



**YAKIMA CITY COUNCIL  
STUDY SESSION  
February 21, 2017  
City Hall -- Council Chambers  
4 p.m.**

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1. Roll Call
2. 2017-2020 Yakima Economic Development Strategic Plan
3. Audience Comments (allow 15 minutes)
4. The next meeting will be a City Council Business meeting on February 21, 2017 at 5:45 p.m. in the Council Chambers
5. Adjournment

*Any invocation that may be offered before the official start of the Council meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker.*

*A Council packet is available for review at the City Clerk's Office and the Library. A packet is also available on-line at [www.yakimawa.gov](http://www.yakimawa.gov).*

*The City provides special accommodations, such as hearing devices, wheelchair space or language interpreters, for City meetings. Anyone needing special assistance please contact the City Clerk's office at (509) 575-6037 at least two business days prior to the meeting.*



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 2.  
For Meeting of: February 21, 2017

**ITEM TITLE:** 2017-2020 Yakima Economic Development Strategic Plan

**SUBMITTED BY:** Sean Hawkins, Economic Development Manager, 575-6274

**SUMMARY EXPLANATION:**

At the July 19, 2016 Yakima City Council meeting, the Council approved a contract with TadZo Consulting to complete a community-based Economic Development Strategic Plan to guide City economic development efforts and programming.

The plan's goal is to spur and sustain the growth of Yakima's economy over the long-term by collectively working to grow well paying jobs enabling resident workers to buy homes and afford a quality lifestyle. The Council Economic Development Committee and City staff partnered with Yakima County Development Association (New Vision), Greater Yakima Chamber of Commerce, Hispanic Chamber of Commerce of Yakima, Rural Community Development Resources, and Yakima Valley Tourism to create this plan. In addition, public comments and direction were provided at three public sessions.

The plan's 12 initiatives are broken down into three categories: Yakima's Competiveness, Traded Sector Business, and Quality Employment Growth and Community Pride. In the planning process, each initiative was discussed and vetted at an individual session with team members. The details for each initiative include project implementation tactics, a project lead, and a timeline. The City will take the lead on six of the twelve initiatives and other partners will lead other projects, many with the City's assistance.

The progress for each of the 12 initiatives will be reported and discussed at the monthly Council Economic Development Committee meeting. City staff is working on the completion of a communications plan that will describe the many ways the plan's progress will be reported to the community using the City's website, Monthly Issues Brief, Y-PAC, CityCast, and through our partner's communication platforms.

City staff and partners have presented the plan for adoption by their respective boards of directors. The plan was also presented to the business community at the Greater Yakima Chamber of Commerce Membership and Community Luncheon on Monday, February 13th.


**ITEM BUDGETED:**

NA

**STRATEGIC PRIORITY:**

Economic Development

**APPROVED FOR  
SUBMITTAL:**

 City Manager

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**STAFF RECOMMENDATION:**

**BOARD/COMMITTEE RECOMMENDATION:**

The Council Economic Development Committee recommends this be presented to the full Council.

**ATTACHMENTS:**

	<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
<input type="checkbox"/>	Economic Dev Plan Executive Summary	1/12/2017	Cover Memo
<input type="checkbox"/>	Economic Dev Plan FINAL	1/12/2017	Cover Memo
<input type="checkbox"/>	resolution	2/15/2017	Cover Memo

*EXECUTIVE SUMMARY*

# Yakima Economic Development Strategic Plan

A plan to spur and sustain the growth of Yakima's Economy over the long-term

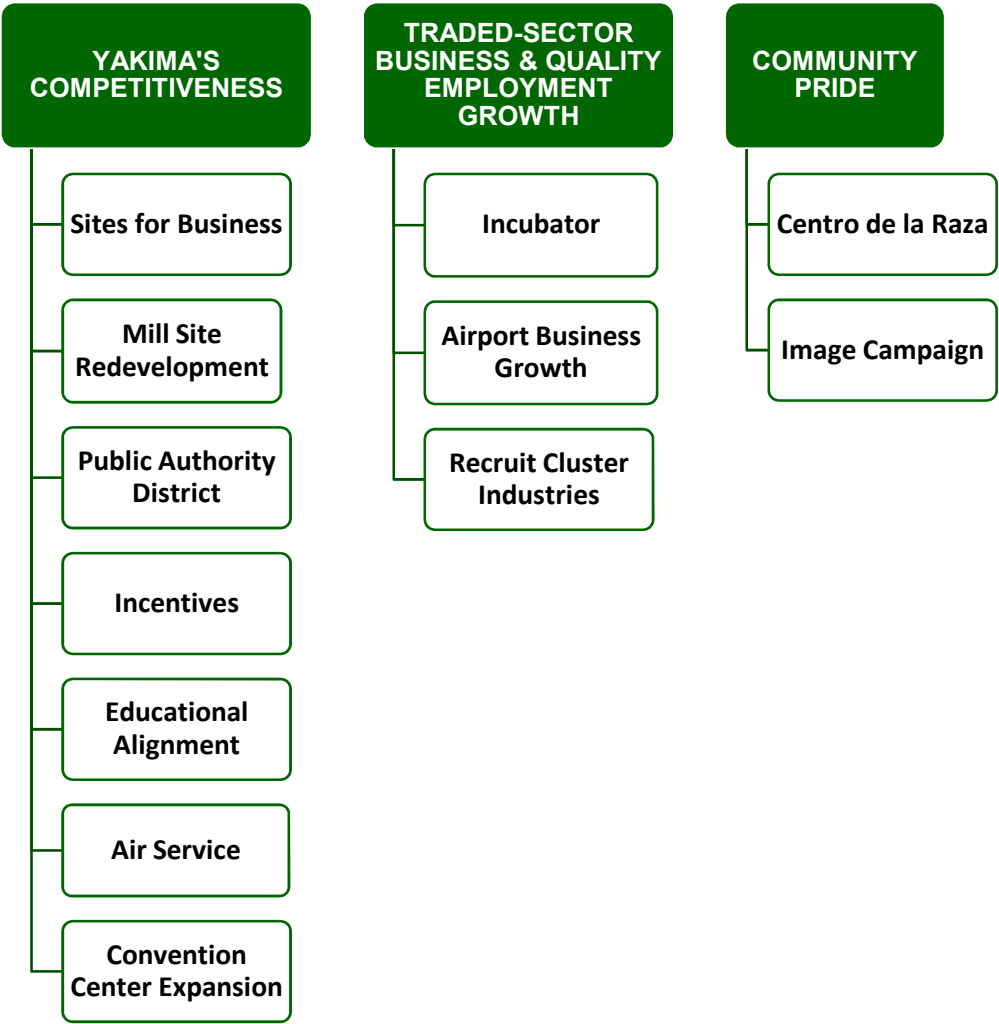
YAKIMA, WA

2017 - 2020

*We aim to spur and sustain the growth of Yakima’s economy over the long-term by collectively working to grow jobs –jobs that pay well, enabling resident workers to buy homes and afford a quality lifestyle.*

### Strategic Initiatives to Spur & Grow Yakima’s Economy

The Yakima Economic Development Strategic Plan defines priority economic development initiatives in the City of Yakima through 2020.



## **A. Yakima's Competitiveness**

In order to successfully grow the economy over the long-term, important factors need to be improved to ready Yakima for business and convention opportunities. At present Yakima is falling behind competitive communities vying for similar economic development opportunities.

### **SITES FOR BUSINESS**

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#### ***Goal:***

A diverse portfolio of sites ready for business location that provide Yakima a competitive advantage because infrastructure is in place, any contamination is addressed and owners are willing to sell/lease.

### **MILL SITE REDEVELOPMENT**

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#### ***Goal***

Support the redevelopment of the former Cascade Lumber Company mill site to accommodate quality jobs and increase Yakima's tax base, as well as present a quality development at Yakima's highly-visible northern "front door."

