
CHAPTER 5: ECONOMIC DEVELOPMENT ELEMENT

I.	Required Elements	91
	<i>GMA Land Use Planning Goal</i>	
	<i>GMA Requirement For Land Use Planning</i>	
	<i>Countywide Planning Policies</i>	
II.	Relationship To Other Plans	92
III.	Introduction	93
IV.	Existing Conditions And Trends	93
V.	Partnerships And Regional Coordination	100
VI.	Strengths, Weaknesses, Opportunities and Threats	102
VII.	Land Use Assumptions	103
VIII.	Housing Goals And Policies	104

I. REQUIRED ELEMENTS

GMA LAND USE PLANNING GOALS (RCW 36.70A.020)

The Washington State Growth Management Act (GMA) sets forth guidelines for the development and adoption of comprehensive plans and development regulations. Land use policies and regulations influence transportation, housing, economic development, property rights, permits, natural resource industries, open space and recreation, environment, citizen participation and coordination, public facilities and services, and historic preservation.

Specifically, the GMA requires cities:

“To encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for dis-advantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state’s natural resources, public services, and public facilities” Chapter 36.70A.020 (5).

GMA REQUIREMENTS FOR LAND USE PLANNING (RCW 36.70A.070)

Economic development is one of the mandatory elements of the Comprehensive Plan required pursuant to the GMA. As prescribed by the GMA, the economic development chapter requires:

- (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information;

-
- (b) A summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and
 - (c) A statement identifying policies, programs, and projects to foster economic growth and development and address future needs.

COUNTYWIDE PLANNING POLICIES

The State amended in 1991, the Growth Management Act requiring each county legislative body planning under the act to adopt countywide planning policies in cooperation with the cities in the county. This common framework provides for consistency amongst the comprehensive plans. The policies address issues that uniformly affect the county as a whole including the siting of public facilities of a countywide or statewide nature, transportation facilities, affordable housing, economic development and employment, and orderly and contiguous development. The requirements of the countywide planning policies were considered along with many other factors to determine the best course of action for the City of Centralia. The Lewis Countywide Planning Policies are included in Appendix C.

The Lewis County Planned Growth Committee adopted their updated planning policies in December 2006. This update included policies on economic development. These policies are statements establishing a regional framework from which county and city economic development elements are developed. They include policies on the integration of comprehensive plans and distinguishing rural and urban areas.

II. RELATIONSHIP TO OTHER PLANS

The following plans and documents relate to the success of economic development within the City of Centralia and implementation of this element.

- **Lewis County Comprehensive Plan.** The Lewis County Comprehensive Plan was adopted in April, 2002.
- **Port of Centralia Comprehensive Plan.** The current Port Comprehensive Plan was adopted in November 1990 and revised in November 1994, September 1996, March 2003, and in September 2006.
- **City of Centralia Water Plan.** The Water Plan was adopted in December 2005
- **Surface/Storm Water Management Plan.** The Storm Water Management Plan should be adopted in winter of 2007 or spring of 2008.
- **General Sewer Plan and Wastewater Treatment Plant Facilities Plan.** The Plan was approved and adopted in the Spring of 2000.
- **City Light and the Yelm Project Comprehensive Plan.** The City Light Plan was approved in December 2002.
- **Airport Master Plan/Chehalis-Centralia.** The Airport Master Plan was approved Fall 2001.
- **Parks and Recreation Plan.** The Parks and Recreation Plan (Element)

-
- **Transportation Plan.** The Transportation Plan (Element)
 - **Downtown Centralia Revitalization Plan, Phase I.** The Phase I Revitalization Plan was approved in June 2003.
 - **Downtown Centralia Revitalization Plan, Phase II.** The Phase II Revitalization Plan was approved in October 12, 2004
 - **Centralia School District Capital Facilities Plan.** The Capital Facilities Plan for the Centralia School District should be approved in the summer/fall of 2007.
 - **Centralia College Master Plan.** The Centralia College Master Plan was approved on September 2002.
 - **Solid Waste Management Plan.** The Plan was approved by the County Commissioners in April 2000.
 - **Transit Development Plan.** The Transit Development Plan 2007-2012 was approved March 2007.

III. INTRODUCTION

The economic vitality of the area is an integral part of a high quality of life for Centralia residents. Successful economic development efforts as measured by increases in employment opportunities, reductions in unemployment, and increases in real incomes can improve the overall quality of life that we enjoy.

