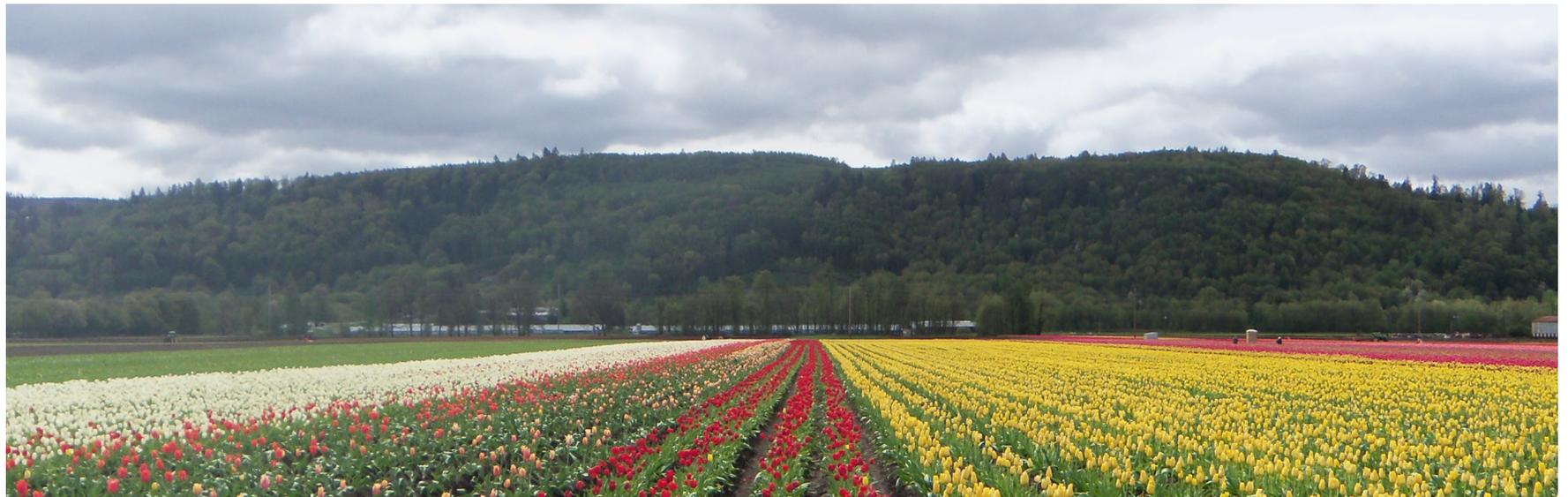


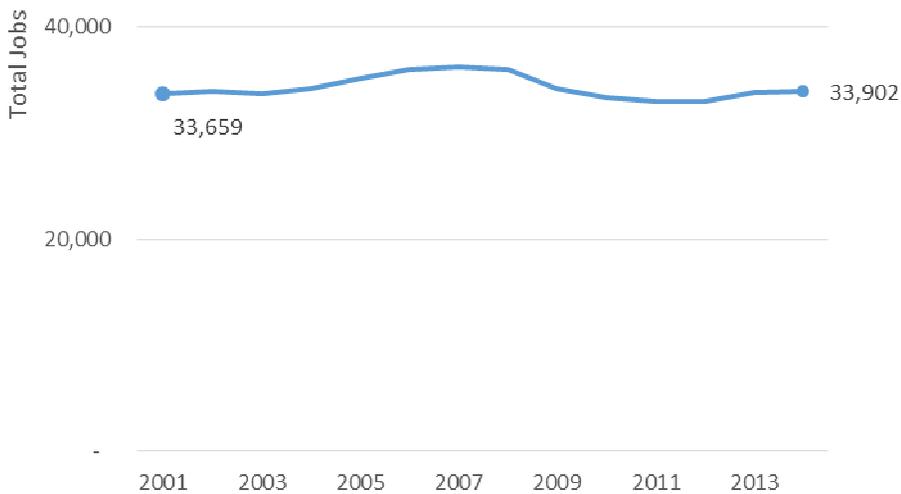


ECONOMIC DEVELOPMENT ELEMENT



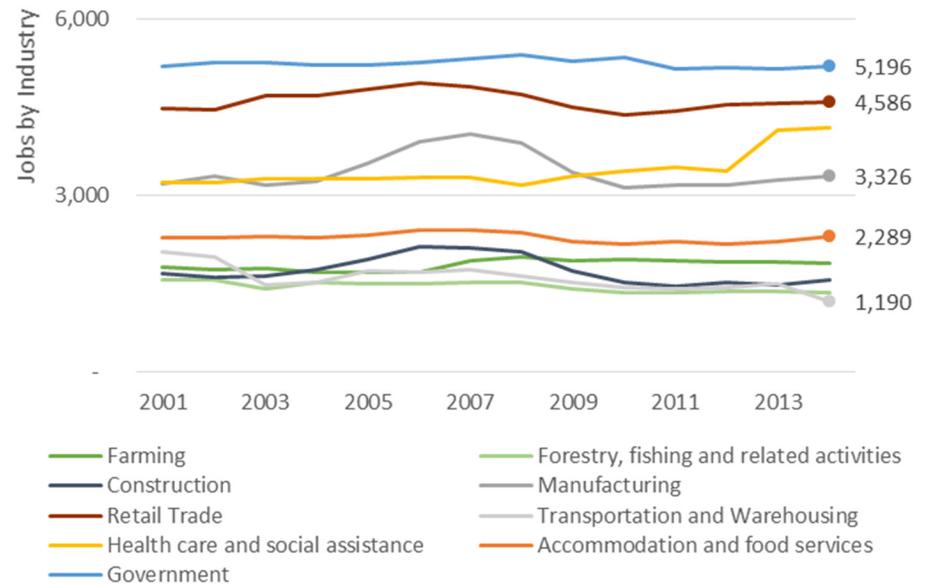
EMPLOYMENT

Total Full and Part-Time Employment (2001 to 2014)



Total full and part-time employment grew slightly in Lewis County from 2001 to 2014, gaining 243 jobs over the period.