### **PUBLIC AUTHORITY DISTRICT**

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#### ***Goal***

Explore the potential of a public authority district as a tool to support economic development and enhance Yakima's competitiveness to attract and retain businesses.

### **INCENTIVES**

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#### ***Goal***

Responsibly offer and promote a diverse portfolio of competitive incentives that influence business investment in favor of a Yakima location.

### **EDUCATIONAL ALIGNMENT**

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#### ***Goal***

Educational resources aligned to meet the comprehensive current and future needs of employers in Yakima.

### **AIR SERVICE**

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#### ***Goal***

Sustain and increase commercial airline service at the Yakima Airport (YKM).

### **CONVENTION CENTER EXPANSION**

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#### ***Goal***

Expand the Yakima Convention Center to host targeted groups with world-class amenities.

## **B. Traded-sector Business & Quality Employment Growth**

To shape a sustainable economy, proactive efforts are necessary. Successful communities don't wait for businesses to show up, they organize a strong business case to meet their needs and reach out to them – be it an entrepreneur starting up a new business endeavor or a successful business that could grow successfully in Yakima.

### **INCUBATOR**

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#### *Goal*

Establish a high-quality, technical assistance incubator to boost effective business start-ups in Yakima.

### **AIRPORT BUSINESS GROWTH**

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#### *Goal*

Locate a comprehensive supply chain of traded-sector aviation companies and suppliers to prioritized sites adjacent to the Yakima Airport.

### **RECRUIT CLUSTER INDUSTRIES**

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#### *Goal*

Locate traded-sector businesses that compliment yet diversify Yakima's economic base.

## **C. Community Pride**

Community pride initiatives complement economic development marketing and talent attraction/retention – people wanting to live and work in Yakima.

### **CENTRO DE LA RAZA**

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#### *Goal*

Establish a Latino cultural center (Centro de la Raza) to honor the diverse cultural assets of the Yakima community.

### **IMAGE CAMPAIGN**

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#### *Goal*

Enhance local pride in community and foster positive “buzz” about Yakima.

## Acknowledgements

A wide array of committed and enthusiastic community leaders provided input and worked collaboratively to develop this Economic Development Strategic Plan for Yakima.

### YAKIMA CITY COUNCIL

Dulce Gutiérrez District 1	Avina Gutiérrez District 2	Carmen Méndez District 3 – Assistant Mayor
Bill Lover District 4	Kathy Coffey District 5 – Mayor	Maureen Adkison District 6
Holly Cousens District 7		

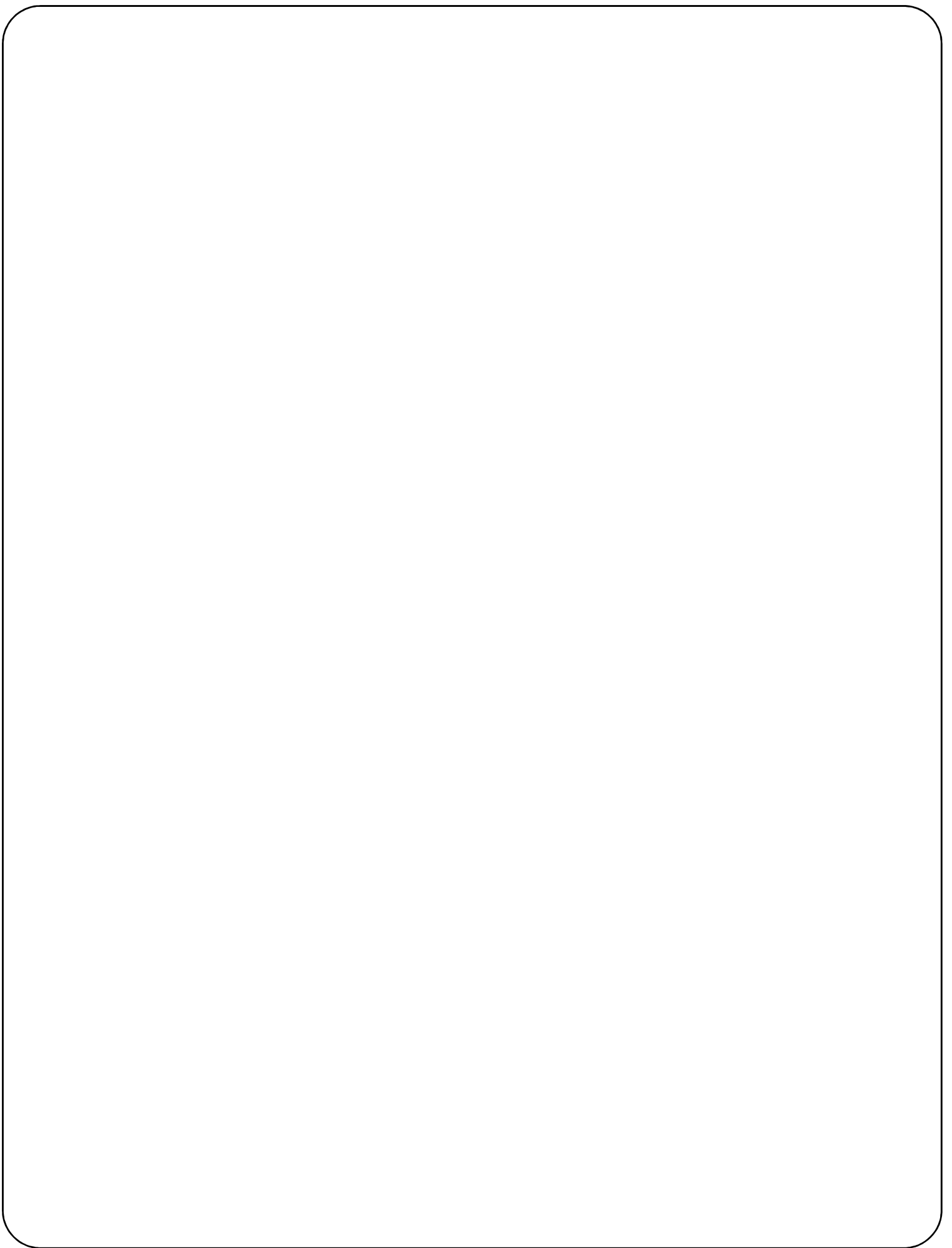
### YAKIMA ECONOMIC DEVELOPMENT STRATEGIC PLAN STEERING COMMITTEE

Kathy Coffey, District 5 – Mayor City of Yakima	Avina Gutiérrez, District 2 City of Yakima	Maureen Adkison, District 6 City of Yakima
Holly Cousens, District 7 City of Yakima	Cliff Moore, City Manager City of Yakima	Sean Hawkins, Economic Dev. Manager City of Yakima
Colleda Monick, Economic Dev. Assistant City of Yakima	Cally Price, Assistant to City Manager City of Yakima	Verlynn Best, CEO/President Greater Yakima Chamber of Commerce
Luz Bazan Gutiérrez, Secretary Hispanic Chamber of Commerce of Yakima	Maria Rodriguez, Executive Director Rural Community Development Resources	Jonathan Smith, President/CEO Yakima County Development Association
John Cooper, President & CEO Yakima Valley Tourism		