The demographic and employment conditions and trends in Lewis County and the City of Centralia are reflected in the current market conditions. The City of Centralia can expect growth in its visitors and hospitality sector, retail development, and industrial development. In addition, housing development over the next decade will be influenced by pressures in the market in communities to the north of Centralia.

IV. EXISTING CONDITIONS AND TRENDS

The health of the economy in Centralia is based upon many diverse factors. The economic development activity includes: (a) overall economic outlook; (b) population; (c) largest employers; (d) wages; (e) visitor and hospitality sector; (f) retail; (g) industrial; and (h) Downtown Centralia.

A. Overall Economic Outlook

The State of Washington State 2006 job growth rate was double the national average and ranked sixth in the nation. According to a press release dated January 29, 2007, Governor Chris Gregoire stated “the State of Washington has one of the most robust job markets in the nation. Businesses are prospering and people are finding opportunities for new and exciting careers”.

“Professional and business services had the largest gains in employment in 2006, adding 18,100 new jobs. The construction and manufacturing industries also saw strong job

growth, adding 14,200 and 13,200 new jobs, respectively. Overall, more than 79,000 new jobs were created in 2006, representing an annual growth rate of 2.8 percent. The national average was 1.4 percent”.

The average unemployment rate in Washington for 2006 was 4.9 percent, which is the lowest average annual rate in the state since 1999. No major industry sectors in Washington saw job declines in 2006 (Washington State Employment Security Commission).

The City of Centralia has a diverse economy with moderate growth occurring in such sectors as retail, visitor services, distribution and manufacturing. Adjacent to Interstate 5 and the railroad, and with the College, the City has a distinctly different demographic profile than other Lewis County communities.

B. Population

Centralia’s population at the end of 2006 was estimated by the State of Washington to be 15,430. This population accounts for 21% of the county’s total population. In addition, the population in the unincorporated sections immediately bordering the City limits is an estimated 7,796. The City’s growth rate between the years 2000 and 2006 was 0.8%. The State of Washington is projecting that Centralia will enjoy a moderate growth rate of 1.2% between the years 2005 and 2010. The growth rate projection is based on (1) an influx of retirees, (2) annexations and (3) additional housing projects.

The average household size in Centralia is 2.79 compared to the U.S. at 2.6. The median age of the City is 36.8 years compared to the U.S. of 37.6 years. Over 75% of the City’s residents over the age of 18 have a high school diploma and 11.6% hold a bachelors degree.

Population By Occupation	Centralia	U.S.
Management, Business, & Financial Operations	7.15%	13.61%
Professional and Related Occupations	15.08%	20.24%
Service	21.12%	14.75%
Sales and Office	25.65%	26.74%
Farming, Fishing, and Forestry	4.65%	.74%
Construction, Extraction, and Maintenance	9.96%	9.48%
Production, Transportation, and Material Moving	16.38%	14.44%

Source: Sperling’s BestPlace/Fast Forward, Inc. 2007 Data

C. Largest Employers

Centralia’s government sector is the City’s largest employer. Together, the Centralia School District, Centralia College, the City of Centralia and a sprinkling of state and federal agencies employ an estimated 900 people. The City’s largest private employer is Providence Hospital (Centralia Hospital) with 800 employees. The Centralia Outlets, a multi-store retail operation, employs 280 people and the local Safeway store employs 200. According to Sperling’s BestPlace/Fast Forward, Inc., recent job growth has increased 4.52%. The national average for job growth during the same period was 1.4%. Future job growth also looks promising at 5.30%.

D. Wages

According to the Washington Employment Security Department, the average 2005 annual wage for a Centralia household was \$32,379, considerably lower than the wage level of the State as a whole. Not surprisingly, most occupations held by residents of Centralia have wages of 75% to 85% of the averages for the state as a whole. Most Lewis County employers have wage levels below those offered in other areas of the state. The exceptions are those engaging in the movement of materials, mechanical engineers, and construction equipment operators. The City's median household income is slightly less than \$36,000 which is considerably below the state's level of almost \$57,000. A major factor affecting the median income level is the fact that the City is heavily populated by people outside the prime workforce age levels of 20 to 55. According to Sperling's BestPlace/Fast Forward, Inc. the income per capita for the City was \$17,578, significantly lower than the U.S. average at \$24,020.

