I&I Rehab Project	\$430,000
31	Mason County	Belfair Bypass/Razor Road Arterial	\$8,130,000
32	Mason County PUD #1	Mountain View Water System Capital Improvements Project	\$79,000
33	Mason County PUD #1	Minerva Terrace Water System Capital Improvement Project	\$145,000
34	Mason County PUD #1	Pirates Cove Water System Capital Improvements Project	\$265,000
35	Pacific Northwest Salmon Center	Pacific Northwest Salmon Center Belfair Phase I	\$60,000

Source: Washington Community Economic Revitalization Team website, April 2005.

Pacific County

The following figure identifies the Pacific County prioritized project listing. The project listing serves both as the county’s CEDS project list and the WA-CERT list. The CEDS project list includes a number of types of projects including:

- Municipal and rural infrastructure development such as water and sewer upgrades.
- Fisheries industry improvements such as fish rearing and outfall capacity development
- Tourism projects that include a new visitors’ bureau building, public safety plan, and tourism planning.
- Port development such as dredging and storm water improvements.

Figure 32. Pacific County Economic Development Project Listing

Priority	Project	Estimated Cost
1	City of Ilwaco – Grays Harbor College Education Center	\$1,400,000
2	Port of Ilwaco – Marina Reconstruction	\$4,500,000
3	Public Utility District #2 – Lebam Water System Third Well & Pipe Upgrades	\$300,000
4	Port of Ilwaco – Inner Harbor Dredging	\$1,000,000
5	City of Ilwaco – Electrical & Control Upgrades, Water Treatment Facility	\$125,000
6	Public Utility District #2 – Bay Center Water System Improvements	\$1,142,080
7	City of South Bend – Reservoir Rehabilitation	\$200,000
8	Port of Peninsula – Nahcotta Mooring Basin Dredging Project	\$500,000
9	Pacific County – Chinook School Community Project	\$774,000
10	Port of Peninsula – Human Powered Vehicle/Walking Trail	\$232,000
11	City of Long Beach – Long Beach North Water Line Loop	\$800,000
12	City of Long Beach – Ocean Dune Open Space Park	\$200,000
13	Port of Willapa Harbor – Santa Maria Shipyard	\$2,000,000
14	City of Raymond – Swimming Pool	\$780,000
15	Port of Willapa Harbor – Port Strategic Plan	\$80,000
16	Willapa Community Development Association – Shone Building Pier	\$333,150
17	City of Raymond – Water Treatment Plant Improvements	\$250,000
18	Port of Ilwaco – Plate Freezer Upgrade	\$303,000
19	Port of Ilwaco – Boatyard Improvements	\$600,000
20	Port of Willapa Harbor – Willapa Bay Dredging Cooperative	\$1,500,000
21	City of Ilwaco – Streetscape Improvements to Downtown and Port Area	\$39,622
22	Shore Trust Trading Company – Septic Replacement Loan Fund	\$500,000
23	Pacific County – Joint Pacific County Housing Authority Housing Assessment	\$25,000
24	Columbia-Pacific RC&EDD – Wastewater Treatment Alternatives	\$80,000
25	City of Raymond – Sewer System Infrastructure Improvement	\$1,000,000
26	City of South Bend – Library Elevator	\$210,000
27	City of Raymond – Water System Infrastructure Improvements	\$506,280

Priority	Project	Estimated Cost
28	Port of Willapa Harbor – Willapa Crafts Incubator	\$500,000
29	Pacific County EDC – Olympic Coastal E-Development Initiative	\$82,500
30	Ilwaco Heritage Museum – Millenium Project	\$1,270,694
31	City of Raymond – Storm Drainage Comprehensive Plan	\$150,000
32	Pacific County – South County Youth Recreation Facility	\$1,000,000
33	Pacific County – Flood Control Zone District #1 Comprehensive Mitigation Plan	
34	Columbia-Pacific RC&EDD – Lewis and Clark Bicentennial Event Planning	\$50,000
35	Port of Willapa Harbor – Woodwaste Co-generation Project	\$3,500,000
36	Pacific County EDC – Pacific –Wahkiakum Asset/Cluster Development Action Plan	\$67,550
37	City of Long Beach – Long Beach Conference Center	\$1,400,000
38	Long Beach Peninsula Visitor’s Bureau – Overall Strategic Inventory Plan for Nature-based Tourism for Pacific County	\$9,975
39	Columbia-Pacific RC&EDD – Ocean Park Tourist Facilities	\$265,000
40	Columbia-Pacific RC&EDD – Lewis and Clark Public Safety Plan	\$1,901,974
41	City of Long Beach – Long Beach Pier	\$260,000
42	Pacific County – Willapa Bay Hardwoods Site Cleanup and Stormwater Plan	\$25,000
43	City of Ilwaco – Ilwaco Community Building Renovation	\$1,500,000
44	Pacific County – Ocean Park Elevated Water Storage Tank	\$2,000,000
45	Pacific County – Salmon Creek Water System Improvements	\$1,796,700
46	City of South Bend – Phase I Wastewater Facility Rehab	\$800,000

Source: Washington Community Economic Revitalization Team website, April 2005.