Total Employment by Selected Industry (2001 to 2014)

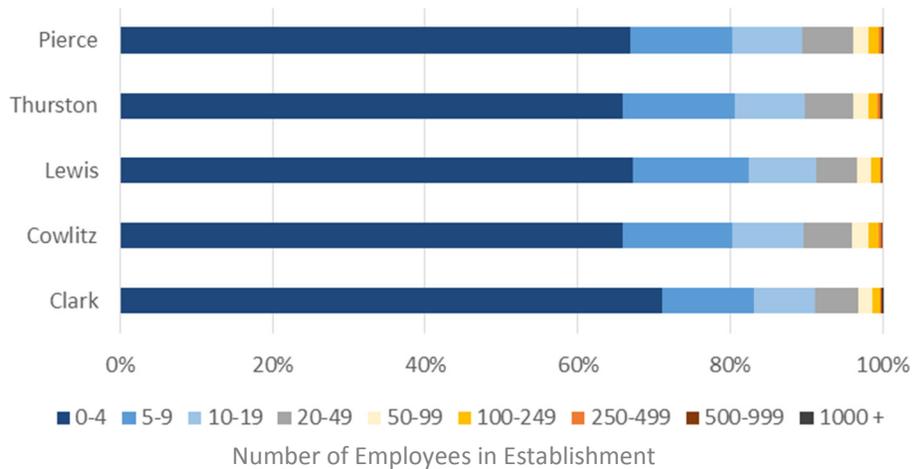


Significant job gains occurred in health care and social assistance (+951 jobs), manufacturing (+121 jobs), and retail (+96 jobs). Transportation and warehousing; forestry, fishing and related activities; and the construction industry experienced sizable employment declines (-848, -199 and -116 jobs respectively).

¹Total employment represents estimates of the number of jobs, including full-time and part-time employment. Full-time and part-time jobs are counted at equal weight. Employees, sole proprietors, and active partners are included, but unpaid family workers and volunteers are not.

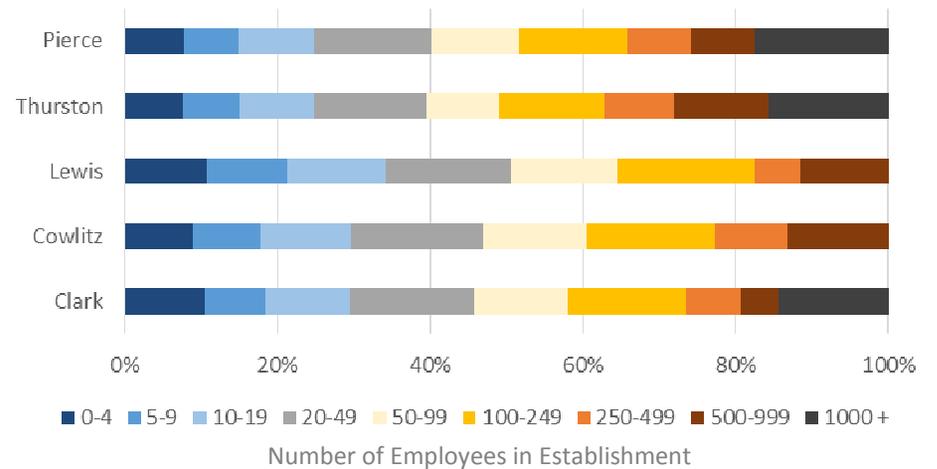
BUSINESS CHARACTERISTICS

Proportion of Total Businesses by Size of Establishment (2015)



The majority of businesses in Lewis County and adjacent counties were small establishments. Within Lewis County in 2015, 67.2 percent of businesses (or 1,658 total establishments) had four or less employees, and 91.3 percent of businesses had fewer than 20 employees. Of the neighboring counties, only Clark County had a comparable proportion of small business. Less than 1 percent of businesses within the counties had 250 or more employees.

Proportion of Total Employees by Size of Establishment (2015)



While small businesses accounted for the vast majority business firms, the total amount of jobs was much more distributed among different sized establishments.

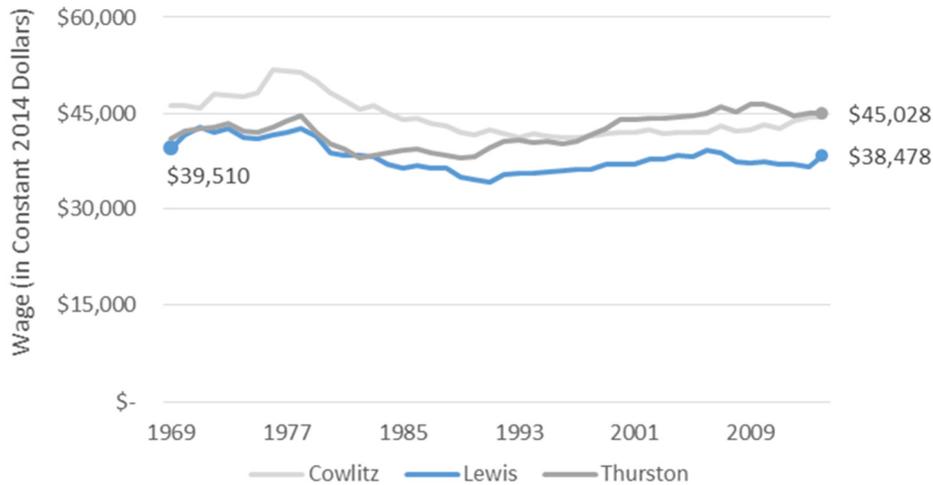
Within Lewis County, a total of 34.2 percent of employees worked for firms with less than 20 employees, and 35.6 percent work for firms with more than 100 employees.