Estimated Households By Household Income	Centralia	U.S.
Income Less Than \$15,000	21.38%	13.64%
Income between \$15,000 and \$25,000	18.16%	11.21%
Income between \$25,000 and \$35,000	13.49%	11.46%
Income between \$35,000 and \$50,000	17.77%	15.84%
Income between \$50,000 and \$75,000	17.40%	19.28%
Income between \$75,000 and \$100,000	6.32%	11.53%
Income between \$100,000 and \$150,000	3.53%	10.70%
Income between \$150,000 and \$250,000	1.17%	4.43%
Income between \$250,000 and \$500,000	.66%	1.31%
Income greater than \$500,000	.10%	.61%

Source: Sperling's BestPlace/Fast Forward, Inc. 2007 Data

E. Visitor and Hospitality Sector

The visitor and hospitality sector has been somewhat stagnant over the last few years. However, the City anticipates substantial growth and newfound vitality in the coming years. Several factors are likely to contribute to that growth, including: the Grey Wolf Resort and Indoor Water Park just outside the city boundaries which opens in 2008, the City's emphasis on attracting conventions and meetings, and the Main Street Approach Program which puts in place a strong downtown marketing campaign. In addition, the renovation of the Centralia Factory Outlet Malls, the Aerie (a multi-use facility), the Stall building, the Gibson House, the Field Building, and the McMenamins Olympic Club's aggressive regional marketing program will create substantial out-of-the-area interest, bringing additional visitors and dollars to the City. Other business establishments have also remodeled or have been rehabilitated and are contributing to the synergy that has been created from the investments spent in the downtown corridor.

F. Retail

Retail development will show moderate growth in the next five years as the Centralia Outlets complete a renovation and construction project. The 2007 opening of a Nike Clearance Center will serve as a catalyst for other national and regional retailers to look at Centralia. The antique dealers continue to be a special niche which brings shoppers from the surrounding counties.

Although State of Washington per capita retail trade sales figures for Centralia are difficult to evaluate, we do know that Lewis County sales per capita figure in 2005 was \$6,343. This figure is 86% of the state's per capita retail trader sales.

G. Industrial

Industrial development within Centralia will center around the Port of Centralia which operates two industrial parks. The older 350 acre park is located on Galvin Road and has available sites ranging from ½ to 10 acres. This area is planned for heavy industrial users. The area has rail access and will continue to be a staple in the industrial for the City. A larger master planned industrial park (North Corporate Park) is home to a Michaels Distribution Center and Scot Industries, a tubing and pipe manufacturer.

With good I-5 and rail access to the industrial area the City expects to see industrial growth continue in the northwest section proceeding north to the Thurston County line. Industrial growth continues to be located between I-5 and the railroad tracks, with companies along I-5 like Dulin's and Lakeside Gravel Mining Operations, Scot Industries, Michael Distribution, and the Sierra Pacific sawmill. Light industrial areas are planned along most of Harrison (old Highway 99) and East Reynolds Avenue and Galvin road.

H. Downtown Centralia

In January 1999, the City Council was faced with declining commercial property tax revenues and rising costs of providing services to the businesses and residents in the Downtown core. Vacant and deteriorating commercial properties had created a negative impact on police and fire services. The Council explained the crisis and a possible solution to its local citizens and the business community in an "An Open Letter to the Citizens of Centralia". The Council committed itself to the restoration of Downtown Centralia as the economic and cultural center of Centralia. The Council concluded that Centralia's future was in its past: the restoration of its historic buildings into a hospitality center that would be the economic generator to revitalize the town.

A mission statement was developed:

To restore and redevelop Downtown Centralia into its traditional role as a regional destination center for hospitality, entertainment, the arts, business, professional and fraternal meetings and conventions — utilizing its historic buildings and its multi-cultural

and multi-racial history as an economic stimulus to recreate a vibrant and unique urban center for residents and visitors (Downtown Centralia Revitalization Plan).

