

Economic Development in Ellensburg

The City's Role in
Economic Development



What is economic development?

It is the process of improving the economic well-being and quality of life for a community.

Economic Development requires a strategic approach to create sustainable growth. Key components include:

- Infrastructure maintenance and development
- Business retention and expansion
- Creating a strong business environment for innovation and recruitment
- Workforce development
- A focus on quality of life, affordable housing, healthcare, education, and community engagement.
All the things that makes Ellensburg a welcoming home.

What is a city's role in Economic Development?



Provide essential services such as transportation and street maintenance, utilities, and communication.



Build and maintain strategic plans, partnerships and policies that support and promote economic growth, including zoning, infrastructure, and land use planning for sustainable development.

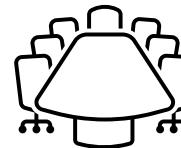


Building a regulatory framework to attract and retain businesses, while supporting small businesses through public-private partnerships.

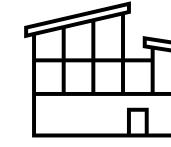


Quality of life enhancement. Investing in cultural, educational, recreational, and community amenities that attract and/or retain people to the city.

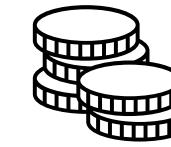
What is **not** the city's role?



Cities do not interfere with the management or operation of private businesses.



Cities do not determine which businesses that choose to locate in Ellensburg.



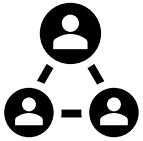
Cities are limited in what funding sources are utilized for economic development.

Sustainable Economic Development

The Ellensburg City Council listed **sustainable economic development** as their top pillar in the council's 2024-2029 Strategic Vision. That vision includes:

- Increase the **living/family wage jobs** and opportunities.
- Utilizing partners, seek **new industry opportunities** that add are aligned with community assets and resources.
- **Expand creative economy and entrepreneurial sector** to retain and enhance community character and add to the quality of life.
- **Strengthen existing business** through partnership resources with Ellensburg Downtown Association (EDA), Kittitas County Chamber, Central Washington University, Kittitas County, and other local and regional partners.
- Implement the **County-wide Economic Development Strategic Plan** in **collaboration** with county-wide partners.
- Maximize opportunities to capture external (sales tax) revenue through tourism, sports, etc.
- **Expand opportunities** for current and new businesses.
- **Identify gaps** and partner to align local labor market to community needs (trades, behavioral health professionals, etc.)
- **Leverage location** for increase efficiency/economy of multi-directional shipping (freight) transportation systems.
- **Continue diversification in local business market** for economic resilience.
- **Measures:** define living wage jobs and track changes by sector over time; creative economy jobs and sales tax/GDP; tourism impact

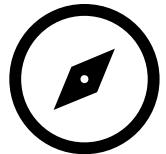
What tools does the City of Ellensburg use to support economic development?



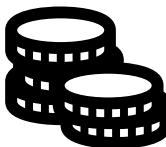
The City collaborates with other municipalities and government agencies to support economic development work.



The City of Ellensburg has public-private partnerships with economic development organizations such as the Ellensburg Downtown Association and the Kittitas County Chamber of Commerce to support economic growth programs. Those programs support local businesses and contribute to a better quality of life through downtown beautification efforts, activities, and community events.



- Opportunity Zones: Ellensburg has two opportunity zones, or areas that offer investors a tax incentive for development.
- Foreign Trade Zone: A geographical area, which allows merchandise to be held in the zone without being subject to tariffs is known as a Foreign Trade Zone (FTZ).
- Multifamily Tax Exemption (MFTE): Offers residential developers the opportunity to apply for an eight- or 12-year multifamily tax exception when adding four or more residential units in the Central Commercial (C-C) or Central Commercial II (CC-II) zones.



Funding Pipelines for Economic Development:

- Lodging Tax Funds: Cities may access this fund to support the development of tourism related projects and facilities.
- Sales Tax Funds for Affordable Housing: 0.1% of sales tax is allocated to affordable housing projects.



City of

Ellensburg

WASHINGTON

Kittitas County Economic Development Strategic Plan

Approaching
economic
development in
new and
innovative ways
in Kittitas
County.



Ellensburg

Kittitas County Economic Development Timeline

2021-2022

Kittitas County engages in the development of the KCED Strategic Plan with TIP Strategies. This included extensive community engagement and all the municipalities.



