

CHAPTER 6 ECONOMIC DEVELOPMENT

WHAT YOU WILL FIND IN THIS CHAPTER

- Information about the local economy, including statistics on population, employment, businesses, and employment sectors.
- Policies and programs that seek to help Ellensburg build a promising economic future.
- Policies that provide a framework for leveraging tourism and promoting Ellensburg as a destination.
- Policies that seek to maintain a qualified workforce and promote living wage jobs.

OVERVIEW

This chapter contains goals, policies, and programs to define Ellensburg's role in economic development, and to help the City build a healthy economy. While economic activity exists at all levels, both public and private, local government's role is to establish parameters for private markets, provide vital services, and ensure development enhances the quality of life in Ellensburg.

A healthy economy adds to all aspects of the community, from jobs to infrastructure to community services. A healthy local economy can strengthen the community's position as a unique and attractive place to work, live, play, and visit.

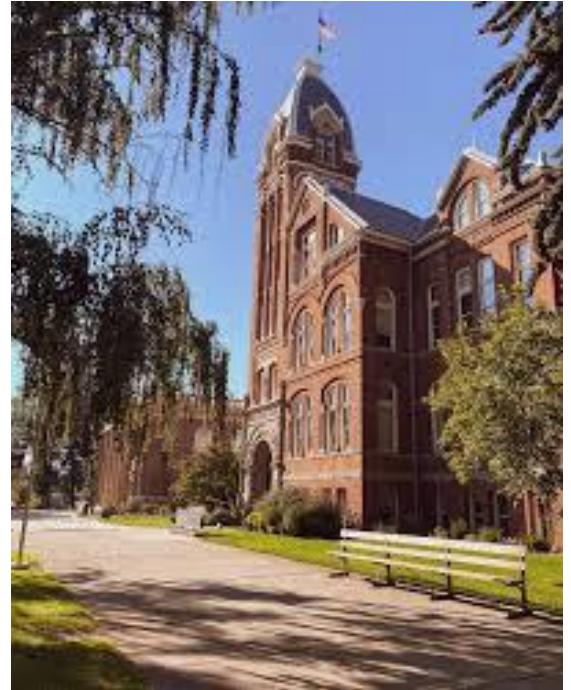
The goals, policies, and programs contained in this chapter aim to guide the City of Ellensburg in developing a supportive business environment for new and existing businesses with the intent of providing a range of employment opportunities for residents, and a strong tax base for the City.

BACKGROUND & CONTEXT

With a population of just about 21,000 as of 2023, Ellensburg is the center of commerce and government for Kittitas County. It offers services for local residents, and the financial, religious, and educational institutions that serve an area much larger than what is within city limits. Ellensburg is a central gathering place for the regional community, and hosts a diversity of activities, events, and services that serve more people than those within the city limits of Ellensburg. Ellensburg is known as the home of Central Washington University and the annual Ellensburg Fair and Rodeo that attracts national attention.

The quality of life in Ellensburg is characterized by a clean environment, vibrant downtown, and outstanding outdoor recreational activities, all of which are important factors in nurturing economic growth. Businesses provide property, sales, lodging tax and other revenues that support public infrastructure and maintain quality of life. As local and national economies and lifestyles evolve, it will become more important for Ellensburg to maintain and enhance its livability through smart urban design that reflects the values and choices of the community. The Ellensburg community is challenged with the availability of living wage jobs, and with the City's ability to continue providing services that foster business development and increase economic opportunities. Residents want employment, retail, and social opportunities that allow them the ability to live, work, and play in the community.

Ellensburg's economic base has been relatively narrow since its settlement in the late 1800s. While Ellensburg still enjoys a strong agricultural economy, the community as a whole has become less dependent on natural and agricultural resources. Today Central Washington University, Kittitas Valley Healthcare, state and local government, and food and retail services are strong economic drivers in the community. Ellensburg has also experienced an increasing number of residents commuting to Yakima County and to the greater Puget Sound region for employment opportunities.



As of 2022, the top five employers in Ellensburg are: Central Washington University, Kittitas Valley Healthcare, Ellensburg School District, Kittitas County, and Anderson Hay and Grain. Tourism and retail industries are also key employers.

The growth in metropolitan areas near Ellensburg—King County in particular—is changing the community’s economic position. The US Census Bureau named Kittitas County the 10th fastest growing county by percentage in the United States in 2015 to 2016 with a 4.2 percent growth rate. Kittitas County was the only county in Washington on the list. The same report cited the City as the third-fastest growing micropolitan area in the country.

Transportation congestion and high home prices in urban areas are pushing people into rural Kittitas County for a more relaxed and affordable place to live. The lack of congestion and ubiquitous changes in technology makes commuting and remote work a reasonable alternative to living and working in urban areas. An increasing number of residents are working in Yakima County and the greater Puget Sound region. According to the 2016 Kittitas County Population Projection Review and Analysis, in 2013 46 percent of working Kittitas County residents worked outside of Kittitas County, with 16 percent of those commuting to King County.