Wahkiakum County

The following figure identifies the Wahkiakum County prioritized project listing. The CEDS project list is consistent with the county's WA-CERT project list and includes a number of types of projects including:

- Municipal and rural infrastructure development such as water, sewer, and road improvements.
- Tourism related development such as a visitor information center, sidewalk and street improvements, a skate park, and convention center marketing.
- A number of community-based improvements such as a swimming pool upgrade, downtown revitalization, new fire hall and city hall, and historic building restoration.

Figure 33. Wahkiakum County Economic Development Project Listing

Priority	Lead Agency	Project Name	Estimated Cost
1	Town of Cathlamet	New Cathlamet Fire Hall Replacement	\$900,000
2	Wahkiakum P.U.D.	Puget Island Water System Transite Pipe Replacement	394,182
3	Wahkiakum P.U.D.	Western Wahkiakum Water System Expansion	1,796,700
4	Wahkiakum Diking Dist. #1	North Welcome Slough Bank Erosion	N/A
5	Wahkiakum Diking Dist. #1	Pancake Point Erosion Control	N/A
6	Wahkiakum Diking Dist. #1	Brown Slough Pump Station Bank Erosion	N/A
7	Town of Cathlamet	Downtown Revitalization/Town Hall Remodel	34,000
8	Wahkiakum Port #2	Skamokawa Creek Dredging	40,000
9	Wahkiakum Port #1	Elochoman Slough Dredging	N/A
10	Wahkiakum Port #1	Port District #1 Mini-Convention Center Implementation	1,000,000
11	Wahkiakum Port #2	Svensen Park Boat Ramp	681,000
12	Wahkiakum Diking Dist. #1	Groves Slough Pump Station Sedimentation	200,000
13	Skamokawa Water & Sewer Dist.	Skamokawa Water System Construction	750,000
14	Grays River Habitat Enhancement District	Grays River Erosion Control Structures/Grays River Water District Bar	98,500
15	Grays River Habitat Enhancement District	Fossil Creek Restoration Project	50,000
16	Town of Cathlamet	Library Study	N/A
17	Wahkiakum Community Network	Cathlamet Skate Park	55,000
18	Wahkiakum County Community Foundation	Julia Butler Hansen Home Restoration/JBH Cultural Heritage Center	250,000
19	Grays River Habitat Enhancement District	Grays River Salmon Habitat Restoration	575,000
20	Wahkiakum Port Dist. #2	Vista Park Expansion & Shoreline Trail	950,000
21	Wahkiakum P.U.D.	Pillar Rock Altoona Main Line Water Service Extension	30,000
22	Pioneer Church Association	Cultural Arts Center Restoration	270,000
23	Wahkiakum Weed Control Board	Aquatic Weed Control Projects	N/A
24	Wahkiakum P.U.D.	Feasibility Study to 3-Phase Distribution Inter-Tie West and East County	50,000
25	Grays River Grange	Grays River Grange Park	210,000
26	Wahkiakum County Historical Society	Museum Feasibility Study	35,000
27	Skamokawa Sewer & Water Dist.	Skamokawa Sewer Construction	1,000.00

* Note: Estimated cost and potential funding sources are provided, based on information currently available. Project information is subject to further refinement in cooperation with project sponsors and funding entities.

Source: Lower Columbia EDC, April 2005.

V. EVALUATION: HOW ARE WE DOING?

Evaluation Process and Schedule

In order to determine if our efforts are producing the expected results, we must constantly evaluate, measuring our progress against our stated goals and objectives. The CEDS committee will utilize the Columbia-Pacific Resource Conservation and Economic Development District's yearly evaluation and planning process to measure progress.

At the end of each year, the RC&EDD staff and board (CEDS committee) will evaluate progress made on each task, and will remove completed tasks, revise ongoing tasks, and add new tasks.

Progress will be reported each year in the Annual Plan of Work and reflected in the annual CEDS update.

Criteria of each project will include EDA's seven investment policy guidelines

1. Is the project market-based?
2. Is the project proactive in nature and scope?
3. Does the project look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy?
4. Does the project maximize the attraction of private sector investment?
5. Does the project have a high rate of success?
 - a. Does it have a diversity of funds?
 - b. Does it have a high degree of local political support?
 - c. Is sufficient leadership in place?
6. Does the project result in higher-skill, higher-wage jobs?
7. Does the project promote self-sufficiency and provide resources for safe, attractive communities?