### PARTICIPANTS IN COMMUNITY ASSET SITE VISIT

Jeff Gaskell, Operations Manager Adventurer LP	Meghann Quinn, President Bale Breaker Brewing Company	Carolyn Belles, Permit Project Coordinator City of Yakima
Dave Brown, Water/Irrigation Division Mgr. City of Yakima	Joseph Calhoun, Senior Planner City of Yakima	Joan Davenport, AICP, Planning Manager City of Yakima
Glenn Denman, Building Official Supervising Code Inspector City of Yakima	Jeff Peters, Supervising Planner City of Yakima	Mike Price, Wastewater Manager City of Yakima
Charlie Robin, CEO The Capitol Theater Yakima	Thane Phelan, Vice President & Communications/Marketing Greater Yakima Chamber	Russ Roberts, CCIM Heritage Moultray
Joseph Morrier, President & CEO JEM Development Real Estate Inc.	Bob Gerst, Vice President Human Resources John L. Haas, Inc.	Christina Coté, President Perry Technical Institute
Erin Fishburn, Director of Institutional Effectiveness & Advancement Perry Technical Institute	Mike Wright, Plant Manager Quanex Building Products	Linda Johnson, Certified Business Advisor Small Business Development Center
Patrick Baldoz, Director South Central Workforce Council	Tommy Hanes, Operations Manager Washington Fruit & Produce Company	Jean Brown, Business Development Director Yakima County Development Association
Joe Schmitt, Marketing & Dev. Director Yakima County Development Association	Duncan MacLeod, Executive Director Yakima Makers Space	Paulette Lopez, Dean of Workforce Education Division Yakima Valley Community College
Craig Dwight, Director Yakima Valley Technical Skills Center		





# Yakima Economic Development Strategic Plan

A plan to spur and sustain the growth of Yakima's Economy over the long-term

YAKIMA, WA

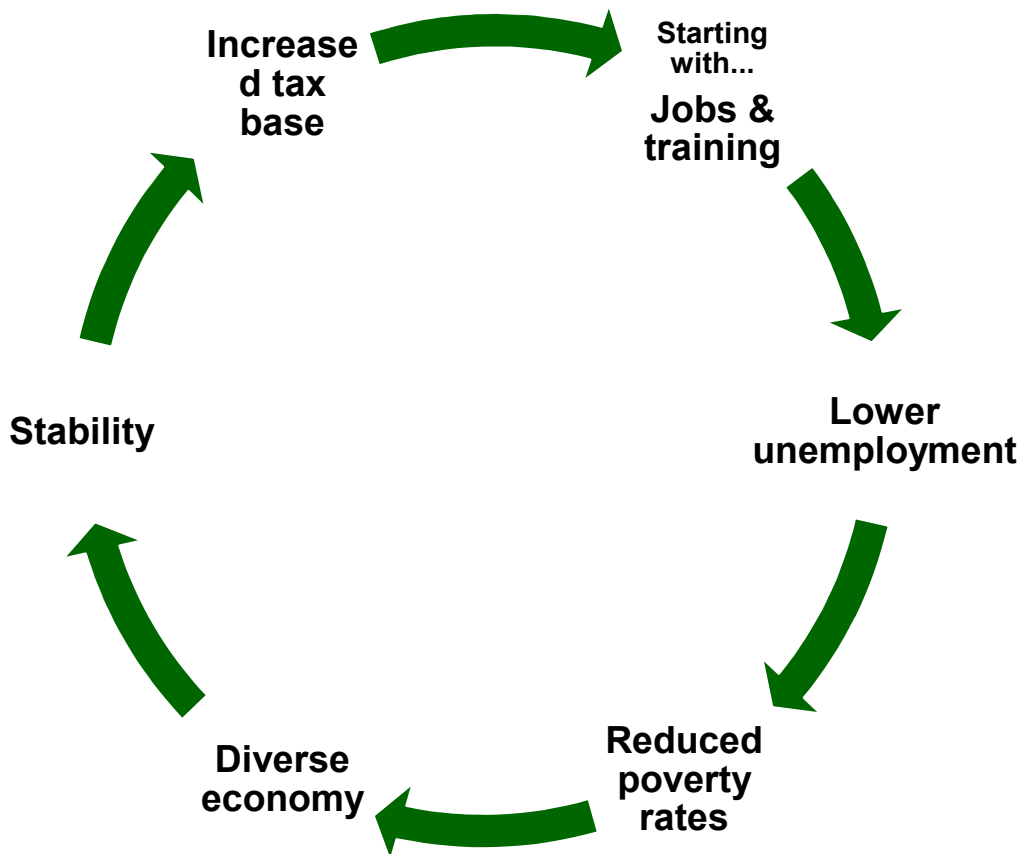
2017 - 2020

## I. Plan Purpose

The purpose of the work covered in this plan is presented as a “due North” compass for success. The plan defines priority economic development initiatives in the City of Yakima through 2020.

*We aim to spur and sustain the growth of Yakima’s economy over the long-term by collectively working to grow jobs –jobs that pay well, enabling resident workers to buy homes and afford a quality lifestyle.*

As a result of quality job growth and relevant training to upgrade skills — thus increasing access to opportunities for all job seekers — unemployment will decline, contributing to decreased poverty rates, while diversifying the local economy for stability through economic downturns and upturns. Business, job and visitor growth all contribute to increasing the tax base. With increased tax base, Yakima will be able to provide more services and investment in the community, thereby growing more jobs.



Efforts to make Yakima’s economy more robust will improve Yakima’s image in the eyes of prospective businesses and investors. Pride will increase among residents because the economy is growing and more investment makes the community a higher quality place.

The purpose of this plan goes beyond economic outcomes. By working together on the creation of this community-wide economic development strategy – and implementing together – we utilize limited resources more effectively towards common purpose. We also accomplish more working side-by-side in a coordinated effort. By working together “all boats float higher”. The waterline rising is symbolic of Yakima’s economy at a higher level.

## II. Planning Process

Recognizing that many organizations pursue economic development as a core mission, a broad group of organizations led this planning process on the Steering Committee:

- City of Yakima – Councilmembers, City Manager, Economic Development Department Staff
- Greater Yakima Chamber of Commerce
- Hispanic Chamber of Commerce of Yakima
- Rural Community Development Resources
- Yakima County Development Association
- Yakima Valley Tourism

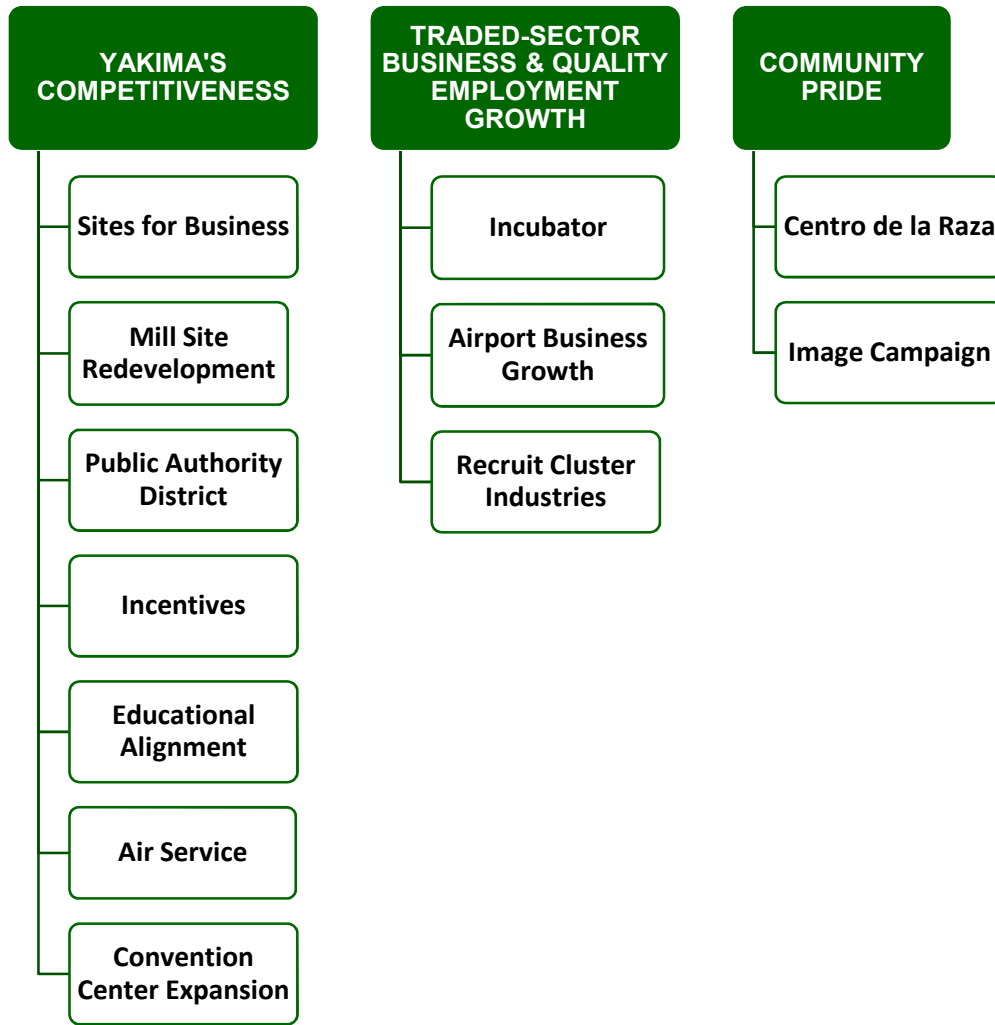


The planning process involved three phases, as detailed in the following graphic:

In addition to an actively engaged Steering Committee, three public workshops were held to gather input for strategic initiatives. With the Steering Committee’s agreement on twelve priority strategic initiatives, Strategic Initiative Working Groups were initiated to layout specific work for each strategic initiative and define roles for implementation. Over 100 people were involved in providing input and guidance for plan development.

### III. Strategic Initiatives to Spur & Grow Yakima's Economy

The Steering Committee prioritized twelve Strategic Initiatives that group into three main categories:



## A. Yakima's Competitiveness

In order to successfully grow the economy over the long-term, important factors need to be improved to ready Yakima for business and convention opportunities. At present Yakima is falling behind competitive communities vying for similar economic development opportunities.

The Steering Committee prioritized seven vital initiatives to improve Yakima's business case – compelling reasons why a business or convention would select Yakima for investment.

### SITES FOR BUSINESS

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#### *Goal*

A diverse portfolio of sites ready for business location that provide Yakima a competitive advantage because infrastructure is in place, any contamination is addressed and owners are willing to sell/lease.

#### *Why Important?*

Businesses need a place to locate. Yakima has finite land available within city boundaries. By identifying and readying sites for business development, we will preserve land for economic opportunities, increase the tax base and improve our image as a vibrant place for business with desirable curb appeal.

#### *Tactics - Sites for Business*

- Inventory and prioritize potential sites
  - Evaluate urban growth area for future sites (i.e. Tier II)
  - Prioritize redevelopment sites/corridors
- Engage landowners and understand willingness to partner
- For each site, beginning with airport sites owned by the City
  - Determine gaps for each site's competitive readiness
  - Develop site-specific plans to upgrade conditions. Depending on site, this may be master plan with infrastructure planning
  - Pursue funding for infrastructure and other improvements (i.e. CERB, requests to state, etc.)
  - Link to available tools
- Inventory available sites on the market
- Document site information: zoning, infrastructure, planned and funded infrastructure, incentive zones, pricing, terms, etc.
  - Conduct meetings with property owners or representatives
  - Utilize city mapping resources
- Determine best-fit target businesses and run hypothetical project pro forma
- Post complete site and building information to online real estate databases on City and YCDA ([www.ycda.com](http://www.ycda.com)) websites
- Develop a system for maintaining complete information on websites; verify and update at least every 90 days
- Pursue certified sites designation

**Core Working Group - Sites for Business**

<b>Lead</b>	Yakima County Development Association & City of Yakima – Economic Development Department
<b>Team</b>	City of Yakima – Planning Department, Engineering Department, Airport Landowners Real estate brokerage community Yakima County Development Association
<b>Resources</b>	Washington State Department of Ecology Washington State Department of Transportation

**Metrics – Sites for Business**

Process Metrics	Outcome Metrics
<ul style="list-style-type: none"> <li>✓ Inventory complete</li> <li>✓ Online databases complete</li> <li>✓ Defined best fit business targets for sites</li> <li>✓ Upgrade plans complete</li> <li>✓ Certified sites</li> </ul>	<ul style="list-style-type: none"> <li>✓ % of projects qualified for with available sites</li> <li>✓ Capital investment on targeted sites</li> <li>✓ Number of jobs and wages associated with business establishments on targeted sites</li> <li>✓ Economic impact to document return on investment of public investments to sites/infrastructure</li> </ul>

## MILL SITE REDEVELOPMENT

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### *Goal*

Support the redevelopment of the former Cascade Lumber Company mill site to accommodate quality jobs and increase Yakima’s tax base, as well as present a quality development at Yakima’s highly-visible northern “front door.”

### *Why Important?*

The location of the mill site, at Yakima’s northeast boundary, has potential to significantly improve the first impression of the community. Yakima has finite land for job creation. However, with funding secure to improve site access, there is risk that development at the site could only move existing businesses from other parts of the community without net economic gain. A thoughtful and strategic development plan is essential for long-term and sustained quality economic development. As such, quality development would increase Yakima’s image and grow the tax base.

### *Tactics - Mill Site Redevelopment*

- Understand existing zoning and covenants – what’s possible for development at site
- Engage landowners for
  - Landownership scenarios
  - Marketing to master developer (initiate activities for marketing)
- Document infrastructure at site – what, where, condition – and create plan for infrastructure improvements
- Environmental clean-up plan and associated costs for: former City landfill acreage; city under roads; industrial mill site contamination (landowner)
  - Investigate funding resources – public and private sector, including grants
  - Implement clean-up plan
- Develop City-led communications plan to inform City Council and general public to create advocates for mill site redevelopment who are armed with correct information and clear up any misconceptions
  - Multi-channel communication
  - City Council study session
- Engage brownfield redevelopment expertise for project management (invite County Commissioners and landowners to partner)
- Transportation access improvements
- Neighborhood outreach and engagement
- Define desired site concept
- Marketing strategy to recruit master developer
  - Frame development case including situation of site, Yakima assets, etc. – why developer would want to invest
  - Target developer for business match
  - Developer meetings and marketing at RECON
- Site visits and other recruitment activities with master developer prospects



- Master developer conducts:
  - Market feasibility for desired development concept
  - Financial feasibility for desired concept
  - Determine who will manage master plan and development
  - Marketing/business recruitment (partner with City and YCDA)
  - Site and engineering analysis
  - Construction

**Core Working Group - Mill Site Redevelopment**

<b>Lead</b>	City of Yakima – City Manager
<b>Team</b>	Central Washington Railroad/BNSF City of Yakima – Planning Department, Engineering Department, Economic Development Department, City Attorney Landowners Neighborhood residents and landowners Rural Community Development Resources Yakima County Development Association Yakima Valley Tourism
<b>Resources</b>	Real estate brokers and developers Washington State Department of Ecology Washington State Department of Transportation Yakima Valley Council of Governments

**Metrics - Mill Site Redevelopment**

Process Metrics	Outcome Metrics
✓ Landowner partnership	✓ Number of businesses located
✓ Communications plan developed	✓ Number of jobs and corresponding earnings
✓ Communications plan launched	✓ Private-sector capital investment
✓ Active neighborhood involvement	✓ Value of increase in tax base
	✓ Economic impact of developments at site
	✓ Economic impact to document return on investment of public investments

## PUBLIC AUTHORITY DISTRICT

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### *Goal*

Explore the potential of a public authority district as a tool to support economic development and enhance Yakima's competitiveness to attract and retain businesses.

### *Why Important?*

A public authority district can be an effective resource for supporting other prioritized Strategic Initiatives of this plan, such as operation of an incubator and/or business development at the Mill Site, and Airport. A variety of benefits can be structured with the mechanism of a public authority district, such as property ownership and development, incentives, investment in infrastructure and funding of dedicated staff for specific development projects.

Some public authority districts collect tax to accomplish their mission while others do not. The most famous example of a tax collecting public authority district is the Port of Seattle which operates the SEATAC airport, Maritime Ports, and associated industrial parks in Seattle. The most famous non-tax collecting public authority development is the Pike Place Market Preservation and Development Authority which runs the world-famous Pike Place Market in Seattle.

