

# 9 Economic Development Element

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## Introduction

The 1990 Washington State Growth Management Act (GMA) established the following statewide economic development goal:

*“Encourage economic development throughout the state that is consistent with adopted comprehensive plans; promote economic opportunity for all residents of the state, especially for unemployed and disadvantaged persons; and encourage growth in areas experiencing insufficient economic growth all within the capacities of the state's natural resources, and local public services and facilities.*

In 1994, Clark County adopted a 20-Year Comprehensive Growth Management Plan which was updated in 2004 and 2007. The Plan includes an economic development chapter and many elements that help promote and sustain local businesses and industries.

Among other things, the economic development element establishes an economic vision for the community and expressed support for the core goal of local and state planning principles. The county's 1994 Plan established a path for development. However, local land use plans are required to be updated periodically, through a “periodic review process”.

Clark County, representative business organizations, the Youth Commission, the Columbia River Economic Development Council, and other stakeholders contributed significantly in development of the proposed improvements to the local economic development strategies. Cyclical economic conditions underscore the need to continuously evaluate local economic development opportunities.

The following statements reflect the course set by the Growth Management Act and consolidates and summarizes the perspectives of the county and CREDC on economic development:

*Clark County will take advantage of opportunities created by dynamic markets and competitive forces. The focus of Clark County's Economic Development Strategy is to grow a family wage, knowledge-based economy (KBE) that creates jobs at a rate in excess of population growth while maintaining and enhancing community identity and our quality of life. A KBE increases economic value through knowledge, creativity, and innovation as opposed to production or attainment of physical components and assets.*

*Economic development activities will support existing and emerging clusters that have a significant KBE component. Clusters targeted to drive the future economy include telecommunications, semiconductor and electronic manufacturing, knowledge-based service industries, life sciences, healthcare, and expansion of locally owned businesses. There will also be an emphasis on the retention and expansion of existing businesses as the baseline for additional job creation.*

*To grow targeted industries and support the desired pattern of growth, Clark County and its municipalities will protect the inventory of commercial and industrial lands. Focus will be placed on parcels that may be aggregated to accommodate KBE campus development and the clustering of targeted industries.*

*Economic development will be increasingly supported by master-planned and mixed-use developments in select areas that incorporate both traditionally defined manufacturing uses, office commercial uses,*

and in some cases residential. The KBE focus is expected to increase demand for campus-style development.

The development and marketing of land in the vicinity of I-5 between Salmon Creek and Ridgefield (conceptually referred to as the “Discovery Corridor”) will support the continued growth of existing high technology firms and encourage more knowledge-based industries.

To be continually competitive for economic growth and investment, the county’s development process must support shorter timelines, more predictability, greater and more timely data access, and competitive cost structures.

Local and state governments must focus infrastructure investments in areas designated as nodes of growth to maximize economic development, infrastructure investment in advance of development.

Growth in the future economy of Clark County will be further amplified by an increasing percentage of individuals who take advantage of jobs growth by both living and working in Clark County. Higher education will be the platform upon which Clark County’s future economic success will be built, and that success will be seen in greater regional economic reach and impact.

### **Purpose**

The purpose of the Economic Development Element is to set forth the framework and guidelines by which a balanced and stable economic base will be pursued.

### **The Local and Regional Economy**

Clark County has had one of the most vibrant economies in Washington State and the nation during the past two decades. The decade of the 1990’s, and transitioning into the 2000’s, was a period of remarkable economic and population growth. While the community’s location, workforce advantages, and industry recruitments have supported historical growth, a full complement of competitive strengths must be emphasized to assure continued improvements to our future economic health and quality of life.

Clark County’s history, economy, and future are inextricably linked to its regional location. Clark County comprises a portion of the U.S. Census Bureau’s Portland, OR/Vancouver, WA—Primary Metropolitan Statistical Area (PMSA). The PMSA is a six county region encompassing Clark County in Washington and five Oregon counties: Multnomah, Clackamas, Washington, Yamhill, and Columbia.

Clark County’s economy mirrors that of the collective PMSA. It is broadly diversified and has strong components in high technology manufacturing, financial and business services, and international trade. While this diversification has made Clark County somewhat resilient to national economic downturns (e.g. 1991), it did not provide economic immunity during the 2001-03 national recession when technology and broader manufacturing sectors crashed.

Clark County continues to be one of the fastest growing counties in the state of Washington and in the PMSA. The county population increased 45% from 1990 to 2000, grew 17% between 2000 and 2005, and by the close of 2006 it was estimated that 414,278 residents called Clark County home. Vancouver, with a population of 157,493 is the fourth largest city in Washington behind Seattle, Spokane, and Tacoma. The Washington Office of Financial management estimates that the county will continue to grow during the next twenty years with population projections ranging from 437,984 to 621,763.

There are three primary drivers of local population growth, most of it stemming from Oregon residents relocating to Clark County. First is the lower state and local tax burden on families

compared to the experience across the river in Oregon. The state and local tax burden difference is primarily explained by Oregon taxing close to all of the income families earn, while in Washington there is no income tax and the sales tax burden only falls on discretionary retail sales.

The second driver is a perception that Clark County generally provides higher quality K-12 schools than those found in the rest of the PMSA. There is no factual way to directly compare and validate school quality between states, and measures of school quality can elicit vastly divergent views, but the popular perception is still strong enough to convince families that relocating school-age children from Oregon to Clark County is personally positive.