Of the neighboring counties, Thurston County had the highest proportion of employees that worked in large firms, primarily as a result of the state government offices in the area.

¹Firm size is based on the number of employees that work for a firm. The calculation does not consider the entrepreneur as an employee, the reason that some businesses are shown as having no employees.

WAGES

Average Wage Per Job (1969 to 2014)

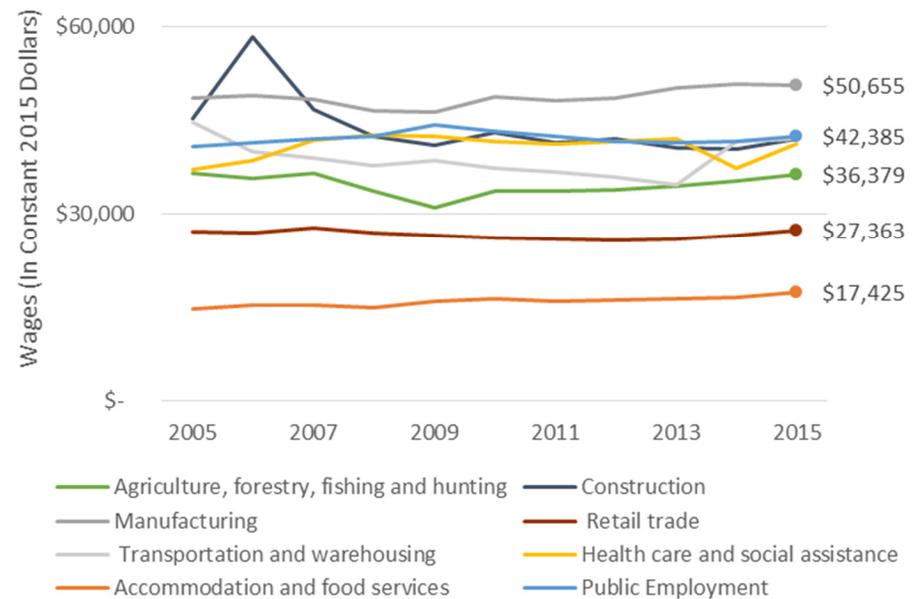


Average wages in Lewis County decreased slightly between 1969 and 2014 when adjusted for inflation (dropping from \$39,510 in 1969 to \$38,478 in 2014).

Cowlitz County—our neighbor to the south—also experienced a decline in wages over the period (from \$46,264 to \$44,502), though wages remained higher than Lewis County.

Thurston County—our neighbor to the north—saw steadily rising wages (from \$41,161 to \$45,028), though wages did decline as part of the recent recession.

Wages by Selected Industry (2005 to 2015)



Industries in Lewis County have typically mirrored this relatively flat wage growth over the past several years, though gains have been seen in industries such as health care and social assistance (+\$4,216), accommodation and food services (+\$2,678), manufacturing (+\$2,197) and government (+\$1,517).

The construction sector experienced the biggest loss in average wages among major industries (-\$3,245 when adjusted for inflation) since 2005. Transportation and warehousing (-\$2,735); and agriculture, forestry, fishing and hunting (-\$239) also saw declines in average annual wages (when adjusted for inflation).

¹“Wages by Selected Industries” are measured for covered employees. Covered employment measures all employed persons covered under the Unemployment Insurance Act . The measure accounts for approximately 75 percent of the total employment in Lewis County, and includes both part-time and temporary positions. Job categories not measured in the count include self-employed workers, proprietors, CEOs, military, and other non-insured workers. If a worker holds more than one job, each position is reported separately.

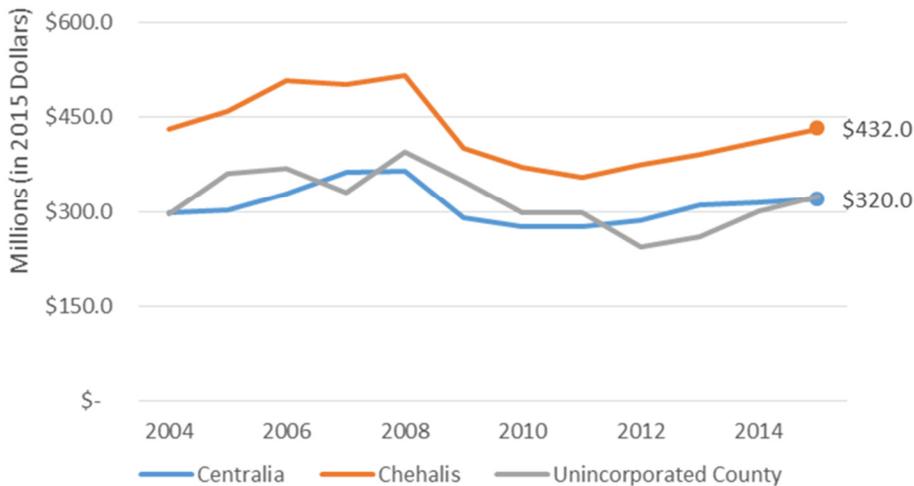
ECONOMIC ACTIVITY

Taxable retail sales in Lewis County have largely remained flat over the past several years (when adjusted for inflation). Taxable retail sales peaked in 2008, prior to the Great Recession, and have only recently rebounded to 2004 levels.