A plan was adopted affirming that Centralia's future lies in the re-creation of its vibrant past; a future in which Centralia is re-established as the "Hub City", a hub for recreation, commerce, transportation and culture in the region. Centralia will develop a 24-hour city; alive with performing arts, entertainment, conventions and meetings, special events, heritage tourism, specialty retail and recreation. Centralia will remain a destination for antique shoppers in the antique stores that provide the historic ambiance of the City. The six blocks of Downtown will become a bustling convention and meeting center. Historic buildings such as the Lewis and Clark Hotel, the Wilson Hotel, the Olympic Club and Oxford Hotel, the Dale Hotel, and other hotels will offer more than 200 elegant historic hotel rooms, bed and breakfasts, and meeting rooms.

The "art deco" *Fox Theatre*, operated by Opera Pacifica, is home to classical theater and musical theater. In addition, once completely restored, the beautifully restored theater will host teleconferences, special events, and meetings. Centralia will become a regional performing arts and cultural center. Various venues will be available, including *The Aerie Ballroom* (the restored Eagles Lodge), *McMenamin's Olympic Club, Hotel and Theater* (the restored Oxford Hotel), the *Evergreen Playhouse*, Centralia College's *Corbet Hall*, the *Gibson House* (the restored Proffitt building), *Centralia Square* (the restored Elks Lodge), the *Lewis and Clark Hotel* lobby and ballroom, *Destiny Christian Center* (the restored Liberty Theatre), the *Ayala Brothers Furniture Store* (the restored Union Loan and Trust building), and the *Hub City Ballroom*. Unique dining experience will await locals and visitors in a variety of small and large, unique and traditional venues. The restored *Centralia Union Depot* is the transportation center of the area, a destination for Amtrak rail service and the home to businesses and meetings.

Downtown Goals

1. To redevelop downtown Centralia's historic infrastructure to its original and similar uses: hospitality, business conferences, entertainment, professional offices, residences, and commercial and retail businesses.
2. To restore Centralia as the cultural and arts center of Southwest Washington.
3. To stabilize and grow the property tax base by restoring every building to its historic elegance.
4. To enhance current businesses and attract new enterprises.
5. To capitalize on the City's geographic location between the metropolitan areas of Portland and Seattle.
6. To utilize the City's highly developed wastewater, water and utilities infrastructure to grow the local economy.
7. To utilize the City's labor pool, public education and Centralia College to attract business and industry to the City.

-
8. To establish an economic environment conducive to commercial diversity and prosperity, while protecting the environment and enhancing the quality of life for local residents.

Phase I Downtown Restoration (Approved Spring 2003)

1. Centralia Union Depot Restoration – Completed. This 3-phase project took eight years and cost more than \$4.4 million. It was completed in March of 2002. Centralia’s historic Union Depot has been restored as a major resource as the train schedule has increased.
2. Early 1900’s Streetscape – Completed. The \$2.85 million project replaced cracked sidewalks and pot-holed streets with stamped and dyed concrete, repaired brick, added new trees, and installed vintage benches and lighting matching the ambiance of the 1920’s. The trees have matured and flower baskets brighten the summer streets. Private investors have invested millions of dollars into their buildings and their businesses.
3. Façade Improvement Program – Completed and Continuing. Centralia’s Downtown Historic District includes more than 100 buildings, of which 67 properties contribute to the historic context. Many buildings show the scars of misguided modernization or deferred maintenance. A few of the 30-odd non-contributing properties have been modified beyond recognition as historic, but are restorable. Centralia’s Façade Improvement Program will continue to support restoration of modified structures and preservation of those that remain in their original state. To date, 14 properties have used this program to restore their facades.
4. Restoration of the Fox Theatre – In Progress. The City purchased the historic Fox Theatre to save it for restoration. A buyer has been found and *Opera Pacifica* is in the process of restoring the facility.
5. Restoration of the Wilson Hotel – In Progress. The City purchased the historic Wilson Hotel to save it for preservation. The Hotel has been purchased for restoration with construction to begin in the fall of 2007.

Phase II Downtown Restoration (Approved October 2004)

Task 1. Commercial Infrastructure Development. Centralia endured a declining economic environment for five decades. Nonetheless, the City is rich with historic infrastructure and ripe for redevelopment, in many instances because the local economy did not provide the revenues necessary to remove or destroy the historic buildings. More than 80,000 square feet of upper floor space awaits development. Most of the hotel and entertainment space that accommodated Centralia’s visitors is still available. A commercial infrastructure improvement program will seek to distribute matching fund grants to building and business owners with retrofits to make second and third floor space productive commercial space. These code-related improvements will make it economically feasible to return the upper floors of these buildings to their original elegance and commercial productivity.