Equitable Economic Development

While the overall goal for economic development in Ellensburg is to promote the wellbeing, vitality, and quality of life for residents, not all residents have equal access to education, housing, job opportunities, and therefore, the same quality of life. As the community invests in the future, it is with the commitment to work together to provide tangible solutions to create an equitable economy. This work includes examining existing policies and procedures, outlining economic development goals with an equity lens, and inviting more diversity within leadership roles in the community.

Working with community partners, priorities would include educational opportunities, workforce development, business attraction, retention and expansion, and affordable housing.

Economic Sectors

The following is a brief synopsis of the economic drivers in the City of Ellensburg. More information on each of these drivers, as it pertains to land use, is provided in the Land Use Element.

Impact of the Covid-19 Pandemic

Like many rural communities around the state, the long-term impact of the global pandemic Covid-19 is still being measured. Small businesses within Ellensburg faced many challenges and state, county, and local governments stepped in to help our community with additional resources to get through unprecedented times. As we move into a post-pandemic economy, the direct impact on our community is still unknown, however, we continue to be challenged by instability throughout the supply chain, the growing cost of goods, expanded need for community assistance and resources, and a growing need for affordable housing.

As a result of the acceptance of remote work opportunities, coupled with the rising cost of housing prices in neighboring counties, the demand for new homes in Ellensburg has increased, driving up the average home price. This has created a higher demand for affordable housing, as the median income has not kept pace with the rising housing market.

Ellensburg will continue to monitor the effects of the global pandemic and seek innovative measures to strengthen the region and create a stronger, more resilient economy for the community.



Commercial and Industrial

Ellensburg's early industrial development focused along the railroad tracks to the west of downtown. Over time, land use designations and zoning patterns have continued this pattern, with the bulk of Ellensburg's industrial land located along a narrow strip paralleling the Burlington Northern Santa Fe (BNSF) railroad tracks. Most of this land is in the 100-year floodplain. Commercial and industrial development has expanded along Dolarway Road

to connect to the area surrounding the west I-90 freeway interchange. Additionally, the northernmost portion of Ellensburg's UGA surrounding Bowers Field is designated for light industrial use to attract and accommodate business innovation and family-wage jobs, with more light industrial uses in a variety of existing zones, along with inventive ideas to mitigate industrial development in the floodplain areas.

A 2016 Downtown Market Study and Economic Development Plan indicates that local shoppers are traveling outside of Ellensburg to purchase daily goods and services. The nearest large commercial center is Yakima, 35 minutes to the south, which is a popular destination for various kinds of retail shopping.

Three key highways meet at Ellensburg. Interstate 90 is the state's primary east-west route; Interstate 82 carries traffic through south central Washington to population centers in Yakima and the Tri-Cities. State Route 97 moves traffic north to Wenatchee. These highway interchanges provide substantial opportunity for commercial development. The south interchange at Canyon Road is currently the more developed of the two existing interchange areas, offering lodging, dining, and gasoline sales. The west (I-90/SR 97) interchange provides similar services, but not at the same intensity. Both interchange areas have been identified for regional retail commercial development, at a scale that serves the City of Ellensburg, as well as the surrounding region. As new development of big-box stores and shopping

centers slow on a national level, however, a variety of commercial and public-service uses for these commercial and industrial sites are being explored, including distribution warehousing.

Downtown Commercial

The development of commercial areas outside the downtown core has distributed business activity beyond the traditional range of downtown. The community's passion for downtown Ellensburg is



evident, as shown in its commitment to preserving historic buildings while staying on the cutting edge of reuse and revitalization.

As a result, downtown Ellensburg has experienced a renaissance over the last decade with many buildings undergoing restoration; upper floors of long-shuttered historic buildings have opened, expanding residential, commercial, and civic space. A new boutique hotel, the redevelopment of a downtown city center park, and expansion of residential, artistic, and commercial offerings have added to the high quality of

life for Ellensburg's City Center. A Certified Main Street community, the thriving downtown is on the National Register of Historic Places, named a Dozen Distinctive Destinations by the National Trust for Historic Preservation in 2007 and a Great American Main Street Award finalist by the National Main Street Center in 2018.



Healthcare

Kittitas Valley Healthcare operates KVH Hospital, an accredited Critical Access Hospital and the state of the art, Medical Arts Center along with multiple clinics that include primary care, internal medicine, occupational medicine, orthopedics, surgical, and women's health services. The Emergency Department at KVH Hospital is designated as a Level IV trauma service by the State of Washington Department of Health and is staffed 24-hours-a-day team

of emergency personnel.

KVH is the second largest employer in Ellensburg, with over 600 employees. The hospital is working on a new campus master plan that will expand the footprint of the campus. In anticipation of the projected growth in Ellensburg's 65 or older population, KVH is expected to remain a key part of Ellensburg's economic growth over the next 20 years.



and modern campuses in the state.