The third driver is the perception that Clark County provides more affordable housing than the Oregon side of the PMSA. During the 1990s, Clark County provided affordable housing alternatives for individuals gradually priced out of housing markets in Multnomah, Clackamas, and Washington counties. However, the cost of housing in Clark County has attained equity with the rest of the PMSA and so this historical driver is reducing in importance. There may, however, be better space (building and land) opportunities for the same amount of money in Clark County compared to the rest of the urbanized PMSA.

While the median age in Clark County (around 35.7 years) is essentially the same as Multnomah County, it is higher than Yamhill and Washington counties. The overall population of Clark County is relatively young due to the large immigration of individuals in their working years.

Growth in Clark County's economic base is especially demonstrated by employment growth. The workforce grew to 190,078 in 2005, a healthy 31% increase during the ten year period since 1995 (that number includes commuters working in Oregon). In concert with the national experience, unemployment remained low during the 1990s, dipping to 3.5% in 1997. The 2001 recession resulted in significant layoffs in Clark County and throughout the PMSA; unemployment increased to more than 7% in February 2003 representing more than 14,000 Clark County residents.

A Riley Research Associate's study on workforce travel (April 2002) placed the percentage of Clark County workers employed in Oregon at about 1/3 of its workforce, which matches closely with the Census Bureau estimates at 32.7%. The Riley survey shows that interstate commuters are employed in a variety of Oregon industries, but primarily: transportation services (13%), health care (13%), low and high tech manufacturing (11% and 8%), professional/business services (10%), and construction (9%).

To reverse this commute, growth and development of significant industry clusters must serve as the basis to attract jobs-producing firms and investment on this side of the river, as well as the basis for growth and expansion of existing businesses.

**Table 9.1 Largest Employers Clark County, Washington**

<i>Clark County has strong industry clusters in semiconductors, high technology and professional services.</i>							
Sector	Company	Location		Product/Service	Function	NAICS 2-digit	Employment August 2006
		City	County				
All Sectors							
	Vancouver School District	Vancouver	Clark	Public Education	School	61	3,380
	Southwest Washington	Vancouver	Clark	Healthcare	Hospital	62	3,229

	Medical Center						
	Evergreen School District	Vancouver	Clark	Public Education	School	64	3,052
	Hewlett-Packard	Vancouver	Clark	Inkjet Printers	R&D/Marketing	33	1,800
	Clark County	Vancouver	Clark	Government	Government	92	1,703
	City of Vancouver	Vancouver	Clark	Government	Government	92	1,438
	Clark College	Vancouver	Clark	Public Education	School	64	1,297
	Fred Meyer	Vancouver	Clark	Retail	Retail	44	1,295
	Safeway	Countywide	Clark	Retail	Retail	44	1,205
	Bonneville Power Administration	Vancouver	Clark	Public Utility	Utilities	22	1,139
	Battle Ground School District	Vancouver	Clark	Public Education	School	64	1,125
	WaferTech	Camas	Clark	Silicon Wafers	HQ	33	1,000
	Georgia-Pacific	Camas	Clark	Pulp and Paper	Branch Manufacturing Plant	32	950
	Kaiser Permanente	Vancouver	Clark	Healthcare	Healthcare	62	758
	Washington State University	Vancouver	Clark	Public Education	School	64	750
	SEH America	Vancouver	Clark	Silicon Wafers	Branch Manufacturing Plant	33	750
	The Vancouver Clinic	Vancouver	Clark	Healthcare	Healthcare	62	735
	Legacy—Salmon Creek	Vancouver	Clark	Healthcare	Hospital	62	728
	Camas School District	Camas	Clark	Public Education	School	64	596
	The Holland, Inc.	Countywide	Clark	Restaurants	Retail	44	435
	First Independent Bank	Countywide	Clark	Banking Services	Banking	52	355
	Clark Public Utilities	Countywide	Clark	Electric, Water, Waste Water	Utilities	22	337
Manufacturing							
	Hewlett-Packard	Vancouver	Clark	Inkjet Printers	R&D/Marketing	33	1,800
	WaferTech	Camas	Clark	Silicon Wafers	HQ	33	1,000

	Georgia-Pacific	Camas	Clark	Pulp and Paper	Branch Manufacturing Plant	32	950
	SEH America	Vancouver	Clark	Silicon Wafers	Branch Manufacturing Plant	33	750
	Columbia Machine	Vancouver	Clark	Concrete Block Machines -and Palletizers	HQ	33	602
	Frito-Lay	Vancouver	Clark	Food Products	Branch Manufacturing Plant	33	580
	Sharp Labs and Microelectronics	Camas	Clark	Electronics and R&D	Research	54	380
	The Columbian Publishing	Vancouver	Clark	Newspaper	HQ	33	352
	Christensen Shipyards	Vancouver	Clark	Custom yachts	HQ	33	350
	Linear Technologies	Camas	Clark	Linear and analog circuits	Branch Manufacturing Plant	31	285
	C-Tech (Landa)	Camas	Clark	Pressure Washers	HQ	33	257
	Matsushita Kotobuki	Vancouver	Clark	TV/DVD/VCR	Branch Manufacturing Plant	33	228
	Pendleton Woolen Mills	Washougal	Clark	Clothing	Branch Manufacturing Plant	31	204
	Bemis	Vancouver	Clark	Multiwall and paper bags	HQ	32	154
Distribution							
	Dollar-Tree	Ridgefield	Clark	Warehouse/Distribution	Regional Distribution Center	48	159
	U.S. Food Service	Ridgefield	Clark	Warehouse/Distribution	Distribution Center	48	130
	Corwin Bottling	Ridgefield	Clark	Warehouse/Distribution	HQ/Distribution Center	48	105
	Vancouver Warehouse and Distribution	Vancouver	Clark	Warehouse/Distribution	HQ/Distribution Center	48	49
	Food Express	Vancouver	Clark	Warehouse/Distribution	HQ/Distribution	48	24