Feb. 2023

Kittitas County Economic Development Strategic Plan completed.

2023

- City of Ellensburg creates and hires Economic Development Manager.
- Small team of County, Ellensburg, CWU travels to UNI to meet with Institute for Decision Making. (IDM)
- Held first county-wide economic development summit meeting.

2023-2024

- Small team of County, Ellensburg, CWU begin the 'road show' to other municipalities to secure commitment to continue to work together on implementation of the strategic plan. This became known as the Letter of Mutual Partnership.
- CWU engages the IDM team to facilitate development implementation plan.
- Restructured EDOs: Dissolved EBDA to make room for county-wide resource.

2025

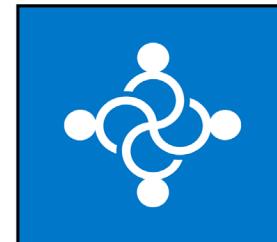
- Implementation Task Force w/IDM develops the Implementation Matrix.
- Begin to layout the structural framework for the governance of the implementation work.
- Develop Economic Development Partnership (doers)
- Hire Executive Director to oversee implementation.

*Timeline starting point is from the development of the Kittitas County Economic Development Strategic Plan to currently.

Kittitas County Economic Development Strategic Plan

Five Key Goals for Economic
Development in Kittitas County

Kittitas County Economic Development Goals



Collaboration

Unite upper and lower county government and organizations in shared goals and action that benefit the county as a whole.



Economic Resilience

Provide residents with tools and resources to access jobs and opportunities in the area, including entrepreneurship.



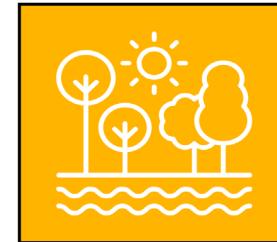
Balanced Growth

Direct and manage the growth of the county to build a dynamic community that remains an attractive and affordable place to live.



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.



Preservation

Preserve the legacy of the county, valuing its assets and resources to turn them into opportunities for future generations.

Vision:

Kittitas County will become a model hub for transformative economic development.



Kittitas County Economic Development

Partnership Framework for Collaboration and Transformative Economic Development

DRAFT

Definition of Economic Development for Kittitas County

Economic development in Kittitas County is the active work and intentional choices we make to foster diverse local businesses, recruit compatible industries, and create pathways to sustainable, living-wage jobs, driven by strategic decisions on community and infrastructure investment. It demands conscious effort to ensure this growth strengthens our quality of life by expanding opportunities and improving housing affordability, while deliberately safeguarding the agricultural roots, rural & historic character, and natural beauty unique to Kittitas County.

Roles

The **Conference of Governments (COG)** is charged with oversight, accountability, and resourcing of the KCEDP. Facilitates the establishment of the partnership via interlocal agreement. Provides guidance, oversight and support to the partnership. Hires and supervises the staff. Appoints membership to the KCEDP. Contracts with external support as needed to successfully implement the mission/vision of the partnership.

The **Executive Director (ED)** will be directly hired and supervised by COG but will have a collaborative relationship both with the KCEDP and external support partners. Staff will be responsible for ensuring the coordination and follow through of the committee and will report regularly to COG on implementation progress. Additional responsibilities that support the mission/vision of the partnership may be directly assigned by COG.

Consultants: As needed, the KCEDP, Staff and/or COG may identify external stakeholders who can bring additional value, resources, and expertise to the partnership. These external support partners will contract directly with COG but will report to the Economic Development Director and work with KCEDP to accomplish their scope of work.

The **Kittitas County Economic Development Partnership (KCEDP)** is a group comprised of "doers" who will leverage their subject matter expertise to collaborate and conduct the work necessary to achieve the mission/vision of the partnership, using a collaborative action model. It consists of two working teams, the Action Committee and an Advisory Group:

Action Committee:

Made up of county-wide representatives from the municipalities, economic development organizations, representing member businesses, and Central Washington University. This committee of "doers" will work on the successful implementation of the economic development strategic plan.

Advisory Groups:

Businesses | Education | Government | Nonprofit Other

As needed, the KCEDP, Staff and/or COG may identify external businesses and/or organizations who can bring additional value, resources, and expertise to the partnership. These external support partners will work with the KCEDP, COG, and the EDD, as needed.