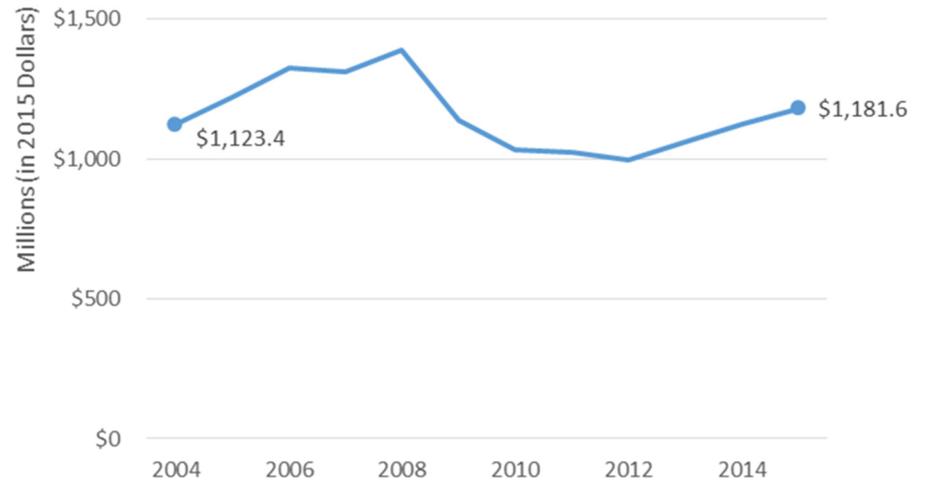
Of the incorporated jurisdictions in Lewis County, Chehalis had the highest amount of taxable retail sales in 2015 (\$432.0 million), and the highest proportion of taxable retail sales per resident (\$58,653). Centralia had the second highest amount of taxable retail sales — \$320.0 million in 2015.

Of the smaller jurisdictions, Morton had the highest amount of taxable retail sales (\$32.0 million). Morton additionally had the second highest amount of taxable retail sales per capita (\$28,433), due in part to the high amount of visitor spending in the community. Napavine had the second highest amount of taxable retail sales among the smaller jurisdictions (\$30.8 million).

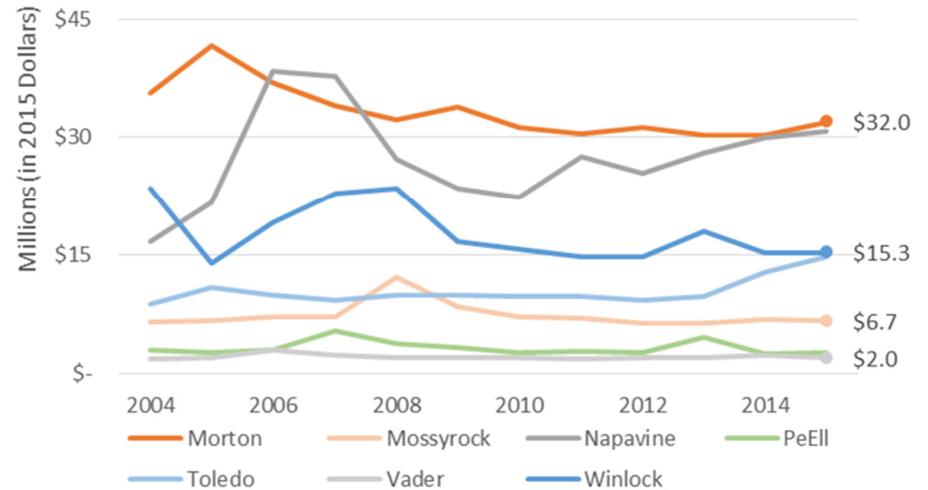
Taxable Retail Sales - Large Jurisdictions (2004 to 2015)



Taxable Retail Sales - Countywide (2004 to 2015)

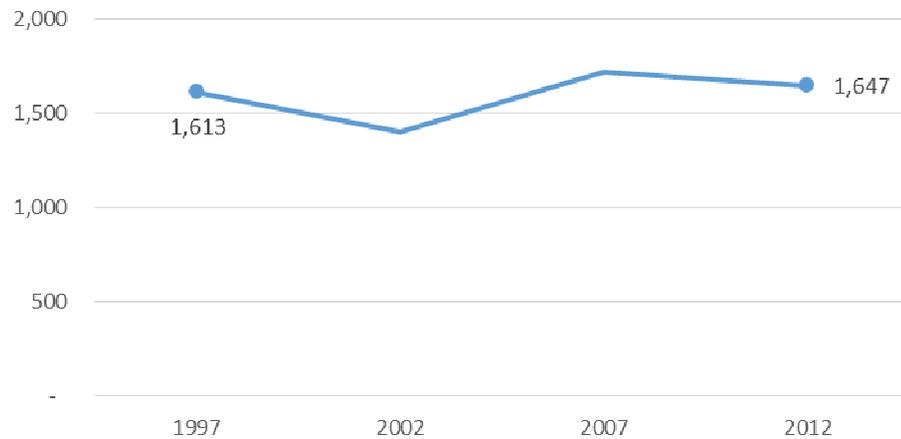


Taxable Retail Sales - Small Jurisdictions (2004 to 2015)