					Center		
	Blue-Bird-Transfer	Vancouver	Clark	Warehouse/Distribution	HQ/Distribution Center	48	15
<b>Call-Centers</b>							
	The-Nautilus-Group	Vancouver	Clark	Exercise-Equipment	In/Outbound	42	525
	Charter Communications	Vancouver	Clark	Call-Center	Inbound	56	300
	Wells-Fargo Financial	Vancouver	Clark	Total-Customer-Service Center	Inbound	51	300
	New-Edge Networks	Vancouver	Clark	DSL-Internet-Network Provider	Inbound	44	288
	Cascade-Call Works	Vancouver	Clark	Call-Center	In/Outbound	56	100
	Electric-Lightwave	Vancouver	Clark	Telecommunications Services	Inbound/Regional-HQ	51	50

Source: Columbia River Economic Development Council, May 2006.

**Table 9.2 Clark County Industrial Clusters**

Company	Product	2002 Employment	Cluster/Sub-Cluster	Location
Blue-Bird-Transfer	Distribution	55	Distribution	Vancouver
Corwin-Bottling	Distribution	55	Distribution	Vancouver
Food-Express	Distribution	50	Distribution	Vancouver
US-Foodservice	Warehouse/ Distribution	95	Distribution	Ridgefield
Vancouver-Warehouse-&-Distribution	Distribution	50	Distribution	Vancouver
Control-Tek	Electronics	71	Electronics	Vancouver
Furuno	Marine-Electronics	62	Electronics	Camas
Matsushita-Kotobuki-Electronics Industries-of-America	TV/VCR's	258	Electronics	Vancouver
Radiall/Larsen-Antenna-Technologies	Electronics	107	Electronics	Vancouver
Wacom-Technology-Corporation	Electronics	62	Electronics	Vancouver
Southwest-Washington-Medical-Center	Healthcare	2,900	Healthcare	Vancouver
Bonneville-Power-Administration	HQ/Admin.-Office	3,000	Knowledge-Based	Vancouver

Columbia-Ultimate	Software	157	Knowledge-Based	Vancouver
Hewlett-Packard	Marketing-Dept.	1,700	Manufacturing	Vancouver
RS-Medical	HQ/Admin-Office	275	Health-Service	Vancouver
Nutrition-Now	Nutritional supplements	140	Life-Sciences	Vancouver
Alpha-Tec	InVitro-Diagnosis	20	Life-Sciences	Vancouver
Christensen Shipyards	Yacht-Mfg.	180	Locally-Owned	Vancouver
DeWils	Cabinet-Mfg.	180	Locally-Owned	Vancouver
BOC-Gases	Chemicals	58	Manufacturing	Vancouver
Hereaus-Shin-Etsu	Quartz-glass-crucibles	37	Semiconductor	Camas
Linear-Technologies	Linear/Analog-circuits	260	Semiconductor	Camas
nLight-Photonics	Pump-Lasers	21	Semiconductor	Vancouver
Saint-Gobain-Crystals-&-Detectors	Crystal-Mfg.	75	Semiconductor	Washougal
Sharp-Labs	R&D	185	Semiconductor	Camas
Sharp-Microelectronics-Technology	Electronics	177	Semiconductor	Camas
Shin-Etsu-SEH-America	Semiconductor	1,260	Semiconductor	Vancouver
Shell-Solar	Solar-Cells	NA	Semiconductor	Vancouver
Silicon-2000	OEM's	70	Semiconductor	Vancouver
Underwriters-Laboratories	Testing	200	Semiconductor	Camas
WaferTech	Semiconductor	950	Semiconductor	Camas
Sekidenko	Gauges-for-Hi-Tech	50	Semiconductor	Vancouver
Silicon-Forest-Electronics	OEM's	75	Semiconductor	Vancouver
Cascade-Callworks	Call-Center	140	Telecommunications	Vancouver
CenturyTel	Telecommunication	180	Telecommunications	Vancouver
Charter-Communications	Call-Center	350	Telecommunications	Vancouver
Electric-Lightwave	Telecommunication	508	Telecommunications	Vancouver
Hilton/Red-Lion-Reservation-Center	Call-Center	160	Telecommunications	Vancouver
Nautilus-Group	Call-Center	300	Telecommunications	Vancouver
New-Edge-Networks	Telecommunication	275	Telecommunications	Vancouver

Source: Columbia River Economic Development Council. May 2002.