Creating a new way
of working together
for long-lasting,
sustainable
economic
development.

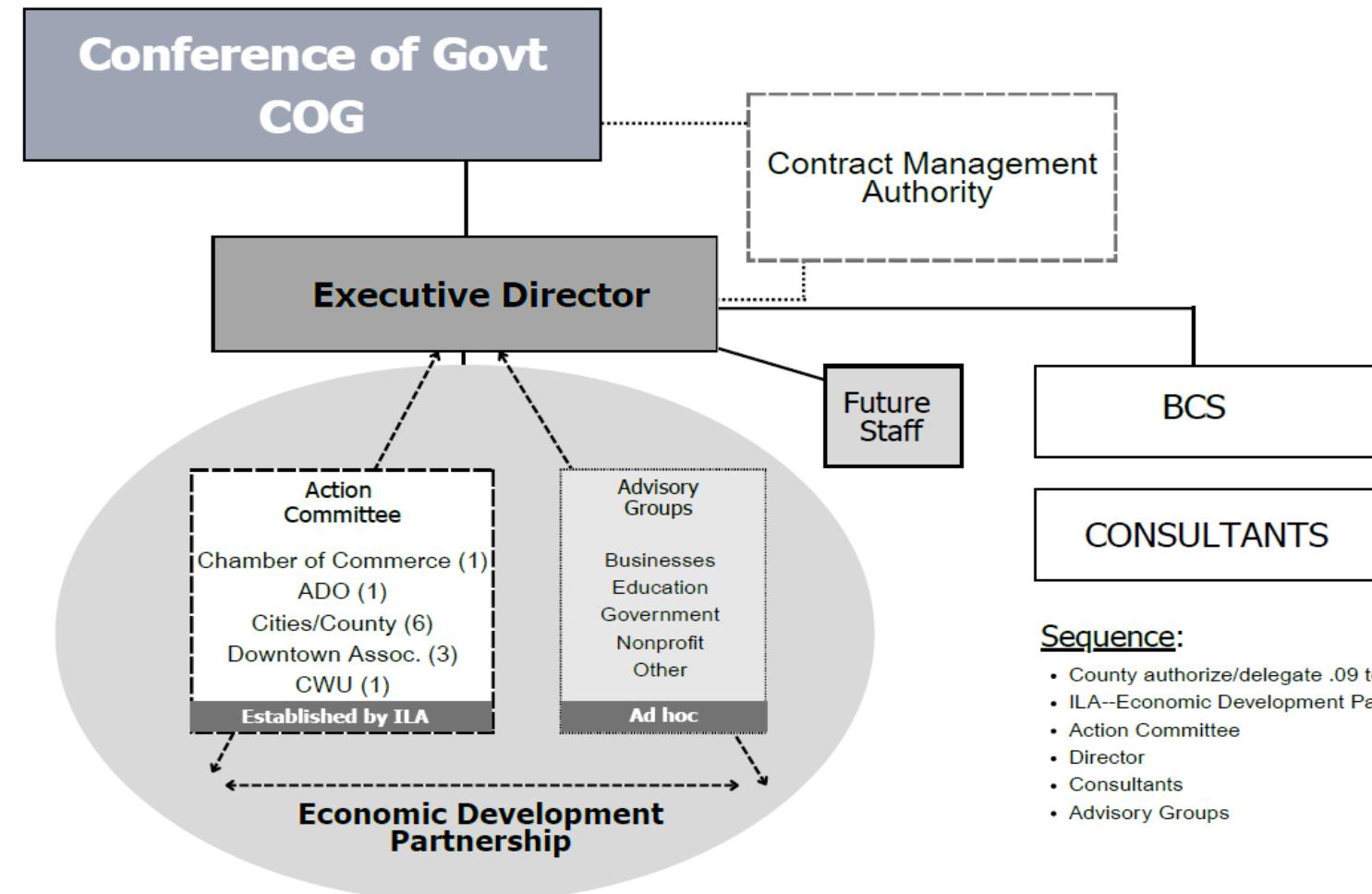
This group is
currently working on
the implementation
of the strategic plan.



Kittitas County Economic Development

Partnership Framework for Collaboration and Transformative Economic Development

DRAFT



Sequence:

- County authorize/delegate .09 to COG
- ILA--Economic Development Partnership
- Action Committee
- Director
- Consultants
- Advisory Groups

Thank you.

Questions?