Task 2: Parking and Traffic. The success of Task # 1 will require the enhancement of parking availability, parking information and traffic flow. Visitors will require adequate signage from

the freeway and to their downtown destinations. Programs are in progress to accomplish the following tasks:

1. Freeway Signage: A coordinated signage system will direct vehicular traffic from the freeway to the downtown core commercial area.
2. Historic Attractions: Historical markers will direct travelers through an historic loop along Mellen Street, through downtown and back out Main Street and Harrison Avenue, with directional signs to historical buildings and sites.
3. Pedestrian Signage: Kiosks will point to public parking, cultural attractions, entertainment venues, dining, shopping, meeting facilities and public restrooms.
4. Parking: Cooperative parking efforts will enlist local business in preserving on-street parking for customers. The Streetscape will be regularly cleaned and maintained.
5. Campus-City Ambiance: A pedestrian promenade will connect the Centralia College campus with downtown Centralia.

Task 3: Product Development. The goal is to create a vibrant downtown business environment conducive to a diverse mix of commercial and residential uses. Activities are in place to encourage the following activities:

1. Evening Entertainment: The City will encourage retail that is open in the evenings, such as art galleries, pub theaters, theme restaurants, and bookstore/cafés, while working with current businesses to extend business hours into the evening.
2. Established Events & Attractions: Established events will be encouraged to focus on Historic Downtown Centralia.
3. Railroad Focus: The City will encourage a “Railroad Focus”.
4. Hospitality: The City will develop and execute a long-term plan to create a centralized conference administration center.
5. Historic Ambiance: The Department of Community Development will facilitate the development and publication of a walking tour booklet describing and identifying historic buildings and photographs.
6. Public Events & Festivals: (Discussion Item) The City will encourage service clubs and non-profit organizations to produce special events throughout the year. Current activities include:
 - a. Summerfest – 4th of July activities, Antique Fest, a Centralia College event, Farmer’s Market and street vendors/carnival (summer)
 - b. ARTrails
 - c. Hub City Car Show
 - d. Music in the Park series (summer)
 - e. Performance at the Fox Theatre by Opera Pacific and other events (winter)

Task 4: Diversify Business Mix. The plan will focus on creating commercial venues, focusing on recruiting specific retail outlets to create businesses that are mutually compatible. The plan would be to encourage the following:

1. To expand the business mix to give local residents a reason to come the Historic Downtown Centralia.

-
2. To expand and utilize the regional transportation facility at the Union Depot.
 3. To convert old hotel space to bed & breakfast venues.
 4. To enhance entertainment venues.
 5. To develop food clusters such as bakeries, wine/cheese shops and specialty foods.
 6. To create art studios and galleries.
 7. To offer outdoor sports/recreation: cycling, canoe/kayaks, camping, and fishing shops.
 8. To encourage craft and specialty stores.
 9. To support development of a farmers market with a wide array of produce and products.
 10. To develop second floor residential space.
 11. To develop live-above work-below industries.

Task 5: Create Financial Resources.

1. Centralia City Light Rural Electric Fund.
2. Washington State Office of Archeology and Historic Preservation funds.
3. Lewis County Distressed Community funds.
4. Washington State Community, Trade and Economic Development Block Grants.
5. Washington State Community, Trade and Economic Development Building for the Arts funds.
6. United States Department of Agriculture Rural Economic Development funds.
7. Centralia Hotel/Motel fund.
8. Public Facilities District funds.
9. Business Improvement District.

Task 6: 5 Year Plan Priorities.

1. Create and implement a Downtown Elevator Utility and Local Improvement District.
2. Expand and fund the Facade Improvement Program.
3. Obtain and develop parking space adjacent to downtown.
4. Design and install downtown signage and kiosks.
5. Develop the Downtown Convention Center Administration facility.

V. PARTNERSHIPS AND REGIONAL COORDINATION

The following agencies are resources to Centralia's government and businesses within the community and helps the City in its economic development efforts. Each is briefly described.