Central Washington University

Central Washington University is an important and vital force in the community. CWU's campus occupies more than 380 acres and employs approximately 1,800 people. The \$113 million annual payroll supports retail, housing, and entertainment businesses; CWU spends nearly \$15 million in the area with vendors for everything from catering to furniture. Construction spending of nearly \$500 million since 2010 has supported employment throughout the region and built one of the most beautiful

The Central Washington University Strategic Plan calls for continued public service and community engagement, with emphasis on the level of collaboration between the University and local communities to contribute to the education, social, and economic progress of Washington communities.

Under new leadership in 2021, Central Washington University is committed to working with the City of Ellensburg to expand community engagement, collaborative partnerships, and regional economic development. It will be important to understand enrollment trends in the post-pandemic era as the University—like other higher education institutions nationwide—have experienced a decline. Historically, students have been a significant portion (nearly 40%) of the City's population which drives housing and other public services.



Tourism

Tourism is one of the five top economic drivers for Ellensburg, with year-round events such as Dachshunds on Parade, Ellensburg Music Festival, Buskers in the Burg, Winter Hop Brewfest, First Friday Art Walks, and many others providing entertainment for thousands of locals and visitors. Many events are held in the historic city center, with Central Washington University also offering a full calendar of music, conferences, and sports related activities. Outdoor recreation, event and performance centers, conferences, and

youth sports provide growth potential for the local tourism industry. Ellensburg's creative industry, that includes tourism, has the potential to help drive Ellensburg's overall economic growth.

Lodging tax continues to grow steadily with 2018 recording \$530,000, 2019 recorded at \$578,000, while 2020 experienced a drop due to the global pandemic. However, post Covid-19, a strong year-over-year rebound was realized in 2022 recording revenues of \$675,000. These funds benefit the community in a

number of ways through increased tourism, event and project grants, and capital improvements for civil facilities and parks.

Ellensburg is home of the Kittitas County Event Center which hosts the Kittitas County Fair and Ellensburg Rodeo. The Fair and Rodeo is held each Labor Day weekend and the rodeo is continuously ranked in the top 10 rodeos in the nation with over 25,000 visitors attending from outside the community.

The Event Center is located on 21 acres just South of Central Washington University. The Event Center hosts more than 1,500 events throughout the year for community organizations, trade shows, expositions, equestrian and livestock events, and other special events. The Center includes conference and event spaces, an indoor arena, stock pens, barns, RV hookups, and on-site parking.

With some structures built over 90 years ago, the Kittitas Valley Event Center is listed on both the Washington State and National Register of Historic Places, offering both cultural and economic opportunities for Ellensburg and the surrounding region.

Technology

While the technology sector is not yet a significant portion of Ellensburg's current economy, there is a drive to expand and develop this throughout the region utilizing multi-county partnerships that elevate and promote the Central Washington Region as a whole. The technology sector tends to offer well-paying jobs and is attracted to good schools, high quality of life, and recreational amenities. Ellensburg embodies these characteristics while offering the City of Ellensburg's growing telecommunications utility (see Capital Facilities and Utilities chapter) as well as the proximity to Seattle, one of the top tech hubs in the nation. CWU has state-of-the-art computer science facilities along with technology programs in the Departments of Information Technology Administrative Management (ITAM), Computer Sciences, and Advance Industrial Sciences that support areas of future economic expansion and digital transformation of industry.

Arts and Culture

The arts play an important role in the economy in Ellensburg; home to many artists, designers, creative entrepreneurs, and art nonprofits that may be classified under other categories of business activity. Nonprofit arts organizations serve as regular economic contributors to tourism and local job base. For example, the Laughing Horse Arts Foundation (LHAF) gives operational support for a sponsor for several performing arts organizations under the LHAF foundational umbrella. Long standing festivals and organizations such as Ellensburg Music Festival (formerly Jazz in the Valley) and Valley Theatre Company, have brought people from all over the state to celebrate the arts. Central Washington University is home to a top-rated academic music program that is dedicated to achieving the highest standards of musical knowledge, performance, and teaching. In addition to sponsoring remarkable student performances, the department brings in world-class musicians throughout the year. A growing campus public art and sculpture collection and degree programs in art, multi-cultural and diversity studies, film and theatre, craft brewing and wine studies program add to the richness of the creative sector in Ellensburg.

The Creative Industry is a vital component of a healthy regional economy and the arts play an important role in the economic development of Ellensburg. The creative sector is a \$29 million economic driver that will increase tourism, bring new and innovative job creation, and expand opportunities throughout Ellensburg. Home to many artists, designers, creative entrepreneurs, artesian spirits, and artistic nonprofits, Ellensburg has become a central regional hub with a flourishing art and cultural community.