## **Income Profile**

There are two measures of income: personal and household. Personal income is an indicator of the types of jobs available in the community and whether the income from one worker will be enough to support a whole family. Personal and household incomes are closely related to employment opportunities. Industries that tend to pay low wages (e.g., restaurants and retail stores) result in lower annual incomes. Income in turn affects the type of commercial businesses and housing required to meet local income levels.

Household income is a good indicator of the price of housing needed in an area. As a rule of thumb, a household can afford to buy a house costing three times its gross annual income, or to rent at no more than 30 percent of gross monthly income. In August 1996, a Family Wage Jobs Project Committee appointed by the Board of Clark County Commissioners defined a threshold family wage as one that will allow a family of up to three members to function with a single wage earner and without supplemental public assistance. Preliminary data for 2005 shows that Clark County's average annual wage was \$36,525 (roughly \$17.56 per hour). That means the County considers \$45,656 (which includes benefits valued at \$9,131) to be a minimum family wage job. A job that provides a family wage (including income and benefits) valued at less than \$45,656 would fail to meet the definition, even though the income alone may meet or exceed \$36,525. Likewise, a job which only paid income of \$45,656 without any benefits would successfully meet the definition. This \$45,656 value is, for 2005 at least, called the "threshold" family wage amount. (Note: Benefits typically include such things as basic health and dental care, vacation, personal leave, paid holidays, child care, elder care, and pension/retirement.)

The threshold family wage is measured by calculating the county's average "covered" wage, plus 25 percent. Covered wage refers to jobs covered by state unemployment insurance—roughly 90 percent of all jobs. Jobs that aren't covered include self-employed, casual labor, work-study students, and railroad workers. Average Annual Wage data is available from the Washington Employment Securities Commission.

## **Industrial and Commercial Land**

The Focused Public Investment Plan (FPIP) allows the county to target infrastructure improvements in areas that require the least cost to provide fully served land that is ready for industrial development by businesses providing family wage jobs. The FPIP does not dilute public investment by spreading it thinly in every part of the county at the same time. The FPIP also avoids public investments in areas that promote undesirable development as plans and approvals are completed.

Clark County has identified several Public Investment Areas (PIAs) that will be the industrial land geographical targets of the FPIP. FPIA's are areas that concentrate the location of public facility capacity in order to produce fully served land suitable for economic development. PIA's are generally located in Urban Growth Areas due to the availability of essential public facilities (roads, utilities).

Focused Public investment Plans are different than traditional capital facilities plans because they (1) use level-of-services standards as the basis for determining the need for capital facilities, (2) target capital improvement expenditures in PIA's to produce "fully served land" for industrial development, and (3) represent a commitment of resources to fully fund the needed infrastructure in designated areas to support economic development.

The FPIP approach concentrates available funds in the most efficient and effective manner to upgrade PIA's to a "ready to develop" status. Experience shows that the market responds well to "shovel ready" sites at which development can begin as soon as fire protection, etc., are juxtaposed



against the amount of public investment required to bring these public facilities and services up to the level needed to support development.

## **Introduction**

This chapter is devised at a unique moment in national economic history: the recovery point of the most significant business cycle downturn since The Great Depression of the 1930's. The “Great Recession” officially began in the fourth quarter of 2007 and ended the second quarter of 2009<sup>1</sup>; however its effects were protracted, including significant lingering high unemployment rates. Clark County’s unemployment rate peaked at 15.9 percent in March, 2010<sup>2</sup>, among the highest in Washington State. More recently As of December 2015, the county’s unemployment rate has fallen to around 8.6 percent<sup>3</sup>. The characteristics of recession in Clark County were typical of development-oriented communities across the state and nation, with high unemployment rates particularly affecting the building trades sector.

Following the onset of the recession, business investment, industrial production and general business activity/output fell to very low levels. Recovery from the recession began in 2009 with very low rates of growth. Productivity increases outstripped the rate of output growth, holding back employment growth until gradually the rate of output growth recovered to higher levels during the 2012 to 2014 period. The first substantive signs of economic recovery locally began to appear in 2013 to 2014. This recovery appears now to be in its initial, tenuous stages.

The economic development element of the comprehensive plan assumes the county, state and nation will continue a slow recovery from the recession. As businesses and sectors of the economy have evidenced signs of recovery, risk aversion has become more prominent with respect to new investment decisions in strong contrast to the period prior to the recession. The county, cities and private partners have unique and important roles to play in restoring the community’s economic health and fostering a resilient, prosperous economy and growth environment.

The GMA established the following statewide economic development goal: “Encourage economic development throughout the state that is consistent with adopted comprehensive plans; promote economic opportunity for all residents of the state, especially for unemployed and disadvantaged persons; and encourage growth in areas experiencing insufficient economic growth all within the capacities of the state's natural resources and local public services and facilities.”

## **Defining economic development**

Economic development is fundamentally an issue of **human development**. Economic systems are comprised of transactional relations between elements in society, such as agents (individuals and enterprises) and institutions (governmental and non-governmental). The basis of such transactional relations are rooted in meeting basic human needs, concerns, utility derivation and attainment of ideated states of well-being, variably defined. Measuring economic performance relative to these objectives generally defaults to metrics of materiality, such as income. With respect to complete human well-being however, materiality is a necessary but not a sufficient condition.