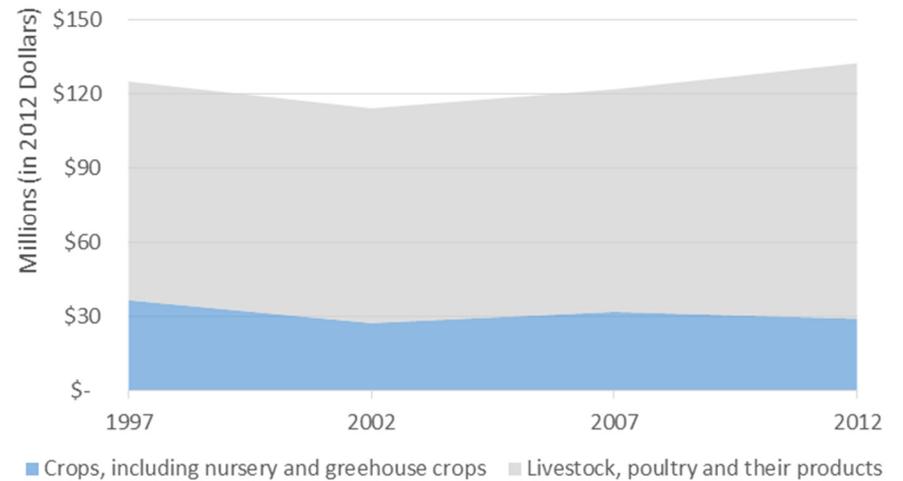


AGRICULTURAL ACTIVITY

Farms in Lewis County
(1997 to 2012)



Market Value of Agricultural Products
(1997 to 2012)



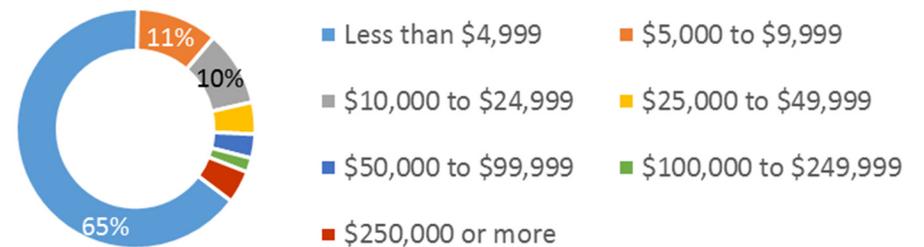
Proportion of Farms by Acreage
(2012)



The total number of farms in Lewis County remained relatively flat from 1997 to 2012.

The bulk of farms in 2012 ranged between 1 and 180 acres (89 percent of all farms) with almost half of all farms being between 10 and 49 acres in size.

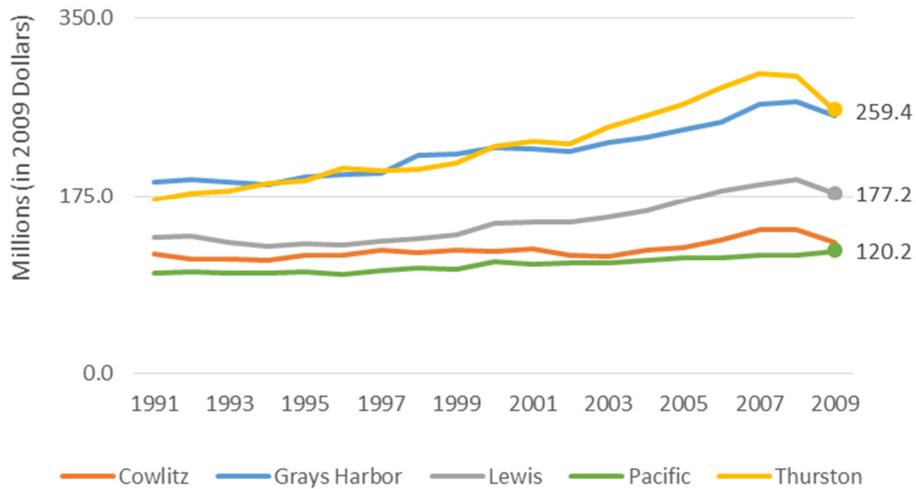
Proportion of Farms by Value of Sales
(2012)



The value of agricultural sales slightly increased from 1997 to 2012 (from roughly 125 million to 132 million when adjusted for inflation).

Only 24 percent of farms had sales greater than \$10,000 in 2012.

Travel Spending by County (1991 to 2009)



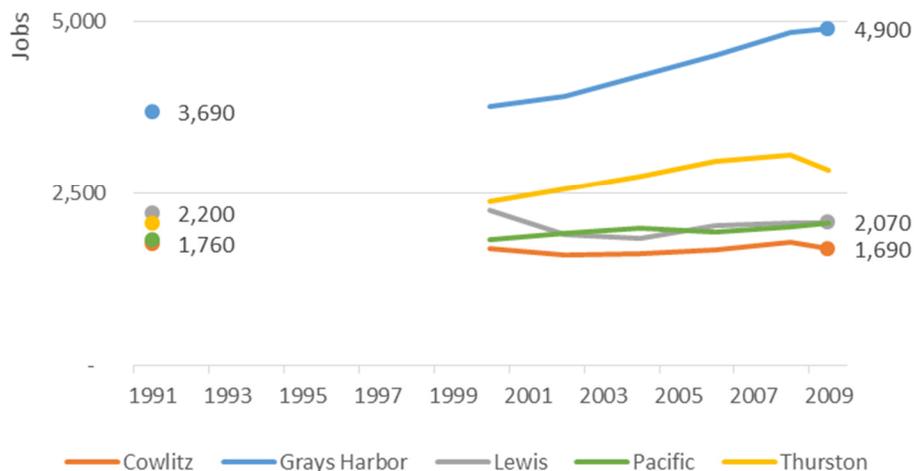
TOURIST ACTIVITY

Tourism spending increased from 1991 to 2009 (by roughly 43.3 million dollars per year when adjusted for inflation). The average annual rate of this change exceeded state averages (1.49 percent compared with 1.45 percent), but lagged behind Thurston County (2.2 percent) and Grays Harbor County (1.6 percent) over the period.