In 2016, the City Council designated 10 percent of construction sales tax revenue to community art, with an annual floor of \$25,000 and a ceiling of \$50,000. As stewards of these funds, the Ellensburg Arts Commission develops strategies, procedures, and goals that reflect the best usage to further the impact of the arts community. Events and programs such as First Friday Art Walk, the Ellensburg Poet Laureate, Project Grant Program, the Ellensburg Music Festival, Buskers in the Burg, The Bite of the Burg, and Moments to Remember generating income for artists and increase revenue for businesses annually.

In 2021 the Ellensburg Arts and Cultural Alliance was established, uniting artists, artistic nonprofits, foundations, economic development organizations, municipalities, Central Washington University, and community leaders with the purpose of positioning the arts to thrive in Ellensburg and drive economic growth for our community. With a robust strategic plan and strong community participation, growth within the creative sector can bolster the overall economy of Ellensburg.

Opportunity Zones

Both industrial and downtown retail areas lie largely within “Opportunity Zones,” a community development program established by Congress in the Tax Cuts and Jobs Act of 2017. The zones are intended to encourage long-term investments in low-income urban and rural communities nationwide. The Opportunity Zones program provides a tax incentive for investors to re-invest their unrealized capital gains into Qualified Opportunity Funds (QOF) that are dedicated to investing into Opportunity Zones designated by each state.

Ellensburg’s two Opportunity Zones comprise more than 6,120 acres. Of that, 22 percent is designated for commercial or industrial use; 2,540 acres of vacant land are ready for development.

- Census tract 5303797-5600 includes portions of Central Washington University, the Historic District and Main Street to I-90. The tract includes the city’s warehouse district and is bisected by the BNSF railroad line. Sixty percent of the tract lies within the incorporated city, with the remaining 40 percent within the Urban Growth Area. The tract comprises over 2,000 acres with 44 percent designated as areas that are development-ready with direct access to Interstate 90, rail, and city utilities. Zoning allows for a broad mix of developments: Residential Suburban, Central Commercial, Commercial Highway, Central Commercial II and Light Industrial.
- Census tract 5303797-5500 lies north and west of tract 5600. It runs in a southeast-northwest direction with I-90 as the southwestern border and the Palouse to Cascades Trail acting as the northeastern border. Fifty percent of the tract lies within the incorporated city or Urban Growth Area, with the remaining sited on county land. Zoning allows for diverse applications: Light industrial, urban residential, general commercial, residential suburban, residential office, and commercial tourist.

Foreign Trade Zones

In 2010, the Port of Moses Lake established a 90-mile radius of a Foreign Trade Zone (FTZ) that included all of Kittitas County. A FTZ allows companies to store goods duty-free, delay tax and customs payments, and lower inventory costs. By establishing a FTZ, companies compete more efficiently and cost effectively in the marketplace. Merchandise may be moved into these zones for operations, including storage, exhibition, assembly, manufacturing, and processing. The standard customs entry procedures and payments of duties are not required on the foreign merchandise unless and until it enters the US Custom's territory, at which point the importer generally has the product. Domestic goods moved into the zone for export may be considered exported upon admission to the zone for the purposes of excise tax rebates and drawback. As part of the county-wide strategic plan, the City of Ellensburg, the Kittitas County Chamber of Commerce, and CenterFuse are developing tactics to encourage businesses to utilize this benefit.

Business Development

Working collaboratively, multiple organizations enhance the community's quality of life through business development.

The City of Ellensburg offers a unique and streamlined approach for businesses to start and grow. From business incentives to a comprehensive review of proposed projects in a Pre-Application Meeting that includes representatives and staff from all the required entities to begin a project. Because the City owns and operates electric, natural gas, water, wastewater, stormwater, and telecommunications utilities, project review is conducted by a single entity at one location which provides increased certainty for development in terms of process, timelines, and requirements for a successful project. Additionally, the City of Ellensburg has invested in staffing and talent in key roles like Community Development and Economic Development to enhance the overall economic success of the City.

Many organizations throughout Ellensburg work to build the economy and enhance the community's quality of life. Three organizations in particular are directly involved in business development in Ellensburg.

CenterFuse is a Public Development Authority, authorized by RCW 35.21.730 and created by the City of Ellensburg in 1994. CenterFuse recruits, supports, and connects businesses with the resources they need to start, grow, and prosper.

The Kittitas County Chamber of Commerce partners with CenterFuse, the City of Ellensburg, and the County's Downtown Associations on business development, in addition to overseeing tourism, events, and services as the designated County Associated Development Organization (ADO).

The Ellensburg Downtown Association (EDA) is a Certified Main Street Organization through the Washinton Main Street Program and the Department of Archeology and Historic Preservation and follows the designated Main Street Approach for downtown revitalization.

Household Income

In 2022, the median household income for households residing in the City of Ellensburg was \$47,407, compared to \$64,134 for Kittitas County and \$82,400 for Washington state respectively. Ellensburg's median family household income is 58 percent of the median income of Washington State, and about 74 percent of the median income of Kittitas County.

Table 20 compares the demographics and family household income of Ellensburg with Kittitas County, and with Washington state.