Examples of successful Public Authority Districts around the state that relate to the goals of the City of Yakima's plan include the Wine Incubators at the Port of Walla Walla, the Twisp and Ellensburg Development Authorities business incubators, The Port of Grandview's Certified Shovel Ready Sites and success in recruiting the Wal-Mart Distribution Center, and the Grays Harbor Public Development Authority that developed the Satsop Business Park from a vacated site into a 600-acre industrial and technology center.

### *Tactics- Public Authority District*

- Invite Core Working Group to kick-off meeting to review tactics and document specific resources of district benefits
- Research the process to establish a public authority district
  - Engage Washington Public Ports Association and Public Development Authorities from across the state for guidance
- Investigate Washington State laws as to better understand what is possible and what is not allowed with such districts to determine if such a district can accomplish local goals
- With all facts, conduct evaluation of pros and cons for establishment of public authority district
- If it is determined that a Public Authority District will enable the City to achieve economic growth that it would not be able to achieve any other way then,
  - Determine the boundaries, scope and specific mission of the Public Authority District
  - Organize campaign around the benefits of the Public Authority District - how that translates into a better community for all residents
  - Conduct baseline research for support
  - Plan for campaign

- Investigate hiring a professional firm that has successfully helped with the creation of other Public Authority Districts in Washington State
- With community approval, establish public authority district

**Core Working Group - Public Authority District**

<b>Lead</b>	Business community (represented by YCDA, GYCC, HCC of Yakima)
<b>Team</b>	<p>City of Yakima – City Manager, City Attorney, Economic Development Department, Airport</p> <p>Greater Yakima Chamber of Commerce</p> <p>Hispanic Chamber of Commerce of Yakima</p> <p>Rural Community Development Resources</p> <p>Yakima County Development Association</p> <p>Yakima Valley Tourism</p>
<b>Resources</b>	<p>Successful public development authorities</p> <p>Successful port districts in Washington State</p> <p>Washington Public Ports Association</p>

**Metrics - Public Authority District**

Process Metrics	Outcome Metrics
✓ History compiled	✓ Establishment of public authority district
✓ Complete understanding of what’s possible, pros and cons weighted	✓ Board members sworn in for service
✓ Decision to pursue or not	✓ Economic impact of public authority district efforts and programs

## INCENTIVES

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### *Goal*

Responsibly offer and promote a diverse portfolio of competitive incentives that influence business investment in favor of a Yakima location.

### *Why Important?*

Incentives alone do not justify a business location decision. However, communities that provide incentives demonstrate they are business friendly, and if used wisely can be effective tools for tipping the scales in favor of the community when all things are equal or making up the difference when a community lags competitively. Incentives are also valuable in “showing the love” to expanding local businesses so that they choose to expand locally instead of expanding or relocating elsewhere.

### *Tactics - Incentives*

- Gather information on current toolbox of available incentives for Yakima businesses (federal, state, city, SIED, RCDR, utilities, WorkSource, etc.)
  - Develop template to gather consistent and comprehensive information on incentives
  - Gather information on form of incentive (cash, tax credit, services, etc.), eligibility, timing, process to apply/how to access
  - Research and write case studies of Yakima companies who have utilized incentives
- Research what Yakima competitors offer for incentives
- Research what we can change internally, by public vote and what may not be allowed by law
  - Determine what adjustment could be made to enhance incentive for local employers. This may require legislation for tweak.
- Review lost projects as to Yakima’s weaknesses to determine if new incentive offerings might impact positively
- Research gaps where Yakima falls behind or has higher development and operational costs than competitors
- Package City permitting services as incentive service offering (i.e. timing, payment deferrals, ombudsman)
  - Investigate guarantees for turnaround with complete permit submitted
  - Research and write case studies for recent Yakima developments with successful permitting experience
- Package Business-to-Business (B-2-B) coupons, deals and other offerings for new business locating in Yakima
- Design other incentive offering(s) as allowed by law
- Develop and adopt incentive policy to define criteria for projects that align to Yakima’s goals
- Monitor results of incentives to see if they make an impact toward goals; utilize economic and fiscal impact analysis for award-worthy projects and defensible scrutiny
- Promote incentives to local employers to raise awareness and help businesses fully utilize
  - Develop communications and outreach plan
  - Implement communications and outreach plan

- Post information on City, YCDA and other Core Working Group organizations' websites respectively
- Match incentives to business needs and situation during Business Retention & Expansion visits

### Core Working Group - Incentives

<b>Lead</b>	Yakima County Development Association & City of Yakima – Economic Development Department
<b>Team</b>	City of Yakima – City Attorney, Planning Department Greater Yakima Chamber of Commerce Hispanic Chamber of Commerce of Yakima Rural Community Development Resources Supporting Investments in Economic Development (SIED) Utilities
<b>Resources</b>	Washington State Department of Commerce

### Metrics - Incentives

Process Metrics	Outcome Metrics
✓ Toolbox of existing incentives complete	✓ Number of businesses (existing and attracted) assisted with incentives
✓ Competitor research complete	✓ Number of jobs and wages associated with incentivized businesses
✓ Capability/law research complete	✓ Economic impact of incentives applied to businesses
✓ Lost project review complete	
✓ City permitting services package	
✓ Business-to-Business (B-2-B) package	
✓ Communications plan completed (update websites and outreach to local employers)	

## EDUCATIONAL ALIGNMENT

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### *Goal*

Educational resources aligned to meet the comprehensive current and future needs of employers in Yakima.

### *Why Important?*

Access to talent is the leading factor for business growth, productivity and ultimately viability. Competitive communities stay on top of matching needs of local employers with skills to advance quality business services and production. With the impending retirement of many Baby Boomers, it is important to fill these openings. By enhancing skills, workers have access to greater opportunities to increase earnings. Yakima also benefits from local training of residents so that youth stay in the community because they are skilled for living-wage jobs.

### *Tactics – Educational Alignment*

- Assemble education and training providers (possibly leverage Employer Engagement Network of the South Central Workforce Council)
  - Review goal, why important and tactics
  - Review current initiatives in place that may be related to this effort
  - Define who does what by when
- Inventory all educational assets for skill enhancements: provider, programs, participants, graduates, placements in local jobs
- Document educational institutions outreach and marketing of programs to employers and prospective students
- Inventory occupation awareness programs/efforts that expose students to careers in Yakima
- Document current and future needs of business for specific workforce skills, due to retirement and job growth areas, via
  - Engagement of business organizations (YCDA, GYCC, HCC, Yakima Valley Tourism, Yakima Valley Human Resources Association)
  - Employer survey
  - Face-to-face meetings with large employers and those with high wages
  - Research of key occupations and corresponding skills of target industries (i.e. what do companies we aim to recruit need)
- Analyze needs versus asset inventory to define gaps
- Create programs to address gaps
- Measure results of programs

### Core Working Group – Educational Alignment

<b>Lead</b>	Yakima County Development Association
<b>Team</b>	<p>Central Washington University</p> <p>Heritage University</p> <p>Opportunities Industrialization Center</p> <p>Pacific Northwest University of Health Sciences</p> <p>Perry Technical Institute</p> <p>South Central Workforce Council</p> <p>Superintendents of East Valley, West Wally and Yakima School Districts</p> <p>Unions (i.e. Operating Engineers Local Union #370, United Association of Plumbers &amp; Steamfitters Local 598)</p> <p>Yakima Valley College</p> <p>Yakima Valley Human Resources Association</p> <p>Yakima Valley Technical Skills Center (YV-Tech)</p>
<b>Resources</b>	Business/local employers

### Metrics – Educational Alignment

Process Metrics	Outcome Metrics
<ul style="list-style-type: none"> <li>✓ Inventory of educational assets complete</li> <li>✓ Inventory of occupational awareness programs complete</li> <li>✓ Business needs documented</li> <li>✓ Gaps defined</li> <li>✓ New programs developed and funded</li> </ul>	<ul style="list-style-type: none"> <li>✓ Comprehensive package of skill enhancement offerings utilized for marketing to prospective businesses</li> <li>✓ Program graduates/participants</li> <li>✓ Job placement rates in Yakima</li> <li>✓ Increased earnings</li> </ul>

## AIR SERVICE

### Goal

Sustain and increase commercial airline service at the Yakima Airport (YKM).