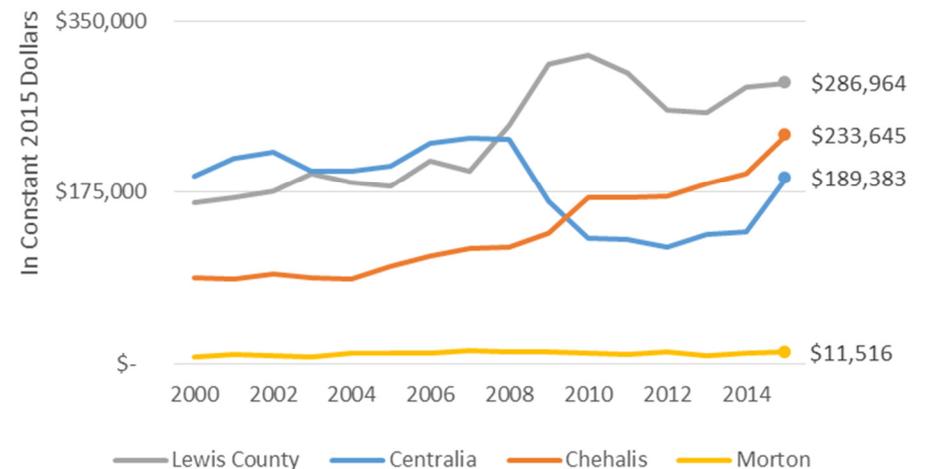
Interestingly, employment generated by travel spending dipped in the county from 1991 to 2009 (from 2,200 to 2,070 jobs) (according to Dean Runyan Associates, 2010). Cowlitz also experienced a decline (from 1,770 to 1,690 jobs), while Grays Harbor (+1,210), Thurston (+800), and Pacific (+240) saw gains.

Travel spending slowed as a whole as a result of the Great Recession, but hotel/motel stays (and the associated amount of Hotel/Motel Tax collected) remained higher than historic levels until 2011. Centralia experienced significant declines around the start of the Great Recession, and has not recovered since that point. The City did however experience major gains in hotel/motel stays in 2015.

Employment Generated by Travel Spending (1991, 2000 to 2009)



Hotel/Motel Tax Distribution (2000 to 2015)



ECONOMIC DEVELOPMENT GOALS AND POLICIES

Please note: these draft goals and policies have been changed and reordered from the current policies in the Economic Development Element of the Comprehensive Plan. Proposed additions to the language are underlined, and proposed deletions are struck-through. The current numbering has been retained for each of the goals, objectives and policies shown.

INCREASED WAGE LEVELS

ED GOAL 2:— Increase average wage levels in the County ~~to levels comparable with State median wages.~~

Policy 2.1

~~The County will identify family and living wage jobs as those equal to or greater than median wage for Washington State.~~

Policy 2.2

~~The County will w~~Work with ~~other~~ economic development organizations to attract industries that ~~paying~~ working family wages ~~that require underemployed skilled workers.~~

Policy 2.3

~~The County will s~~Support the development of diversified industrial facilities throughout Lewis C~~the~~ county.

DIVERSE EMPLOYMENT BASE

ED GOAL ~~Objective C~~: Promote a diverse range of jobs in a variety of sectors.

Policy 3.8

~~The County will s~~Strive to create~~upport a full range of jobs such as those necessary to support in sectors such as industry, as well as tourism, recreation, agriculture, natural resource processing, and retailing.~~

Policy ___ (Objective A):

~~Focus on~~Target business sectors that provide family wage jobs and match the skills mix of the existing workforce.

Policy 3.7

~~The County will place a priority on attracting~~Target basic industry sectors; ~~those~~ that export their goods and services outside the County, ~~thereby attracting and attract~~ new dollars into the community.

Policy 3.11

~~The County will f~~Facilitate the continued operation of resource-based industries such as agriculture, forest products, mineral extraction, and energy production activities.

Policy 3.9

~~The County will s~~support small businesses and cottage industries ~~businesses in rural areas that minimally impact productive on~~ agricultural, forest, or mineral resource lands.

Policy 3.10

~~The County will allow~~Allow home occupations ~~to be permitted anywhere in~~throughout the county, provided they do not adversely impact rural character.

Policy _____

Utilize the Growth Management Act standards for developments such as Master Planned Resorts, Master Planned Industrial, and Type ii and Type iii LAMIRDs, among others, to establish new areas for economic development.

Policy 3.12

~~The County will implement Growth Management Act provisions that facilitate industrial development of former surface coal mining land as provided in RCW 36.70A.368~~

TARGETED INDUSTRIES

ED GOAL ___ : **GOAL 3** — **Diversify and strengthen the economic base of Lewis County**

Objective A: Identify tTarget certain industry sectors **for as** ~~focusing high priorities for~~ economic development efforts.

Policy 3.1

~~The County will s~~Support economic development ~~efforts~~ activities that ~~will pursue~~ produce the types of jobs, industries, and businesses, and jobs that are well-suited for ~~appropriate~~ for Lewis County.

Policy 3.2

~~The County will p~~Provide incentives to businesses in targeted sectors. Consider ~~through~~ strategies such as ~~funding of~~ necessary infrastructure, development regulations that recognize the special

needs of these sectors, and financial incentives where applicable appropriate.

Policy 3.3

The County will support marketing efforts that attract targeted businesses in targeted sectors.

NATURAL RESOURCE INDUSTRIES

ED GOAL 4: – Develop the primary natural resources of the county in order to provide a growing and permanent economic base. Encourage vital natural resource industries in Lewis County.

Objective A. Preserve and enhance the County's resource-based economy.

Policy 4.2

The County will discourage incompatible development in resource areas.

Policy 4.3

The County will use public benefits taxation, and the purchase or transfer of development rights, and other strategies purchases and transfers to:

- protect existing natural resources from the conversion to non-resource uses, and
- Help ensure the long-term vitality of the resource industries.

Policy 4.1

The County will encourage the establishment of value-added resource industries that add value to the natural resource base.