Table 20. Demographics and Household Income as of 2022

	Ellensburg	Kittitas County	Washington State
2022 population	20,940	47,200	7,864,400
Median age	23.7	33.0	37.4
Labor force population (age 18-64), percent of total	65.6%	62.4%	63.7%
65 years and over, percent of total population	9.7%	18.3%	16.8%
Median household income	\$47,407	\$64,134	\$82,400

Washington Office of Financial Management, United States Census, American Community Survey 5-Year Estimates, 2010-2014 and 2011-2015

The median age in Ellensburg is influenced by the population of college students that attend Central Washington University. In the fall of 2019, student attendance on the Ellensburg campus was 9,988, over half of the population of Ellensburg, and a significant portion of population of Kittitas County. The university had projected incoming on-campus freshman enrollment to grow by about 2% each year for the next 10 years, however CWU, like many other campuses across the country, has seen a decline in enrollment from incoming freshman students.

Currently about 18% of Kittitas County's population is 65 years and over. Washington State Office of Financial Management demographers project that this population share will increase to about 20% by 2030, as today's baby boomers enter their 70s and 80s. As the center for medical and other services, Ellensburg could expect to see growth in residents 65 years and over, and an increase in demand for services and senior and/or assisted living facilities.

Employment Overview

In Kittitas County the average annual employment growth rate from 2000 to 2021 was 1.1%. The County has had two distinct periods of job loss attributed to larger national economic collapse, during the recession beginning in 2009 and again in 2020, during the global pandemic. After the Covid-19 global pandemic, the labor market maintained a year over year recovery from 2021 to 2022 and rebounded in 2022 with a 6.7% increase, providing 1,060 new jobs.

The Washington State Employment Security Department notes that construction, local government, retail trades, and health services accounted for over three-fourths of the jobs added to Kittitas County from 2011-2022.

Within the City of Ellensburg, 56.9% of individuals are employed by private companies, with 28.6% employed by local, state, and federal government. The employment rate in Ellensburg in 2022 was 61.4% compared to 61.1% statewide.

TOP EMPLOYERS IN ELLENSBURG

- Central Washington University
- Kittitas Valley Healthcare
- Ellensburg School District
- Kittitas County
- Anderson Hay and Grain
- Elmview
- Fred Meyer
- City of Ellensburg
- Twin City Foods, Inc.
- Super 1 Foods

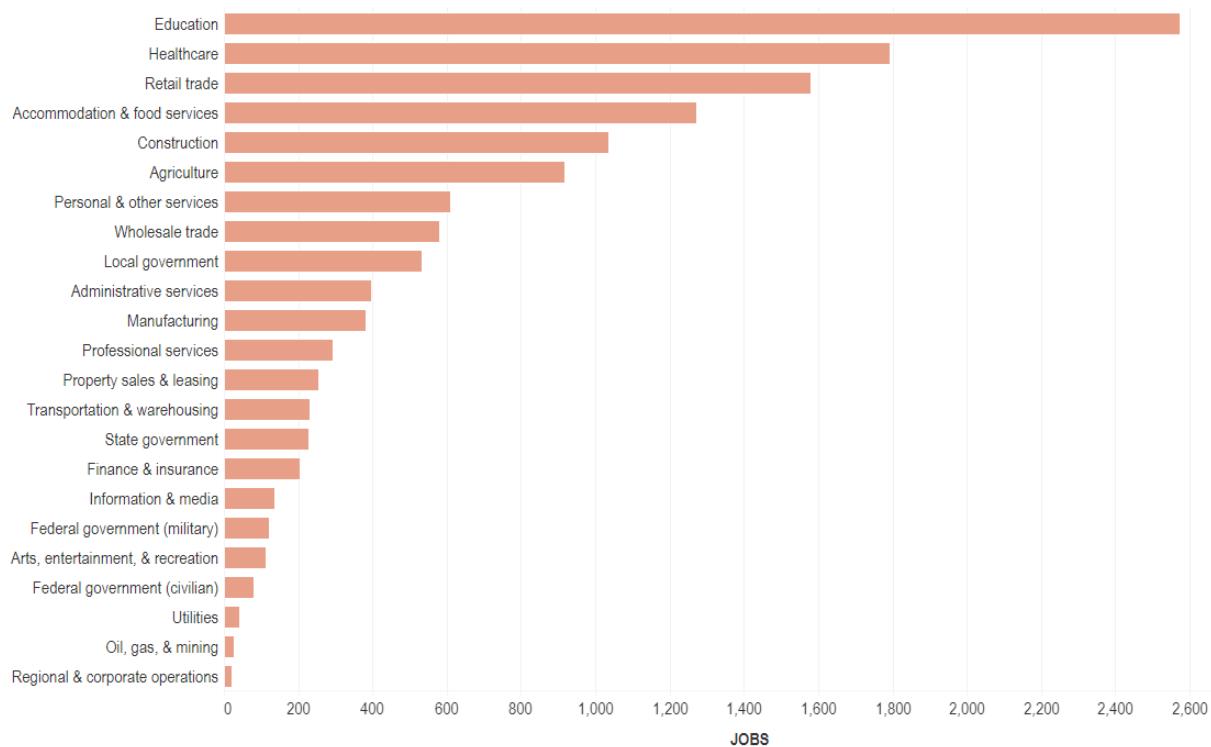
Employment Post Covid-19

Overall employment (2023) within Kittitas County averaged 16,830 jobs, down 4.2 percent from pre-Covid employment, indicating that employment rates, while increasing, are still recovering three years after the pandemic.