### Why Important?

To competitively meet the travel needs of business and residents, Yakima needs to continue efforts to expand air services – both frequency and additional destinations. Quality air service is critical to growing both the economy and local tourism. An active airport generates funds for airport operations, maintenance and capital expenditures. On top of these benefits, high quality and expanding air service helps Yakima make its mark on the national map as a significant regional center.

### Tactics – Air Service

- Formalize airport sales team
- Research how competitors are organized, funding sources, and marketing strategies to support/expand commercial air service
- Investigate new funding sources to attract and retain commercial air service
- Nurture existing partnerships (Alaska Airlines, Horizon Air, Virgin America)
- Consider incentive programs and package for targeting new destinations/carriers
- Continue FLY YKM marketing plan

### Core Working Group – Air Service

<b>Lead</b>	City of Yakima – Airport
<b>Team</b>	Air Service Development & Consulting: AirPlanners, LLC City of Yakima – Economic Development Department City of Union Gap Greater Yakima Chamber of Commerce Hispanic Chamber of Commerce of Yakima Yakima Valley Tourism
<b>Resources</b>	Federal Aviation Administration

### Metrics – Air Service

Process Metrics	Outcome Metrics
✓ Airport sales team organized	✓ Passenger growth
✓ Competitor research completed	✓ Load factors
✓ Fund sources investigated	✓ Number of new flights
✓ Frequency of outreach with existing partners	✓ Number of new destinations
	✓ Increase in airport funds



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✓ Marketing plan implementation metrics

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## CONVENTION CENTER EXPANSION

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### *Goal*

Expand the Yakima Convention Center to host targeted groups with world-class amenities.

### *Why Important?*

Attracting conventions and related convention center users is a way to entice a high volume of visitors to Yakima, which in turns generates new revenues and taxes for the city. By attending a convention, it may be their first visit to Yakima, spurring subsequent visits or even a business relocation. A vibrant convention center campus and headquarter hotel is an important cornerstone of a comprehensive tourism strategy. Yakima's convention center currently trails competitors in the Pacific Northwest region. Wenatchee, Tri-Cities and Spokane are making significant investment in convention and lodging facilities. In addition to remaining competitive, a vibrant convention center facility supports tourism growth as well as hosting local employer meetings and educational meetings and conferences.

### *Tactics - Convention Center Expansion*

- Share existing information and research for convention center expansion
- Define boundaries
- Design architect for schematics, square feet and layout
- Document options for Yakima Convention Center expansion
- Evaluate pros and cons of options
- Develop communications strategy for project
- Seek buy-in from partners
- Neighborhood engagement
- Feasibility study and economic impact of expansion
- Investigate and pursue funding resources, including state legislative priority
- Development plan
- Recruit hotel developer
- Hire developer/construction firm
- Transition plan during construction into full expansion
- Retail recruitment
- Relocate visitor center

**Core Working Group - Convention Center Expansion**

<b>Lead</b>	Yakima Valley Tourism
<b>Team</b>	Adjoining property owners City of Yakima Downtown Association of Yakima Greater Yakima Chamber of Commerce Hispanic Chamber of Commerce of Yakima Public Facilities District Yakima County Development Association Yakima Downtown Association
<b>Resources</b>	Neighborhood State Legislators

**Metrics -- Convention Center Expansion**

Process Metrics	Outcome Metrics
✓ Options evaluated	✓ Expansion completed
✓ Feasibility study on options	✓ Private sector investment – hotel, retailer
✓ Expansion plan developed and approved	✓ Number of events booked
✓ Funding procured	✓ Number of hotel bookings
✓ RFP/RFQ let for developer	✓ Economic impact of events hosted
✓ Developer hired	✓ Sales tax generated

## B. Traded-sector Business & Quality Employment Growth

To shape a sustainable economy, proactive efforts are necessary. Successful communities don't wait for businesses to show up, they organize a strong business case to meet their needs and reach out to them – be it an entrepreneur starting up a new business endeavor or a successful business that could grow successfully in Yakima.

### INCUBATOR

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#### *Goal*

Establish a high-quality, technical assistance incubator to boost effective business start-ups in Yakima.

#### *Why Important?*

An incubator is a resource for entrepreneurs that helps to lower the barrier to entry for business start-ups. Locally “grown” businesses are more likely to stay and grow where they originate, thus providing an avenue for job creation that compliments local business expansion and new business attraction efforts. An incubator could also become a destination asset in Yakima, depending on the goods and services produced by target occupants.

#### *Tactics - Incubator*

- Research and tour example incubators
- Define scope of incubator/Mercado: commercial kitchen, brewery, winery, public market, tie to targets
- Define potential locations and design
- Business plan for incubator model – including management and technical assistance responsibilities
  - Target occupants
  - Needs of target occupants
  - Equipment provided (i.e. commercial kitchen)
  - Technical assistance provided
  - Protocols for occupants – eligibility, requirements, length of stay, etc.
  - Application criteria and process for prospective occupants
  - Budget for defined scope
- Feasibility study for defined scope
- Funding
  - Identify resources (i.e. Economic Development Administration, CERB, SIED)
  - Pursue grants that align with business plan and incubator model
- Develop physical space
- Hire incubator manager
- Market and solicit occupants
- Provide technical assistance to occupants
- Graduate successful companies
- Measure economic impact of results

**Core Working Group - Incubator**

<b>Lead</b>	City of Yakima – Economic Development Department
<b>Team</b>	City of Yakima – City Manager Downtown Association of Yakima Greater Yakima Chamber of Commerce Hispanic Chamber of Commerce of Yakima Rural Community Development Resources
<b>Resources</b>	Small Business Development Center State Legislators US Economic Development Administration

**Metrics - Incubator**

Process Metrics	Outcome Metrics
✓ Scope defined	✓ Incubator built out for occupancy
✓ Location and design defined	✓ Number of incubator business occupants and corresponding job counts
✓ Business plan completed	✓ Number of graduating companies
✓ Feasibility plan completed	✓ Economic impact of occupants and graduates
✓ Funding secured	
✓ Incubator manager hired	

## AIRPORT BUSINESS GROWTH

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### *Goal*

Locate a comprehensive supply chain of traded-sector aviation companies and suppliers to prioritized sites adjacent to the Yakima Airport.

### *Why Important?*

Yakima has limited sites to house traded-sector businesses providing quality jobs. Sites near the Yakima Airport – some with direct access to runways – are even more rare, yet they offer a compelling benefit to aircraft and aerospace manufacturers seeking to test their products. Recruiting manufacturers provide more economic benefit to Yakima than hangars and other types of warehousing at the airport.

With the expansion of Cub Crafters, there is opportunity to further enhance Yakima’s retention magnetism by locating supporting suppliers for Cub Crafters and other related businesses. Building out a full aircraft cluster enhances their operations and is a strategic use of land, training resources and other key components of Yakima’s business case.