Measures of personal income are frequently used as metrics of economic performance. Full-time employment at or above median wage levels (with associated health, welfare and pension benefits) is a strong predictor of various measures of human well-being. While measures of income serve as

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<sup>1</sup> National Bureau of Economic Research

<sup>2</sup> US Bureau of Labor Statistics

<sup>3</sup> Washington State Employment Security Department

proxy for human well-being, they are inherently limited and their conclusions not broadly generalizable. A set of diverse metrics offers a fuller perspective of human well-being and relative comparability among societies. Such metrics include among other things: income; life expectancy; access to sanitation, clean drinking water and health services; infant mortality; access to education, educational attainment and rates of literacy. Statistical measures of equity in each of these and other areas of topical interest are also available by ethnicity and gender and are important aspects of measuring human well-being.

### **The county's role**

Clark County's role in economic development is to function as an equitable and efficient institutional partner and facilitator, assuring due process in its regulatory role and working with partners in the region in the public and private sectors to promote a robust market environment where economic development may occur. Directly, the county is involved in the provision of public infrastructure, its planning and finance. The county also engages in land use planning, ensuring that context of land use and the capacity of connecting infrastructure are sufficient. Through extensive consultations with jurisdictional partners and the public, the county develops a strong nexus between land and public capital investment necessary for the formation of private capital investment.

The county has significant indirect effects on economic development. This is primarily through partnerships such as with the Columbia River Economic Development Council (CREDC), Southwest Washington Workforce Development Council (SWWDC), Vancouver USA Regional Tourism Office, chambers of commerce, ports and other jurisdictional relationships. As an example, Clark County was a participant in the 2011 CREDC Clark County Employment Land Inventory, which identified a shortage of development-ready large employment sites. This shortage relates primarily to site-specific constraints such as insufficient infrastructure capacity and the presence of environmentally-sensitive areas. Through cultivation of these relationships and extensive ongoing public engagement, the county will develop and maintain an economic development vision and pursue it with strategy, discipline and intentionality.

### **Objectives**

1. Economic diversification
  - a. Develop a robust market environment comprised of diverse sectors
  - b. Build resilience to business cycle shocks
  - c. Invest in broad-based public infrastructure which serves a variety of economic sectors - avoid institutional selection of "winners and losers" or "calling the market"
2. Human well-being and opportunity
  - a. Generate pathways for the creation of middle-skill, middle-income, traded-sector employment
  - b. Attract export and manufacturing related business investment
  - c. Facilitate partnerships generating opportunities for citizens to increase skill levels
  - d. Recognize and respect individual needs for diverse opportunities
  - e. Look for the "path to yes" in interaction between citizens, partners and the economic community
3. Holistic, strategic approach
  - a. Develop an economic vision rooted in evidence
  - b. Develop a vision that transcends planning cycles and biennial budgets

- c. Erase boundaries between communities and topical disciplines
- d. Wisely use resources through focused strategies – geographically prioritize and focus public infrastructure investment to leverage timing and yield of development such as the Focused Public Investment Areas approach (examples: St. Johns/Barberton and Discovery Corridor)

**Comparative advantages**

Clark County and the cities within it benefit from several strengths and comparative advantages. While each may have associated limitations or constraints, the overall strength is one that can be used to promote economic development and activity.

**Table 9.1 | Clark County Comparative Advantages**

<p><b><u>LOCATION</u></b></p> <ul style="list-style-type: none"> <li>• <u>Part of Portland metropolitan area</u></li> <li>• <u>Within 3 hours drive time of Seattle/Tacoma</u></li> <li>• <u>10 hours by ground to San Francisco, largest air freight hub on west coast</u></li> <li>• <u>Temperate climate resulting in minimal weather hazards, predictable energy costs and predictable equipment maintenance requirements</u></li> </ul>	<p><b><u>COMMUNITY</u></b></p> <ul style="list-style-type: none"> <li>• <u>Good quality of life</u></li> <li>• <u>High recreation amenities</u></li> <li>• <u>High environmental quality</u></li> <li>• <u>Rural and urban community character</u></li> </ul>
<p><b><u>LABOR</u></b></p> <ul style="list-style-type: none"> <li>• <u>Labor force educationally competent at high school level and above</u></li> <li>• <u>Strong primary and secondary schools</u></li> <li>• <u>Strong university</u></li> <li>• <u>Strong community college</u></li> <li>• <u>Reasonable labor costs</u></li> </ul>	<p><b><u>INFRASTRUCTURE</u></b></p> <ul style="list-style-type: none"> <li>• <u>Good road infrastructure maintenance and network</u></li> <li>• <u>Two transcontinental railways</u></li> <li>• <u>International airport</u></li> <li>• <u>Deep water marine terminals</u></li> <li>• <u>Pipeline oil and gas access</u></li> <li>• <u>Adequate ground and surface water</u></li> <li>• <u>Affordable electricity and adequate networks</u></li> <li>• <u>Building materials are competitively priced and available</u></li> </ul>

**Guiding principles**

**Use robust strategies**

Robust economic development strategies are those with many positive direct and indirect effects. For example, a strategy of expanding middle income manufacturing jobs in traded sectors generates direct positive income effects. These income effects manifest in the form of a multiplier, generating additional consumer spending related to the increase in disposable income, which has an associated employment generation effect. An additional indirect benefit is the creation of additional pathways to middle skill, middle income employment, benefitting persons working in lower income, lower skill employment. Traded sectors export goods and services from Clark County to markets throughout the world, generating prosperity and opportunity locally.