The employment market in Kittitas County is limited in diversification. Per the Employment Security Department, approximately 62.6 percent of all jobs in Kittitas County are from five specific industry sectors: local government, accommodation/food services, construction, retail trade, and state government. Of these five, local and state governments were the top two industries in terms of payroll. The construction industry is the largest private sector and has seen significant growth in a post-Covid 19 economy, however, trends indicate that the housing market was experiencing increase in demand prior to the pandemic. For example, county-wide in 2015 there were 295 housing permits compared to 545 permits in 2021.

Additional Covid-19 influences on employment in Ellensburg and Kittitas County include the wide acceptance of remote work, coupled with the proximity of Ellensburg to the Seattle region, the difficulty in recruiting new employees for the retail and service industry, potentially linked to the decline in college enrollment, and the challenges recruiting skilled professional workers due to the rising cost of homes prices and cost of living in Kittitas County in relation to scale of pay for those professional positions in the region.

2020 EMPLOYMENT BY INDUSTRY SECTOR: ELLENSBURG, WA (IN KITTITAS COUNTY)



The City of Ellensburg along with county-wide partners are working together to diversify the overall job market, recruiting new industries around key targeted sectors that will bring new training opportunities, family wage jobs, and strengthen the local economy.

While unemployment was unprecedented during the Covid-19 pandemic of 2020, Kittitas County has seen unemployment decrease year over year since. As of July 2023, per Washington State Employment Security Department, 22,786 of the available labor force in Kittitas County, 21,950 were employed, leaving 836 individuals unemployed.

Employment Forecasts

The employment target is the amount of job growth the jurisdiction should plan to accommodate during the 2017-2037 planning period. Ellensburg's employment target for this period is 6,998 additional jobs.

The Kittitas County Conference of Governments countywide employment projection is a 2 percent average annual growth rate; with 80 percent of employment growth projected to occur in incorporated areas and their Urban Growth Areas, and 20 percent projected to occur in rural areas outside of urban growth areas. The allocation method is based on current shares of employment growth by sector based on each incorporated areas baseline (2013) share of total employment in that sector. See Table 22 below. For additional detail on employment forecasts please see the Community Profile and Land Use chapters.

Table 22. City of Ellensburg Employment Allocation

Jurisdiction	2015 Employment	20-year employment allocation	2037 Employment
Ellensburg	11,490	6,998	18,488
Total	19,362	11,155	30,517

Estimated employment in 2015 for Ellensburg and its urban growth area is approximately 11,490 jobs, which equates to about 1.4 jobs per household, and about 59 percent of jobs countywide. Between 2002 and 2013 Ellensburg experienced about 29 percent of the countywide employment growth. According to the US Bureau of Labor Statistics, in 2020, Ellensburg had 13,423 total jobs and Kittitas County reported 17,563 jobs.

Previously, the 20-year employment allocation for the City of Ellensburg was projected to result in a total of 18,488 jobs, and about 1.3 jobs per household. The employment allocation is based upon Ellensburg and each of the incorporated areas in Kittitas County maintaining their current share of employment. Population was allocated using a similar method, and therefore projects that jobs per household would also be maintained over the next 20 years.

Based on a countywide land capacity analysis the employment allocation is within what Ellensburg can accommodate, based on the current zoning and land use regulations. The Land Use chapter contains descriptions and locations of future land use designations that will accommodate employment in the form of mixed-use areas, neighborhood commercial activities, regional commercial uses, and industrial areas.

GOALS, POLICIES, & PROGRAMS

These economic development goals, policies, and programs are designed to work with the other elements to help stimulate economic growth and focus on areas that take into account Ellensburg's unique characteristics and opportunities for growth.

Goal ED-1: Strengthen city partnerships throughout the county and expand resources to support economic opportunities that benefit all.

Policy A	Continue to implement and regularly update a strategic economic development plan with representatives from the following sectors: industrial, transportation, agriculture, tourism, healthcare, education technology, advance manufacturing (Industry 4.0), government, and public safety.
<i>Program 1</i>	Coordinate with regional economic development groups to create, promote, and recruit brand new businesses.
<i>Program 2</i>	Strengthen collaboration among the business community, economic development stakeholders, Central Washington University, healthcare organizations, workforce agencies, local governments, tourism organizations, and other regional economic development organization partners and higher education institutions.