Objective B: Provide for and encourage Foster the establishment and success of agricultural operations and food processing industries, and marketing of agricultural products.

Policy 4.4

The County will work to ensure that sufficient agricultural land, support services, and skills are available to encourage a healthy, economically viable and diversified agricultural economy, consistent with economic viability.

Policy 4.6

The County will work with the Washington State University Extension Service and local stakeholders to conserve and enhance existing agricultural efforts and support innovative farming approaches as an essential part of the local and regional economy and food and farm supply.

Policy 4.7

Work with the Washington State University Extension, and other organizations and individuals to promote The County will support efforts and/or organizations seeking agricultural diversity and sustainability.

Policy _____

Enhance the viability of farming in Lewis County through strategies such as marketing, promotion, agri tourism, business development, financing, agritourism, and specialty and niche agriculture.

Policy 6.12

~~The County will eNurture the encourage ability efforts of farms to generate on-farm, non-farming income through the use of barns, sheds, roads, (and other such infrastructure) in addition to the use of portions of the farm for non-farm economic activity that to help supports the economic viability of their agriculture operations. value of the farm.~~

Policy 6.11

~~The County will eEncourage on-farm housing for farm families and workers. y members to ensure continuation of the family farm and farm economy in Lewis County.~~

Policy 4.5

~~The County will pPromote the expansion of value-added food processing facilities and markets to showcase and support Lewis County's agricultural products.~~

Policy 4.8

~~The County will sSupport efforts to increase local and regional agricultural events and exhibitions in the area.~~

Policy ____

Advocate (at a federal and state level) for regulations that encourage local food production and processing.

Objective C: Provide for and encourage ~~timber harvest, and~~ management and manufacturing of forest products ~~manufacturing.~~

Policy 4.9

~~The County will mMaintain the existing base of commercial forestland base to assure the industry's continued vitality of timber production and processing.~~

Policy 4.10

~~The County will promote the expansion-Encourage expanded production of value-added production of forest products.~~

Objective D: ~~Provide for and e~~Encourage mineral extraction and processing.

Policy 4.11

~~The County will support-Permit mineral-related land uses on in forest and mineral resource areaslands that are compatible with the primary purpose of long-term economic resource values.~~

ENERGY

ED GOAL ____ : Objective E: Provide for and eEncourage energy-related industries and facilities in Lewis County-renewable energy generation facilities.

Policy 4.12

~~The County will sSupport the creation of new energy generation facilities, and the establishment of associated businesses that use a variety of new technologies to harness the power of renewable natural resources.~~

Policy 2.4

~~The County will pPromote the~~ increased production and availability of energy.

TOURISM

ED GOAL 7-: Develop the recreational and tourism potential of the areaLewis County.

Objective A: Encourage and support efforts to attract tourists.

Policy 7.3

~~The County will e~~Coordinate with local and regional destination marketing organizations to ~~prepare an updated comprehensive tourism plan~~ promote tourism.

Policy 7.1

~~The County will encourage~~ Promote cultural, recreational and social activities ~~that emphasizing~~ showcase the unique natural attractions, historic places, and activities ~~unique to this area~~ of Lewis County.

Policy 7.2

~~The County will encourage~~ Attract a variety of tourists, including individuals that visit for ~~business-related visitor activity, particularly business travelers and business,~~ food, nature and recreation events that attract visitors.

Policy 7.5

~~The County will e~~Encourage the use of, expansion of, and ~~improvements to~~ enhancements to, county, state and national parks.

Policy 7.6

~~The County will support efforts to construct a regional multi-use trail system.~~

Policy 7.4

~~The County will e~~Encourage the creation of Master Planned Resorts that meet established criteria.

Objective B: Provide infrastructure to support visitor activities and attractions.

Policy 7.7

~~The County will work with the State Department of Transportation and affected communities to designate and enhance scenic highways and routes.~~

Policy 7.8

~~The County will s~~Support the development of facilities and attractions that serve tourists.

Policy 7.9

~~Continue to~~ The County will iinvest its lodging tax collections in facilities and programs that maximize tourist activity and spending.

Policy 7.10

~~The County will support~~ Champion the creation of signage, maps, and other ~~items~~ means of identifying that showcase areas and features of interest.

Objective C: Promote and market visitor activities and attractions.

Policy 7.11

~~The County will s~~Support public/private efforts to ~~identify strategies and programs that will support and~~ promote tourism.

Policy 7.12

~~The County will provide and publicize access~~ Establish wayfinding for ~~to natural features and amenities that are tourism~~ tourist attractions.

ENTREPRENEURSHIP

ED GOAL : **Promote entrepreneurship in Lewis County.**

Policy ____

Identify existing technical assistance providers that promote entrepreneurship.

Policy ____

Identify current gaps in available services, and strategies to address those needs.

Policy ____

Better link entrepreneurs to available small business resources.

BUSINESS RETENTION

ED GOAL : ~~Objective B:~~ **Promote the retention and expansion of existing businesses.**

Policy ____

Work to improve communication between entrepreneurs and Lewis County.

Policy ____

Strive to understand common reasons for small business failure, and potential strategies to promote success.

Policy 3.5

The County will continue to support existing efforts for business retention and expansion.

Policy 3.6

~~The County will~~Continue to provide information and technical assistance to ~~assist~~promote the retention and expansion of existing businesses.

WORKFORCE TRAINING

ED GOAL 5: ~~– Ensure that~~ **Work to prepare the Lewis County workforce has the opportunity to be trained for present and potential employment opportunities, with special emphasis placed on increasing the employability of unemployed and underemployed persons.**

Objective A: ~~Promote~~View K-12 and continuing education as key components in the development of ~~to provide a~~ qualified workforce in all sectors.