A. Port of Centralia

The Port of Centralia provides sites for industrial, warehousing, distribution, commercial and small business incubator uses. The Port's acts as a major focal point for enhancement and

diversification of the City's and county's economy and employment bases. The Port of Centralia understands and works closely with the City of Centralia to recruit businesses that will protect the value of the surrounding properties and enhances the visual appearance of the community. The Port of Centralia's industrial parks will provide a stimulus for economic, environmental, and social advancement of the greater Centralia area. For additional information about the Port of Centralia refer to the Port of Centralia Comprehensive Plan. The current Port Comprehensive Plan was adopted in November 1990 and revised in November 1994, September 1996, March 2003, and in September 2006.

B. Economic Development Council (EDC)

EDC supports regional economic development with the long-term goal of a sustainable economy. EDC's web site states, "Sustainability is often defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs. Economic Development is not the end, but rather the means to an end, which is ultimately a higher quality of life for Lewis County." (www.lewisdc.com) EDC is currently focused on several key project priorities:

- assisting in the development of shovel-ready, fully serviced industrial sites and transportation infrastructure;
- increasing manufacturing competitiveness
- partnership in workforce development
- customized business and industry training with Centralia College
- business assistance center
- identifying industrial sectors that compliment the array of business and industry currently located in Lewis County; and
- working with local businesses to resolve specific issues affecting their company.

The Lewis County Economic Development Council is actively involved in working to insure the success of local business. Since its inception, the EDC has worked with over eighty firms that have located here. The companies are responsible for providing over 2,300 jobs in Lewis County. In addition, the EDC has assisted over 250 local firms to expand or strengthen their operations.

The EDC has worked with our many partners on helping to solve transportation, utility, and regulatory problems. EDC partners include over 300 business members plus local government, education, and other community based groups.

C. Centralia-Chehalis Chamber of Commerce

The Chamber serves businesses in both Centralia and Chehalis, offering traditional services to its members. The Chamber's advocacy role, presenting a unified voice on issues of interest and concerns to local businesses, allows the City to work with the leadership to implement business retention, recruitment, tourism and other economic development strategies.

D. Centralia Main Street (Downtown)

The City of Centralia is engaged in the creation of a Main Street Approach program. The program is designed to provide a flexible framework that puts assets, such as unique architecture and locally owned business, to work as catalysts for economic growth and community pride.

Although membership will be open to all, the primary focus will be the revitalization of the downtown area. The objective is to produce positive and fundamental changes to the community's economic base by attracting new investors, diversifying the retail and service sectors, organizing the existing commercial base and promoting the uniqueness of Centralia's downtown.

This public/private partnership will serve to create a positive business climate resulting in additional job creation and increasing the City's tax base.

E. Centralia College

Centralia College is the oldest continuously operating community college in the State of Washington. Founded in 1925, the College has a rich heritage of professional, technical, transfer, and basic skills programs serving the community. The College has an enrollment of approximately 10,444 head count with 2,580 FTEs (2006). There are approximately 212 full-time employees. The college is located in the center of the town of Centralia on a tree-lined, 29-acre campus.

The College offers degrees and certificates in more than 70 fields. Centralia College is accredited by the Northwest Commission on Colleges and Universities (NWCCU – the former Northwest Association of Schools and Colleges), the Washington State Board for Community and Technical College Education, the State Approving Agency for the Training of Veterans, and the United States Department of Education. The nursing program is approved by the Washington State Nursing Care Quality Assurance Commission through the Department of Health.

VI. STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

The competitive position for the City of Centralia regarding economic development can be expressed in terms of strengths, weaknesses, opportunities and threats (SWOT).

Strengths

1. Location on I-5 Corridor, easy on/off for visitors & distributors of goods
2. Historical preservation focus of the community
3. Centralia College and its Center for Excellence
4. Rail facilities (freight and passenger)
5. Port of Centralia and its two industrial parks

-
6. Competitive labor rates
 7. Providence Hospital and other regional health care facilities
 8. Geographically well positioned between Portland and Seattle
 9. Business friendly government with involved City Council and staff
 10. Quality of life factors such as low crime and quick response times to emergencies
 11. Educational system (Centralia College, Centralia Public Schools)
 12. Parks and recreation facilities
 13. Superior elderly care and medical facilities
 14. Small town life style with big city amenities