Some examples of robust economic development strategies include:

- Focusing on traded sectors, attracting new investment and creating opportunities to export products and services across the globe

- Leverage comparative infrastructure advantage to attract traded sector industries
- Develop the land base necessary for retention, expansion and recruitment of these industries
- Build our knowledge base in engineering, supply chain and industrial management
- Focus on increasing the property tax base instead of expanding the sales tax base
  - Recognize sales tax as revenue that redistributes across the community based on shifting consumer preference
  - Sales tax is new revenue only when population or income levels grow significantly, or when new retail segments develop
  - Property tax reflects increasing capital stock
- As identified in the 2011 CREDC Clark County Employment Land Inventory, focus on industrial land inventory that meets the needs for retention, expansion and recruitment of twenty-first century industry
  - Support smart urban growth boundary expansion that brings in sites of the character, type, size and location desired by industries
  - Protect the most desirable parcels zoned for industrial use from conversion to other use
  - Retire parcels that are less desirable for industrial use because of size, location, or constrained shape or character, from the industrial inventory to other kinds of land uses

These strategies are intended to be refined and added to over time as additional information becomes available through research activities and stakeholder engagement.

### **Focus on core competencies**

Clark County’s direct role in economic development is to provide public infrastructure and land use planning and permitting. These activities include transportation and storm water planning and projects, which can significantly affect opportunities for economic growth and development. The County also manages and plans for investments in its short line railroad, which can generate opportunities for additional rail-served industrial land.

Clark County government should focus on initiatives and efforts in these core areas that further develop excellence in providing these services to the community. The county should also continue to develop excellence in its engagement as a partner with other jurisdictions and economic development stakeholders in areas such as business recruitment, expansion and retention, workforce training and education, marketing and tourism, land aggregation and development and so forth. Comprehensive Plan policies should support the efforts of all parties. Comprehensive Plan policies in this chapter focus on and provide guidance to the county related to the land use planning competency area and associated decision making.

### **Maintain a small, strong and simple economic development program**

In consideration of limited resources, it is important to keep programs focused and effective. Important characteristics of the program include:

- Measure and implement ideas that build on our natural capital and “what works here”; use other communities as inspiration and leverage and adapt their ideas;
- Use measurements of success that are fair, look at situations over time, focus on improvement in opportunities for workers and focus on how efficiently resources are used; and
- Prepare sites with infrastructure and predictable permitting processes that encourage private investment.

## Goals and Policies

The Community Framework Plan contained a series of policies for economic development. The intent of this Economic Development Element is to build on the policies already in place, provide more specific direction for implementation of economic development goals, and coordinate with other elements of the comprehensive plan.

### 9.0 Clark County Economic Development Vision Statement:

*“Clark County will grow as a high-wage economy that creates jobs at a rate in excess of population growth, and an increasing percentage of the population will both live and work in Clark County. There will be an emphasis on emerging clusters that have a significant knowledge-based component.”*

### 9.1 Countywide Planning Policies

The following policies are countywide and apply to both incorporated and unincorporated areas.

- 9.1.1 The county and cities will demonstrate their commitment to long-term economic growth by promoting a diverse economic base, providing opportunity for all residents, including unemployed and disadvantaged persons. Growth which helps to measurably raise the average annual wage rate of community residents and preserves the environmental quality and livability of our community, is viable growth and will improve the lifestyle of Clark County residents.
- 9.1.2 The county and cities will demonstrate their commitment to the retention of those enterprises, which have created the economic base of the county, and promote their continued growth in a predictable environment, which encourages investment and job growth.
- 9.1.3 The county and cities will encourage long-term growth of businesses of all sizes, because economic diversification and stratification are important factors in overall job growth for the county and cities.
- 9.1.4 The county and cities will promote productivity and quality among its businesses to meet world and market standards for their products and services.
- 9.1.5 The county and cities will encourage higher educational levels for residents, and improvements in the measurable performance of high school graduates compared with other counties in the state.
- 9.1.6 The county and cities may give priority assistance to employers who will increase the standard of living in the community.
- 9.1.7 The county and cities will plan for long-term economic growth, which enhances the capacity of existing air shed for job-generating activities.
- 9.1.8 The county and cities will provide for orderly long-term commercial and industrial growth and an adequate supply of land suitable for compatible commercial and industrial development.
- 9.1.9 The county and cities will encourage the recruitment of new business employers to absorb the increasing labor force, and to supply long-term employment opportunities for county's residents who are currently employed outside of the State.

- 9.1.10 The county and cities will work together to establish specific common benchmarks that will measure the region's overall economic viability. These benchmarks will be included in the county's Comprehensive Plan and are encouraged to be included in each jurisdiction's comprehensive plan.
- 9.1.11 Conversion of industrial or employment center lands to non-industrial or non-employment center districts may occur within the following parameters:
  - a. Protect and preserve lands zoned heavy industrial for heavy industrial uses.
  - b. Protect employment center lands from conversion to residential.
  - c. Consider rezoning of employment center lands to non-retail commercial, ~~office campus,~~ or business park if the proponent can show that (a) the zone change would accommodate unforeseen and rapidly changing commercial development needs, and (b) the proposed designation is more suitable than the current designation given the land's site-specific characteristics, and (c) the proposed zone change will generate jobs at a higher density than the current comprehensive plan zone allocation.
- 9.1.12 Encourage use of a multi-modal transportation system that facilitates the reduction of travel times and reduces the need for additional road construction within the region.
- 9.1.13 Following consultation with interested cities, the county may, consistent with state requirements, designate Major industrial developments RCW 36.70A.365 and /or Master planned developments – Master planned locations RCW 36.70A.367 outside urban growth areas. Appropriate or required Intergovernmental Agreements consistent with the provisions of the state law shall accompany such designation

## County 20-Year Planning Policies

### Unincorporated County

The following goals and policies are not countywide and apply only to the unincorporated areas.