### *Tactics – Airport Business Growth*

- Interview local aircraft and aerospace employers to
  - Document their respective supply chain
  - Identify target companies (suppliers)
  - Learn what events and where they connect to other industry-related companies
  - Write cases studies on local aircraft/aerospace employers to demonstrate how they are succeeding in Yakima
- Define needs/requirements and priority location factors of target companies
- Gather corresponding data and build business case as to why Yakima is the location of choice for aircraft manufacturers and suppliers
  - Also, includes potential customer base in region and logistics to existing customers from Yakima location
  - Research source locations of target companies and prepare cost comparisons to Yakima-based operations
- Develop outreach plan to meet with target businesses, involving local businesses for introductions
- Leverage Washington State Department of Commerce marketing to aircraft and aerospace manufacturers, including relevant industry conferences and tradeshow
- Leverage relevant Governor Missions

**Core Working Group – Airport Business Growth**

<b>Lead</b>	City of Yakima – Economic Development Department, Airport
<b>Team</b>	City of Yakima – City Manager City of Union Gap Cub Crafters Marquis Development Triumph Actuation Systems - Yakima Yakima County Development Association
<b>Resources</b>	Aerospace Futures Alliance Inland Northwest Aerospace Consortium Federal Aviation Administration Washington State Department of Commerce

**Metrics – Airport Business Growth**

Process Metrics	Outcome Metrics
<ul style="list-style-type: none"> <li>✓ Target list</li> <li>✓ Business case, including case studies, completed</li> <li>✓ Outreach plan completed</li> <li>✓ Number of businesses contacted</li> <li>✓ Number of proposals sent</li> <li>✓ Number of site visits by target companies</li> </ul>	<ul style="list-style-type: none"> <li>✓ Number of business locations, corresponding jobs, wages, capital investment</li> <li>✓ Economic impact of recruitments</li> </ul>

## RECRUIT CLUSTER INDUSTRIES

### Goal

Locate traded-sector businesses that compliment yet diversify Yakima’s economic base.

### Why Important?

Traded-sector businesses produce and sell products and services outside of the area, thus bringing wealth to Yakima and hiring people to living-wage, quality jobs. Plus, with a focused effort to target industries that diversify our local economy we will achieve more stability through economic cycles.

### Tactics - Recruit Cluster Industries

- Determine target industries that are growing nationally, pay above Yakima’s median earnings, and fit with Yakima’s capabilities to serve competitively
- Define needs/requirements and priority location factors of target industries
- Gather corresponding data and build business case as to why Yakima is the location of choice for each target industry
- Write cases studies on local traded-sector businesses of target industries to demonstrate how they are succeeding in Yakima
- Develop outreach plan to meet with businesses of target industries
  - Engage lead generation firm
- Leverage Washington State Department of Commerce’s marketing efforts

### Core Working Group - Recruit Cluster Industries

<b>Lead</b>	Yakima County Development Association
<b>Team</b>	City of Yakima – Economic Development Department
<b>Resources</b>	Aerospace Futures Alliance City of Yakima – Planning & Public Works Commercial real estate developers, brokers and landowners Inland Northwest Aerospace Consortium Utilities Washington State Department of Commerce



### *Metrics - Recruit Cluster Industries*

<b>Process Metrics</b>	<b>Outcome Metrics</b>
✓ Target industries defined	✓ Number of business locations, corresponding jobs, wages, capital investment
✓ Business case, including case studies, completed	✓ Economic impact of recruitments
✓ Outreach plan	
✓ Number of businesses contacted	
✓ Number of proposals sent	
✓ Number of site visits by target companies	

## C. Community Pride

Community pride initiatives complement economic development marketing and talent attraction/retention – people wanting to live and work in Yakima.

### CENTRO DE LA RAZA

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#### *Goal*

Establish a Latino cultural center (Centro de la Raza) to honor the diverse cultural assets of the Yakima community.

#### *Why Important?*

This inclusive venue could serve as a destination draw for visitors and symbol of pride for residents. Not only would this facility enhance quality of life, it provides an opportunity to educate youth on Yakima’s diverse cultural history.

#### *Tactics – Centro de la Raza*

- Invite participation and launch Working Group
- Research and tour example centers
- Define scope of project (events, showcase, etc.)
- Conduct feasibility study based on defined scope of project
  - Determine location options
  - Investigate funding resources
- Develop business plan
  - Diverse board
  - Determine management and partners
  - Operations
  - Revenue streams
  - Staffing
- Procure funds
- Engage contractors
- Construction
- Marketing
- Management of facility

**Core Working Group – Centro de la Raza**

<b>Lead</b>	Hispanic Chamber of Commerce of Yakima
<b>Team</b>	City of Yakima Movimiento Estudiantil Chicano de Aztlán (MEChA) Rural Community Development Resources Sally Tonkins
<b>Resources</b>	Philippine community representatives Yakima Community Foundation Yakima Nation Yakima Valley Museum

**Metrics – Centro de la Raza**

Process Metrics	Outcome Metrics
<ul style="list-style-type: none"> <li>✓ Research completed</li> <li>✓ Project scope defined</li> <li>✓ Feasibility study completed</li> <li>✓ Business plan completed</li> <li>✓ Funding procured</li> <li>✓ Contractor hired</li> </ul>	<ul style="list-style-type: none"> <li>✓ Centro de la Raza built</li> <li>✓ Number of visitors</li> </ul>

## IMAGE CAMPAIGN

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### *Goal*

Enhance local pride in community and foster positive “buzz” about Yakima.

### *Why Important?*

With a positive perception and experience in Yakima, people will come to visit or live in Yakima and choose to stay. If residents are vested they will promote and invest in the community. Yakima Valley Tourism, Yakima County Development Association and both Chambers of Commerce do an extraordinary job of marketing Yakima externally. There is an opportunity to leverage the vibrant and positive external marketing to residents and local businesses so that they play an important role in speaking positively about the community.

### *Tactics – Image Campaign*

- Invite participation and launch Working Group – engage local media to partner
- Research to understand current Yakima brand and marketing programs
- Research what other communities are doing/have done to increase pride locally
- Conduct local perception survey/research to document baseline of perceptions
- Develop internal image/pride campaign focused on positive stories and progress being made
  - Potential mediums/approaches: authored news column, television interviews, editorial board meetings, speaker’s bureau, social media, student video contests, picture contests
  - Possibly phase campaign in order to get into action sooner
  - Investigate and procure funding for implementation (as needed)
- Engage wide range of partners to carry out campaign
- Monitor results via subsequent surveys to measure change in perceptions

### Core Working Group – Image Campaign

<b>Lead</b>	Greater Yakima Chamber of Commerce & Hispanic Chamber of Commerce of Yakima
<b>Team</b>	<p>City of Yakima – Communications Department</p> <p>I ♥ Yakima</p> <p>Local television stations: KAPP, KNDO/KNDU, KIMA, FOX 41, KCYU, Grupo Hispanavision, Univision</p> <p>Yakima Advertising Federation</p> <p>Yakima Herald</p> <p>Yakima Valley Business Times</p> <p>Yakima Valley Tourism</p> <p>Young Leaders of Yakima/United Way</p>
<b>Resources</b>	<p>Breweries/craft beverage businesses</p> <p>Yakima Arts Commission</p> <p>Yakima area service groups</p>

### Metrics – Image Campaign

Process Metrics	Outcome Metrics
✓ Research of current brand/marketing	✓ Social media analytics
✓ Perception survey completed	✓ Change in resident perception of Yakima image
✓ Campaign developed	✓ Change in external perception of Yakima
✓ Funding procured	

## IV. Staying on Track for Results

With a clear purpose and work laid out in Strategic Initiatives, success will only come from diligent commit to implementation. This plan is a community-wide, coordinated economic development effort and requires thoughtful approach and commitment from diverse stakeholders and partners to sustain implementation. Many of the initiatives are multi-year efforts before major outcomes are evident.

The Steering Committee delineated principles, structure and communications for accountable implementation that extends beyond City Council terms for continuity across the 2017 – 2020 plan timeframe.

### A. Principles to Follow in Pursuit of Purpose

The following principles defined by the Steering Committee must absolutely be respected to unleash successful implementation of this Economic Development Strategic Plan for Yakima:

- ❖ Establish and define clear communication model for desired outcomes (see below)
- ❖ Educate stakeholders involved for buy-in, shared vision and leadership
- ❖ Be inclusive and engage broader community by communicating why we are doing what we are doing
- ❖ Carry out consistent and positive messaging
- ❖ Follow a timeline with benchmarks
- ❖ Identify research sources to accomplish goals
- ❖ Do our homework
- ❖ Listen and learn from doubters

### B. Accountable Implementation

The design for accountable implementation of this plan is organized for an enduring effort to achieve our purpose. Our results, along the way as well as outcomes, will be consistently communicated in line with principles for successful implementation.