Weaknesses

1. Shortage of family supporting type jobs (high wage)
2. Shortage of qualified workers, especially in technology sector
3. Shortage of land within the City designated and approved for industrial use
4. Shortage of jobs relative to residents (city is job exporter)
5. Shortage of local capital for business investment
6. Potential of flooding in key residential and commercial areas
7. Lack of quality hospitality infrastructure (hotels/motels/conference center)
8. Lack of directional signage to downtown and other commercial areas
9. Fragmented downtown business community
10. Congested transportation corridors
11. Three separate groups working independently on economic development

Opportunities

1. Traditional Downtown with a diverse employment base
2. Industrial users seeking affordable sites between Portland and Seattle
3. Broadband over power lines to attract back office/administrative operations
4. Marketing partnership with Amtrak to take advantage of available rail service as a way to enhance tourism activity
5. Market the City's geographical location in the State

Threats

1. Competition from other communities near and far
2. Shift in consumers needs and/or wants
3. Unsuccessful effort to annex land into the City of Centralia
4. Failure to resolve transportation corridor issues in a timely manner
5. Increasing housing prices
6. Failure to improve educational infrastructure

VII. LAND USE ASSUMPTIONS

JD White Company, a division of Berger-Abam Engineering, Inc was hired to calculate land use assumptions. The land use assumptions include: residential population, household and density projections, and industrial and commercial employment projections. These calculations are critical to the success of the planning process. As in most decision making,

the model is typically an iterative process of testing alternatives until the best solution is found and may change over time. The Land Supply Methodology Report is included as Appendix D.

VIII. ECONOMIC DEVELOPMENT GOALS AND POLICIES

This Economic Development Element describes a set of goals and policies that not only effect land use but other marketing, investment, and employment activities of public agencies, non-profit, and private participants in the Centralia community. Successful implementation of the economic development element will require careful coordination between the land use and regulatory process of the Comprehensive Plan and other city documents and governmental agencies.

Goal ED 1

To encourage the expansion of existing businesses and the recruitment of new enterprises by providing a business-friendly environment.

Policies

- ED 1.1** Provide or support assistance to retain existing businesses by responding to specific requests from local firms.
- ED 1.2** Lead and support the recruitment of diversified new firms to locate in the community, with an emphasis on employers who provide family wage jobs.
- ED 1.3** Provide a timely and certain permitting process.
- ED 1.4** Pursue strategies that are aimed at streamlining the permitting process, establishing predictable project approval mechanisms, and establishing fees for development commensurate with benefits received.
- ED 1.5** Ensure that development regulations are balanced so that they nurture economic activity, maintain jobs, encourage new employment, and promote a high quality of life in Centralia.
- ED 1.6** Support the ongoing workforce training and education capacity provided by Centralia Community College by coordinating with the college to ensure the provision of adequate City infrastructure and utilities.

Goal ED 2

To encourage development of a diversified, well-balanced economy with stable, sustained growth.

Policies

- ED 2.1** Encourage the development of employment opportunities.
- ED 2.2** Review and adjust the City's economic development strategies as needed based upon current and projected economic indicators.

Goal ED 3

To locate employment opportunities in areas where adequate infrastructure exists or may be feasibly extended.

Policies

- ED 3.1** Plan the annexation of land and expansion of infrastructure utilities and into the City of Centralia UGA consistent with the adopted Capital Facilities Plan.
- ED 3.2** Ensure the Capital Facilities Plan addresses the infrastructure required to facilitate the locating of industrial, commercial, and institutional employers in Centralia.
- ED 3.3** Maintain and expand infrastructure to service current and future commercial, industrial, and institutional users.
- ED 3.4** Maintain and expand existing utilities with competitive rates and capacity to serve growth.

Goal ED 4

Industrial

To provide a supply of prime industrial sites sufficient to meet market demands for industrial development.

Policies

- ED 4.1** Given the importance of family wage jobs, prime industrial land will not be converted to alternate designations such as commercial or residential to preserve the job base.
- ED 4.2** Maintain a minimum 10-year supply of prime or potentially prime industrial land.

Goal ED 5

Commercial

To provide commercial sites sufficient to meet a diversity of needs for retail, service, and institutional development within the City.

Policies

- ED 5.1** Review and adjust economic development goals as needed during the planning period to ensure a minimum 10-year supply of commercial land to preserve services that support the community.
- ED 5.2** Maintain and encourage retail areas designed to serve neighborhoods.

This page is left blank intentionally