**Goal:** ~~Provide commercial and industrial employment opportunities to meet the needs of Clark County citizens. Continue to identify targeted industries to guide public policy, infrastructure development, workforce training, and other economic development initiatives.~~

### 9.2 Policies

- 9.2.1 Encourage long-term business investments that generate net fiscal benefits to the region, protect environmental quality, and are consistent with the objective of higher wage jobs for Clark County residents.
- 9.2.2 Encourage public and not-for-profit partnerships with private business interests in generating economic development projects ~~that would not otherwise occur without the cooperation of all sectors.~~
- 9.2.3 Promote a diverse economic base, providing economic opportunity for all residents, ~~including unemployed, under-employed, and special needs populations.~~

9.2.4 Provide priority assistance to employers who pay a family wage ~~and thereby improve the region's standard of living.~~

~~9.2.5 Promote workforce development through collaboration with WSU-Vancouver, Clark College and other organizations to facilitate infrastructure development and other economic development initiatives.~~

**Goal: Assure an adequate supply of industrial sites to meet market demands for industrial development over the planning horizon to create an environment conducive to the startup, growth, and expansion of “targeted” industries.**

### 9.3 Policies

- 9.3.1 In cooperation with local jurisdictions, maintain a minimum ~~10~~ten-year supply of industrial land based on average absorption rates over the last five years.
- Designate the necessary acreage of vacant industrial land for the 20-year planning period.
  - Discourage removal of land from the inventory ~~if~~ that results in a less than 10-year supply of industrial sites.
  - ~~Update inventories of industrial lands at least every ten years to reestablish the 20-year supply of industrial lands.~~
  - ~~Encourage industrial land banking of large sites and “future urban reserve areas” to preserve large parcels at key locations for future industrial sites (per RCW 36.70A.367).~~
  - ~~New industrial sites that are part of a major industrial land bank shall be consistent with RCW 36.70A.365 and RCW 36.70A.367. required to have a minimum of 75 acres or more and shall not be subdivided less than 50 acres.~~
- 9.3.2 Designate sites for industrial use at locations that will be accessible from roadways of arterial classification or higher, potentially served with utilities, and ~~a developable area with minimal free of major~~ environmental constraints such as unsuitable soils, floodplains, archaeological sites, and wetlands.
- Program Focused Public Investment Areas and Capital Facilities Planning expenditures to assure development of these lands.
- 9.3.3 Maintain an adequate inventory of properties designated for industrial use and that are suitable for a mix of business and industrial park, light and heavy industrial uses; include properties developed by both private and public entities; and provide access to multimodal transportation services including motor freight, rail, and marine facilities.
- 9.3.4 Conversion of industrial or employment ~~center~~ lands to non-industrial or non-employment ~~center~~ districts may occur within the following parameters:
- Protect and preserve lands zoned heavy industrial for heavy industrial uses.
  - Protect employment lands from conversion to residential.
  - Consider rezoning of employment lands to non-retail commercial, ~~office campus,~~ or business park if the proponent can show that (a) the zone change would accommodate unforeseen and rapidly changing commercial development needs, and (b) the proposed designation is more suitable than the current designation given the land’s site-specific characteristics, and (c) the proposed zone change

will generate jobs at a higher density than the current comprehensive plan zone allocation.

**Goal:** Provide **contextually-appropriate** commercial sites adequate to meet a diversity of needs for retail, service, and institutional development in Clark County.

#### 9.4 Policies

- 9.4.1 In cooperation with local jurisdictions, maintain an adequate supply of commercial lands within designated urban growth areas, based on average absorption rates of the last five years plus an appropriate market factor.
- Designate sufficient commercial land for the 20-year planning period, preferably located within designated urban growth areas;
  - Discourage removal of commercial land from the inventory that results in a less than 10-year supply of commercial sites;
  - Update inventories of commercial lands at least every ten years; and,
  - Encourage infill and redevelopment of underutilized commercial sites.
- 9.4.2 Locate convenience-oriented retail and service developments adjacent to residential neighborhoods; encourage small-scale neighborhood commercial uses directly within residential areas.
- 9.4.3 Encourage commercial and mixed-use developments located on current or planned transit corridors; encourage transit-oriented site planning and design.
- 9.4.4 Maintain design guidelines to ensure that commercial projects are developed with minimal impact on surrounding land uses, are consistent with related community appearance/design guidelines, and assure pedestrian as well as vehicular access.
- 9.4.5 Permit home occupations that are consistent with the character of adjoining residential properties and neighborhoods.
- 9.4.6 Encourage responsible waterfront development for commercial uses where environmentally and economically feasible.

**Goal:** Provide a continuum of educational opportunities responsive to the changing needs of the work place locally and regionally.