Program 3 Partner with regional organizations to establish and extend training, funding, and business development opportunities for small businesses.

Program 4 Develop, refine, and implement economic monitoring to help advance the City's economic development policies and programs with a focus on equitable business retention and growth.

Program 5 Ensure strong partnerships with local school district to encourage enhanced K-12 educational opportunities and training.

Program 6 Support programs that increase availability of affordable housing and public transportation.

Program 7 Support efforts to continue the I-90 Snoqualmie Pass East project beyond Easton to Cle Elum, and ultimately to Ellensburg, to address safety, freight, and business mobility, and other issues related to chronic traffic congestion.

Policy B **Integrate economic strategies into community planning activities.**

Program 1 When evaluating future locations for particular land use districts and zoning designations, consider local and regional market needs (i.e., trip counts, visibility, etc.) of the types of businesses likely to locate in those areas.

Program 2 Work with county partners, Community Development, and Public Works to evaluate infrastructure needs to support business recruitment and a growing regional economy.

Program 3 Direct capital improvements, including fiber/telecommunications network, to key areas to create a sense of place for all and to expand and attract businesses and commerce.

Goal ED-2: Stimulate and diversify Ellensburg's economy.

Policy A **Encourage diversified growth that will provide and expand goods and services to the local and regional community.**

Program 1 Market to a variety of business – both large and small – that provide goods and services to local and regional populations.

Program 2 Promote economic activity that diversifies sources of revenue and expand the employment base.

Policy B **Promote the retention and expansion of existing businesses as well as the development of new businesses.**

Program 1 Solicit comments and feedback from local businesses on things that the City could change to better support local businesses.

Program 2 Establish incentives and development flexibility to retain existing businesses, attract new businesses, and encourage quality development.

Program 3 Partner with economic development groups to inventory and share information regarding vacant building and lot space.

Program 4 Promote development of vacant lots and infill within Ellensburg's urban core.

Program 5 Continue to provide high quality and cost-efficient city services and facilities and promote these as one of Ellensburg's economic development assets.

Program 6 Identify segments of existing businesses and develop strategies and programs to remove barriers for growth and expansion.

Program 7 Expand key partnerships in collaboration with Central Washington University, Kittitas County, economic development organizations, and work force development to support new businesses and expand existing businesses.

Program 8 Identify opportunities for innovation through residents and Central Washington University to open avenues for new business start-ups and foster their development.

Program 9 Utilizing the community's assets of location, workforce, and quality of life, develop and launch a pro-active, equitable business recruitment strategy that directly pitches the City as a place to do business to outside community prospects for relocation or expansion of additional locations.

Program 10 Market the Opportunity Zones and work with the regional ports to identify existing businesses that could take advantage of Kittitas County's Foreign Trade Zone status and development marketing strategies to promote and utilize status for new development.

Policy C **Develop and maintain an effective and predictable regulatory environment.**

Program 1 Provide efficient, predictable, and customer-service oriented permitting processes.

Program 2 Consider streamlining permitting by establishing a one-stop permit center for all permits.

Program 3 Encourage the use of the pre-application process as a means of identifying potential obstacles to the development of a particular site.

Program 4 Establish predictable processing times and consistent review processes, and post timelines on the City's website.

Program 5 Work with regional economic development organizations to create "How to" guide for new businesses, investors, and developers to work with the city on new business creation, land development, and building redevelopment.

Policy D **Encourage development of light industrial uses within the City of Ellensburg.**

- Program 1* Work collaboratively with education, workforce development, and business to identify and grow industry clusters aligned with regional values to create a resilient economy.
- Program 2* Continue to partner with Kittitas County on development of Bowers Business Park at the airport.
- Program 3* Work with economic development organizations to identify strategic locations for light industrial land use and zoning changes to encourage innovation and job creation.

Goal ED-3 Grow and sustain a qualified workforce.

- Policy A** Coordinate with local high schools, higher education institutions, workforce development, vocational rehabilitation, and local businesses to train a diverse workforce that is prepared for emerging job markets.
- Program 1* Consider public/private sponsorship of entrepreneurial education.
- Program 2* Encourage organizational partnerships that focus resources toward increasing the employability of all people.
- Program 3* Work collaboratively with K-12, workforce development, technical skills training, and higher education institutions to create stackable educational pathways for a flexible future workforce.
- Program 4* Diversify and expand the city's job base, with focus on attracting living-wage jobs, to allow people to work and live in the community.

Goal ED-4 Emphasize equity-focused economic development of downtown as an economic, tourist, retail, art, and event destination.

- Policy A** Promote access from Interstate 90 and create a desire to stop within the central business area of Ellensburg.
- Program 1* Establish land uses that recognize Canyon Road, Main Street, University Way, Vantage Highway, and Dolarway as entrances to our city.
- Program 2* Expand and enhance the wayfinding system to local businesses, city parking, tourist facilities and attractions, and pedestrian paths.
- Program 3* Encourage and support diverse cultural activities and the arts and recognize their contributions to the local economy.
- Program 4* Partner with the Kittitas County Chamber of Commerce and the Ellensburg Downtown Association to develop incubators and incentives for development in the downtown area.