#### STRUCTURE

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The Lead for each Strategic Initiative Working Group will participate on the Yakima Economic Growth Team, coordinated and led by the City Economic Development Manager.

#### *Each Lead will:*

- Develop implementation timelines with benchmarks
- Report progress of Strategic Initiatives to Yakima Economic Growth Team
- Ask for assistance/feedback from the Yakima Economic Growth Team
- Track metrics for Strategic Initiative
- Suggest adjustments to plan as necessary based on findings, results, etc.

The purpose of the Yakima Economic Growth Team is to hold each other accountable and lend support and cross-over, where appropriate, on related initiatives.

The Yakima Economic Growth Team will report to the City of Yakima Economic Development Committee who ultimately reports to Yakima’s City Council.

## COMMUNICATIONS

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To enhance support for strategic initiatives and community pride generated from accomplishments, it is important to communicate progress as well as results or outcomes of plan implementation.

### *Tactics - Communications*

- Create webpage on City website dedicated to the Yakima Economic Development Strategic Plan (link partner websites).
  - Present case studies on Yakima businesses, City services, business resources.
  - Publish updates on implementation progress of Yakima Economic Development Strategic Plan.
- Publish Yakima Economic Indicators Dashboard on City website (link to partner websites) documenting economic indicators such as job growth, per capita income, unemployment levels, poverty rates, property values, property and sales taxes collected, etc. To set context, trend data over time and present in comparison to competitors or aspirational communities.
- Provide updates in City newsletter and coordinate to provide content with partner organizations’ newsletters to their membership.
- Ongoing, prepare news releases and conduct interviews with media as benchmarks achieved (i.e. process metrics) that articulate what and why the benchmark leads to success.
- Offer to author Economic Development column for Yakima Herald.
  - Present case studies on Yakima businesses, City services, business resources.
  - Publish updates on implementation progress of the Yakima Economic Development Strategic Plan.

## Acknowledgements

A wide array of committed and enthusiastic community leaders provided input and worked collaboratively to develop this Economic Development Strategic Plan for Yakima.

### YAKIMA CITY COUNCIL

Dulce Gutiérrez District 1	Avina Gutiérrez District 2	Carmen Méndez District 3 – Assistant Mayor
Bill Lover District 4	Kathy Coffey District 5 – Mayor	Maureen Adkison District 6
Holly Cousens District 7		

### YAKIMA ECONOMIC DEVELOPMENT STRATEGIC PLAN STEERING COMMITTEE

Kathy Coffey, District 5 – Mayor City of Yakima	Avina Gutiérrez, District 2 City of Yakima	Maureen Adkison, District 6 City of Yakima
Holly Cousens, District 7 City of Yakima	Cliff Moore, City Manager City of Yakima	Sean Hawkins, Economic Dev. Manager City of Yakima
Colleda Monick, Economic Dev. Assistant City of Yakima	Cally Price, Assistant to City Manager City of Yakima	Verlynn Best, CEO/President Greater Yakima Chamber of Commerce
Luz Bazan Gutiérrez, Secretary Hispanic Chamber of Commerce of Yakima	Maria Rodriguez, Executive Director Rural Community Development Resources	Jonathan Smith, President/CEO Yakima County Development Association
John Cooper, President & CEO Yakima Valley Tourism		

### PARTICIPANTS IN COMMUNITY ASSET SITE VISIT

Jeff Gaskell, Operations Manager Adventurer LP	Meghann Quinn, President Bale Breaker Brewing Company	Carolyn Belles, Permit Project Coordinator City of Yakima
Dave Brown, Water/Irrigation Division Mgr. City of Yakima	Joseph Calhoun, Senior Planner City of Yakima	Joan Davenport, AICP, Planning Manager City of Yakima
Glenn Denman, Building Official Supervising Code Inspector City of Yakima	Jeff Peters, Supervising Planner City of Yakima	Mike Price, Wastewater Manager City of Yakima
Charlie Robin, CEO The Capitol Theater Yakima	Thane Phelan, Vice President & Communications/Marketing Greater Yakima Chamber	Russ Roberts, CCIM Heritage Moultray
Joseph Morrier, President & CEO JEM Development Real Estate Inc.	Bob Gerst, Vice President Human Resources John L. Haas, Inc.	Christina Coté, President Perry Technical Institute
Erin Fishburn, Director of Institutional Effectiveness & Advancement Perry Technical Institute	Mike Wright, Plant Manager Quanex Building Products	Linda Johnson, Certified Business Advisor Small Business Development Center
Patrick Baldoz, Director South Central Workforce Council	Tommy Hanes, Operations Manager Washington Fruit & Produce Company	Jean Brown, Business Development Director Yakima County Development Association
Joe Schmitt, Marketing & Dev. Director Yakima County Development Association	Duncan MacLeod, Executive Director Yakima Makers Space	Paulette Lopez, Dean of Workforce Education Division Yakima Valley Community College
Craig Dwight, Director Yakima Valley Technical Skills Center		



# Tadzo

The Intersection of Site Selection & Economic Development

The Yakima Economic Development Strategic Plan was developed with the assistance and facilitation of TadZo.

TadZo is an economic development and site selection consulting firm led by Allison Larsen. Businesses and communities want essentially the same things: economic vitality, wealth creation, quality place and environment. TadZo works with communities to achieve these outcomes. TadZo also assist companies to identify communities with these attributes that support business strategy and competitive advantage.



Allison Larsen, CEC  
Principal  
TadZo

[www.TadZoConsulting.com](http://www.TadZoConsulting.com)

509.972.0833

[allison@TadzoConsulting.com](mailto:allison@TadzoConsulting.com)

**RESOLUTION NO. R-2017-**

**A RESOLUTION** approving and adopting the Yakima Economic Development Strategic Plan for the City of Yakima, which establishes priorities, identifies strategies, and sets performance measures to monitor and measure Strategic Plan progress.

**WHEREAS**, the Yakima Economic Development Strategic Plan (referred to as the “Strategic Plan”) is a collaboration of the City Council, City staff, Greater Yakima Chamber of Commerce, Yakima County Development Association, Hispanic Chamber of Commerce of Yakima, Yakima Valley Tourism, Rural Community Development Resources, and the community to create a dynamic set of strategies and key intended economic outcomes to move the community and City forward over the next several years; and

**WHEREAS**, the foundation of the Strategic Plan is built on the following strategic priority: Economic Development; and

**WHEREAS**, the Strategic Priorities are the collaborative result of community engagement meetings and City Council assessment of the strengths, weaknesses, and opportunities of the community and organization; and

**WHEREAS**, the Strategic Plan offers direction and focus on issues that are critically important to improving Yakima; and

**WHEREAS**, the Strategic Plan will require the City Council and City staff to consider the Strategic Plan when developing policies, delivering City services, preparing the City’s budget, developing department business plans, and assessing the performance of the City Manager and City staff; and

**WHEREAS**, the Strategic Plan contains the strategies, key initiatives, performance measures, and anticipated outcomes that the City will focus on over the next few years; and

**WHEREAS**, upon adoption, the Strategic Plan will be communicated to the community and City staff, quarterly progress reports will be provided to the City Council, and an annual progress report will be provided to the public; now, therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

The City Council approves and adopts the attached Yakima Economic Development Strategic Plan for the City of Yakima, and directs the City Manager and City staff to proceed with implementation of the Strategic Plan, which sets priorities, establishes strategies, and includes performance measures to monitor and measure Strategic Plan progress.

**ADOPTED BY THE CITY COUNCIL** this 21<sup>st</sup> day of February, 2017.

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Kathy Coffey, Mayor

ATTEST:

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Sonya Claar Tee, City Clerk