#### 9.5 Policies

- 9.5.1 Encourage continuing education, skills upgrading, mentoring, and lifelong learning programs suitable for large and small employers.

~~9.5.2 Support conversion of Washington State University—Vancouver Campus (WSU) into a premier 4-year institution of higher education.~~

**Goal:** Promote long-term economic development that will improve environmental quality and accommodate job generating activities.

#### 9.6 Policies

- ~~9.6.1 Give priority to industries and businesses creating family-wage jobs that operate within the available air shed capacity.~~



~~9.6.2 — Conduct pertinent wetland delineation studies and master plans to identify areas for industrial, commercial, open space, recreation, and environmental uses, to include wetland banking.~~

9.6.31 Encourage sustainable development and programs.

9.6.42 Develop compatible land uses that promote the long-term economic viability of the ~~County~~ county Railroad ~~railroad~~.

**Goal: Encourage infrastructure development and services necessary to serve new industrial development.**

## 9.7 Policies

9.7.1 Prioritize infrastructure development in advance of need to areas that are suitable for industrial development.

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- ~~• when siting a regional/corporate office development, land use compatibility, effectiveness, and family wage jobs created shall be considered; and,~~
- ~~• emphasis on infrastructure for development should be placed to serve major industrial areas with proximity to the I-5 corridor.~~

**Goal: Maintain and enhance opportunities for resource-based industries located on rural lands in Clark County.**

## 9.8 Policies

9.8.1 Encourage resource-based industries, including agricultural, forestry, and aggregate materials, which are consistent with rural lands goals and policies. ~~(Chapter 3, Rural and Natural Resources Element).~~

9.8.2 Implement programs to encourage agricultural and forestry management of smaller rural tracts consistent with best available sciences ~~sound environmental practices~~.

9.8.3 Encourage home businesses and, if necessary, revise the Clark County Unified Development Code to minimize impacts to neighboring properties. ~~that allow for economic development compatible with the use of neighboring properties and protects the integrity of zoning districts of Clark County.~~

## Strategies

~~The following is the preferred set of strategies needed to implement the identified economic development goals and policies. The strategies fall into four areas: (1) knowledge-based clusters, (2) industrial nodes, (3) projects of regional significance, and (4) economic development infrastructure. The Clark County Strategy and Action Plan is included in Appendix D.~~

- ~~• Focus on existing clusters where the region has a strategic advantage, are supported by existing infrastructure, and for which the county can provide a ready labor force.~~
- ~~• Identify existing new and emerging clusters that offer the potential for growth within the local and regional economy.~~
- ~~• The Columbia River Economic Development Council (CREDC) shall create a Targeted Industry Advisory Committee to advise Washington State University Vancouver and Clark College on the creation of strategies and programs to support targeted industries.~~

- Support the expansion of technical and professional training capabilities of Clark College and regional partners in those areas supporting targeted industries. In cooperation with WSUV, support establishment of a regional training center that offers career progression for those seeking advanced training in high technology fields. Continue to support vocational skills training through the Clark County Skills Center and the Workforce Development Council.
- Ensure maximum family wage jobs generation and support aggregation of land for large master-planned, mixed-use development on employment lands.
- Support retail commercial development and residential development in order to create employment centers within nodes of growth.
- Allow for the development of a broader scope of non-retail office commercial uses on designated industrial lands to allow for the location of targeted industries. Routinely update development code to reflect the emerging market and economic demand for industrial development.
- Make targeted infrastructure investment in advance of business growth to guide development and to facilitate the development process.
- Establish industrial land banks in areas that have the capability and potential to support the development of targeted industrial clusters.
- Create and designate a pre-planned area to be called the "Discovery Corridor" as employment reserve land to further the growth of high technology and knowledge-based industries. Create a sub-area and infrastructure development plan in cooperation with the private sector to promote desired development and business within the corridor.
- Encourage inter-jurisdictional revenue sharing to support targeted investment.
- Support the improvement of the efficiency of the permit review process and a 60 to 90 day permit review for all priority projects.
- Regularly benchmark local development review processes against competitor regions with similar targeted industries with the intent to match or beat benchmarks for regions competing for like investments.
- Encourage all municipal jurisdictions to designate those commercial and industrial development proposals that result in significant economic benefits (including job creation, high-wage jobs, investment, and public revenue generation) as Projects of countywide Significance. For such projects:
  - Develop expedited permitting processes and coordination mechanisms to facilitate economic development;
  - Create project advocates or permit teams within municipal permit authorities that provide individualized support and coordination; and
  - Establish a 60- to 90-day development review process benchmark.
  - Conduct training sessions for public officials and staff on economic development to educate individuals regarding private sector perspectives of land development.
  - Create and fund a publicly owned and operated wetland mitigation bank to provide a convenient and efficient mechanism to convert low-value wetlands that impinge upon the development of industrial and commercial properties.
  - Create sub-area plans for each node of growth to the level that developmental and environmental permits are available in a timely and efficient manner.
  - Create processes that allow pre-qualification of individual sites so development and environmental permits are available in a timely manner.
  - Support continued cooperation between regional port authorities to increase investment that improves the transportation of goods and services to export markets.
    - Encourage the recruitment and location of compatible targeted industries, especially knowledge-based, high-wage businesses to Clark County.

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