Policy 5.1

~~The County will encourage improvement~~Promote the continued enhancement of the region's educational network, including K-12, vocational, and higher education.

Policy 5.2

~~The County will e~~Urgencourage partnerships of education providers school districts to ~~coordinate~~ collaborate on items such as class offerings, electives, apprenticeship training, and STEM programs (Science, Technology, Engineering, and Mathematics) facilities and staff resources, to ensure that smaller districts can offer a wide range of educational options for area students. ~~for high school degrees, remedial education, and general equivalency diploma programs.~~

Policy ____

Foster continued collaboration between school districts, Centralia College, the Economic Development Council and other organizations to prepare students for existing and future jobs.

Policy 5.3

~~The County will e~~ncourage continuing education, skills upgrading, mentoring and lifelong learning among area residents.

Objective B: Provide specific skills training for jobs in targeted sectors.

Policy 5.4

~~The County will s~~upport efforts-attempts to link employment and training activities with economic development programs.

Policy 5.6

~~The County will s~~upport joint ventures between the public and private sectors in training and technology partnerships with between local area education providers, schools and businesses.

Policy 5.7

~~The County will s~~upport private and public job training programs and apprenticeships and job training programs to meet the labor force needs of targeted businesses and industries.

Policy 5.5

~~The County will u~~se grants and other opportunities, such as grants and programs, to focus on absorbing and retraining displaced workers from declining industries.

PARTNERS FOR ECONOMIC DEVELOPMENT

~~ED GOAL ____—Objective B: Work to s~~**Strengthen partnerships with otherbetween public agencies and private organizations to pursue advance economic development opportunities.**

Policy 1.6

~~The County will support increased~~Encourage public-private partnering-partnerships among economic developmentall entities involved in economic development.

Policy 1.7

~~The County will w~~ork with partner entities ork with local partners to update, monitor, and pursue the strategies-proposals in the Southwest Washington Economic Development Commission Comprehensive Economic Development Strategy.

FUNDING

~~ED GOAL ____—Objective C: Pursue funding for economic development-projects.~~

Policy 1.8

~~The County will participate in obtaining~~Pursue grants and loans that will support the establishment or expansion or establishment of businesses and industries.

ADEQUATE INFRASTRUCTURE

~~GOAL 6 — Provide adequate public services, facilities and sites to encourage, support, and complement economic growth.~~

ED GOAL ~~Objective A:~~ **Ensure necessary infrastructure is available to support private investment in land and facilities.**

Policy 6.4

~~The County will invest in key infrastructure improvements~~
infrastructure that supports economic development.

Policy 6.1

~~The County will continue to work jointly~~
Work with other jurisdictions local, state and federal agencies, as well as the private sector, to coordinate capital facilities plans and funding strategies.

Policy 6.2

~~The County will recognize the importance of integrated transportation planning for adequate~~
including road, rail, air and non-motorized transportation infrastructure, and work where appropriate to support transportation access to commercial, industrial and recreational sites.

Policy 6.3

~~The County will work with service utility providers for power and communications networks and evolving technologies~~ to support existing and future business development.

Policy

Promote the creation of a countywide broadband network.

Policy 6.5

~~The County will work~~
Work with State agencies ~~regulating~~
that regulate water rights to ensure the long-term availability of water for economic development.

BUILDABLE LANDS

ED GOAL ~~: Objective B:~~ **Assure that adequate lands are available to support industrial and commercial development.**

Policy 6.6

~~The County will maintain~~
Maintain updated estimates of the 20-year demand for industrial and commercial lands and ~~will~~
will consider 50-year forecasting needs.

Policy 6.7

~~The County will plan to~~
eEnsure that adequate amounts of properly zoned and located lands are available to sustain economic growth.

Policy 6.8

~~The County will~~
dDesignate new sites for industrial use at locations that are accessible, served by utilities, and free of major environmental constraints.

Policy 6.9

~~The County will promote commercial and industrial~~
infill development ~~of on~~ vacant and underutilized commercial and industrial lands within incorporated places, urban growth areas, and limited areas of more intense rural development.

Policy 3.4

~~The County will~~
eEngage in subarea planning to develop strategies that strengthen development and growth opportunities ~~through~~

consideration of UGAs, infrastructure and targeted industries in certain areas.

REGULATORY CLIMATE

~~GOAL 1 — Provide positive economic climate to retain and allow expansion of existing businesses and attract new investment.~~

~~ED GOAL Objective A:~~ Provide a regulatory climate that facilitates economic development.

Policy 1.2

~~The County will provide for~~ Offer certainty, consistency, and timely processing of land use permits.

Policy 1.3

~~The County will assist~~ persons/individuals and businesses in understanding and working through regulations and the permit processes.

Policy 1.4

~~The County will work with~~ other local, state, and federal agencies to coordinate and streamline project and environmental review.

Policy 1.1

~~The County will review~~ Periodically evaluate all County regulations, development-related requirements and procedures, and taxes and fees for the purpose of assuring to ensure that Lewis County is competitive with other Counties along the I-5 corridor.

Policy 1.5

~~The County will~~ Where possible, conduct the environmental review of comprehensive plans and subarea plans in sufficient detail to reduce the need for additional analysis for specific projects that are consistent with the plans.

QUALITY OF LIFE

~~ED GOAL~~ : Enhance the quality of life in Lewis County.

Policy

~~Strive to enhance the historic downtowns of Lewis County communities.~~

Policy

~~Work to implement the “Great Outdoors Concept” (included within the Land Use Element of this plan) to help connect existing settlements to their surrounding natural amenities.~~

Policy 6.10

~~Support social service agencies and programs that address community needs, Recognizing recognizing that quality of life is important to a vital component of economic development, the County should support social service agencies and programs that address community needs.~~