- Program 5* Work with all economic development organizations, including Central Washington University, to identify key buildings for development of technology and creative sector jobs.
- Program 6* Collaborate with creative sector organizations to achieve Creative District designation and expand creative sector through implementation of the Creative Industry Strategic Plan.
- Program 7* *Be proactive in re-evaluating policies and strategies for downtown parking as the downtown evolves, referencing the 2019 Nelson/Nygaard Parking Study.*

- Policy B** **Partner with regional EDOs and community organizations to implement the downtown economic development plan.**
- Program 1* Encourage mixed uses in the downtown area to support increased commercial and tourist activity, walkability, and diverse housing options.
- Program 2* Provide enhanced public gathering places downtown to encourage a sense of place and community.

Goal ED-5 Embrace tourism as an economic development tool.

- Policy A** **Market Ellensburg's tourism opportunities by developing a marketing strategy to address all tourism segments of the region.**
- Program 1* Advertise to targeted interests at the regional, national, and international level.
- Program 2* Keep detailed and updated content management platforms such as websites and mobile applications.
- Program 3* Support visitor information centers and kiosks.
- Program 4* Explore future development of visitor information services near freeway interchanges.
- Program 5* Promote Ellensburg's role as a destination to regional recreation and cultural activities.
- Program 6* Create community gateway sign to attract visitors into business core.
- Program 7* Support destination marketing organizations through lodging tax funds.
- Policy B** **Market Ellensburg's central location for conventions, business meetings, recreation, sports tournaments, cultural events, and other activities.**
- Program 1* Inventory and manage data about where regional tourism-based enterprises can meet and use community spaces and resources.
- Program 2* Coordinate and promote a central booking location for public/private regional facilities.

Program 3 Provide a consistent level of reliable public transportation between public and private local facilities and accommodations.

Program 4 Leverage lodging tax funding to support events and promotions and development of government-owned facilities and parks for tourism related markets.

Policy C **Support and expand opportunities for tourism-based investments.**

Program 1 Identify appropriate zoning districts to allow for short-term rental property.

Program 2 Identify appropriate zoning districts to allow for ancillary tourism activities.

Goal ED-6 Foster economic development through energy innovation and use of renewable energy.

*Policies and programs on renewable energy and promotion of energy efficiencies are addressed in the Capital Facilities and Utilities Chapter.

ACTION ITEMS

Airport master plan implementation

Collaborate with Kittitas County to ensure the implementation of the airport's master plan and Bowers Business Park contributes to the overall economic growth in the region, and that Ellensburg's land use plans are compatible with continuing airport and airport-related uses.

Economic development vision and strategic plan

Collaborate with local economic development organizations to activate and implement an economic development vision and strategy for Ellensburg, which identifies the types of land use designations and the relative priorities of capital investment necessary to foster economic development and promote living wage jobs in Ellensburg.

An updated Kittitas County Economic Development Strategic Plan was created in partnership with a county-wide coalition of jurisdictions and economic development organizations. The plan consists of a five-point strategy focused on:

1. Collaboration: Unite upper and lower County government and organizations in shared goals and action that benefit the County as a whole.
2. Economic Resilience: Provide residents with tools and resources to access jobs and opportunities in the area, including entrepreneurship.
3. Balanced Growth: Direct and manage the growth of the County to build a dynamic community that remains an attractive and affordable place to live.

4. Community Investment: Develop the County's infrastructure to meet its current and future needs and position it to amplify the advantage of its central location.

5. Preservation: Preserve the legacy of the County, valuing its assets and resources to turn them into opportunities for future generations.

The county-wide coalition began implementation activities of the strategic plan in 2023.

Increase usable industrial-zoned property

Review the industrial land inventory and identify and implement steps within the City's control to make more light industrial land available in less constrained areas.

Kittitas Valley Event Center Master Plan

Encourage an updated long-term plan for the Kittitas County Event Center to facilitate long-term growth and best land use. Collaborate with the Kittitas County Event Center as a major cultural site and economic generator in Ellensburg.

Streamline/automate permitting process

Review land use permitting processes and make adjustments as necessary to streamline approval processes while still ensuring projects enhance Ellensburg's economic vitality and community character.

POLICY CONNECTIONS

Policies and programs that address energy efficiencies and renewable energy are addressed in the **Capital Facilities and Utilities** and **Environmental** chapter.

The **Transportation** and **Capital Facilities and Utilities** chapters address policies and programs regarding the development of infrastructure for economic development including roadways, transit facilities, telecommunications and other utilities.

Goals, policies, and programs that address commercial and industrial land use designations are addressed in the **Land Use** chapter.

Policies and programs that address affordable and diverse housing options are in the **Housing** Chapter.