Other criteria Columbia-Pacific RC&EDD looks at when considering projects include:

- How many businesses grow or locate in the District because of available resources
- How infrastructure improvements promote economic development
- Capital generation using available resources
- Information to help communities and businesses use their resources more efficiently
- Opportunities to promote regional businesses, visitors, community development
- Efforts to alleviate poverty.

Appendix A. List of References

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Appendix B. The CEDS Committee

The following chart identifies selected characteristics of the 2005 Columbia-Pacific region's CEDS Committee as required by Economic Development Administration guidelines.

Figure 34. Columbia-Pacific Region CEDS Committee, 2005

Member	Representative	Race	Occupation	Economic Interest	Sex	Elected Official
City of Aberdeen	Lisa Scott	Caucasian	Employee	Government	F	No
City of Cosmopolis	Loren Williams	Caucasian	City Council	Government	M	Yes
City of Hoquiam	Tanya-Bowers-Anderson	Caucasian	City Staff	Government	F	No
City of Ilwaco	Ed Leonard	Caucasian	Mayor	Government	M	Yes
City of Long Beach	Ken Ramsey	Caucasian	Council Member	Government	M	Yes
City of McCleary	Brian Shay	Caucasian	City Manager	Government	M	No
City of Oakville	Buck Meile	Caucasian	Mayor	Government	M	Yes
City of Ocean Shores	David Weiser	Caucasian	City Manager	Government	M	No
City of Raymond	Mike Runyon	Caucasian	Mayor	Government	M	Yes
City of South Bend	Karl Heinicke	Caucasian	Mayor	Government	M	Yes
City of Westport	Laura Stauffer	Caucasian	Employee	Government	F	No
Coastal Community Action Program	Troy Colley	Caucasian	Non-profit, Exec. Dir	Minority/ Under-employed/ Unemployed/ Elderly	M	No
EDC of Mason County	Matt Matayoshi	Asian-American	Non-profit, Employee	Private Industry/ Economic Development	M	No
Grays Harbor Chamber of Commerce	LeRoy Tipton	Caucasian	Employee	Business	M	No
Grays Harbor Conservation District	Terry Nielson	Caucasian	Employee	Agriculture	F	No
Grays Harbor County	Charlie Marr	Caucasian	Employee	Government	M	No
Grays Harbor EDC	Roger Milliman	Caucasian	Employee	Private Industry/Economic Development	M	No
Grays Harbor Historical Seaport Authority	Les Bolten	Caucasian	Non-profit, Executive Director	Business/ Tourism/ Community Development	M	No
Lower Columbia EDC	Richard Erickson	Caucasian	Employee	Economic Development/Tourism	M	No
Mason County	Linda Ring-Erickson	Caucasian	Commissioner	Government	F	Yes
Mason County Conservation District	Jennifer Eklund	Caucasian	Employee	Agriculture	F	No
Mason County PUD #3	Joel Myer	Caucasian	Employee	Utilities	M	No
Mason County Transit	Connie Behrens	Caucasian	Employee	Transportation	F	No

Member	Representative	Race	Occupation	Economic Interest	Sex	Elected Official
Pacific Conservation District	Mike Johnson	Caucasian	Employee	Agriculture	M	No
Pacific County	Pat Hamilton	Caucasian	County Commissioner	Government	F	Yes
Pacific County EDC	Linda Rotmark	Caucasian	Non-Profit	Private Industry/Tourism/Economic Development	F	No
Pacific County Friends of Lewis and Clark	Jim Sayce	Caucasian	Board member	Tourism	M	No
Pacific Transit System	Tim Russ	Caucasian	Employee	Transportation	M	No
Port of Grays Harbor	Diane Souron	Caucasian	Employee	Industry	F	No
Port of Peninsula	Mary DeLong	Caucasian	Employee	Industry	F	No
Port of Willapa Harbor	Rebecca Chaffee	Caucasian	Employee	Industry	F	No
Quinault Indian Nation	Max Stocks	Native American	Employee	Minority/ Under-employed/ Unemployed	M	No
Shoalwater Bay Indian Tribe	Steve Spencer	Native American	Employee	Minority/ Under-employed/ Unemployed	M	No
Shorebank Enterprise	John Berdes	Caucasian	Non-profit, Employee	Business/ Finance	M	No
Town of Cathlamet	Brett Deaton	Caucasian	Council Member	Private Industry	M	Yes
Wahkiakum Conservation District	Norman Bolton	Caucasian	Farmer	Agriculture	M	Yes
Wahkiakum County	Richard Erickson	Caucasian	Commissioner	Government	M	No
Wahkiakum Port District #2	Carlton Appelo	Caucasian	Commissioner	Government/ Utilities	M	Yes
Willapa Gillnetters Association	Ron Craig	Caucasian	Board member	Private Industry	M	No

Source: Columbia-Pacific RC&EDD, April 2005.