

LINCOLN COUNTY, WASHINGTON ECONOMIC DEVELOPMENT STRATEGY

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SUMMARY BACKGROUND

LOCATION

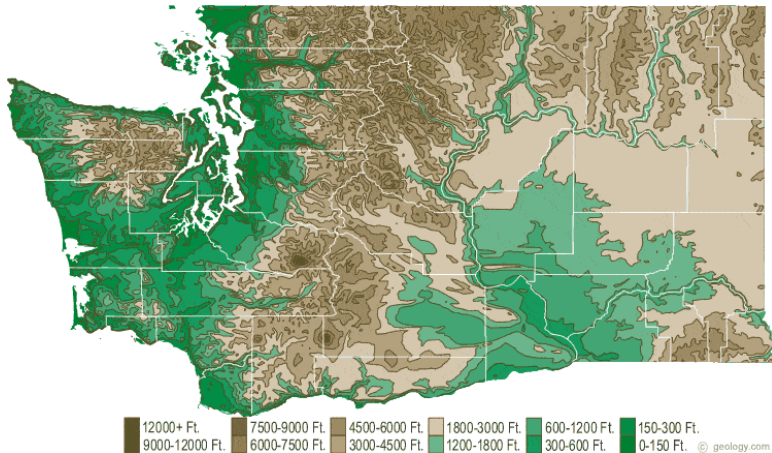


Lincoln County is located in central eastern Washington State. Of the 39 counties in Washington, Lincoln is the 7th largest by land area at 2,311 square miles. The county is bounded to the north by Stevens, Ferry, and Okanogan Counties; to the west by Grant County; to the south by Adams and Whitman Counties; and to the east by Spokane County.

The City of Spokane in Spokane County is the nearest urban area for the east half of the county. Spokane is the wholesale and retail trade and service center for the 80,000-square-mile Inland Northwest.

The City of Moses Lake in Grant County is the nearest urban area for the west half of the county. Moses Lake is a growing industrial hub with a growing population and the amenities that come with job growth.

GEOGRAPHY AND CLIMATE



Situated in Washington’s north central Columbia Basin, Lincoln County is composed of fertile rolling hills, channeled scablands, and deep canyons that descend into Lake Roosevelt, a reservoir formed by Grand Coulee Dam. Average elevations in the south west are approximately 1500 feet above sea level, rising steadily to the north and east to approximately 2600 feet, before plunging down 1300-foot-tall basalt cliffs to the lake. Average monthly temperatures range from below freezing in mid-winter to highs around 80 degrees Fahrenheit in mid-

summer. Average annual precipitation is comparable to the surrounding region, with 12 inches in the west to 20 inches in the east.

NATURAL RESOURCES

SOIL

The soil found on Lincoln County's rolling hills is loess and is the result of tens of thousands of years of wind-blown dust and silt.



Loess is the reason 73% of Lincoln County is in agricultural production. It is ideal for wheat, hay, barley, dry peas, and dry beans. Lincoln County farmers consistently produce the second largest wheat crop in the state and are in the top five counties for the nation.

The same soil and climate are ideal for growing wine grapes. Lincoln County includes the northeastern tip of the Columbia Valley AVA Wine Region where Bordeaux grape varieties thrive. Early settlers planted grape vines here and today grapes are grown at the Whitestone vineyard overlooking Lake Roosevelt.



Where soil is missing, basalt is found. Lincoln County lies within the Columbia River Basalt Group where basalt lava flowed millions of years ago and left an abundant resource that measures between one and three miles in depth. Commercial mining of basalt is permitted and mining operations provide vitally needed construction materials for property development, road

construction, and railroad ballast.

WATER

The Lake Roosevelt National Recreation Area, a property of the National Park System, forms the entire northern boundary of the county. Lake Roosevelt is the reservoir created by Grand Coulee Dam in 1941 and at 151 miles long, the reservoir is now the largest lake in Washington State. Even though Lincoln County borders the state's largest lake, the population relies on groundwater from the aquifers of the Columbia Basin for municipal use and for a majority of private wells. The Odessa aquifer provides water for a

four-county region with 137 Group A community water systems serving approximately 90,000 residents and is a threatened resource.

The United States Geological Service (1), Columbia Basin Groundwater Management Area studies (2), the Washington State Department of Ecology, and the Lincoln County Conservation District (3) have documented declining groundwater in the Odessa aquifer due to agricultural irrigation and a lack of recharge. The majority of the agricultural wells, some with water rights dating back to the 1960s, were meant to be a stopgap until the United States Bureau of Reclamation completed its Columbia Basin Project. The project stalled in the 1970s due to funding and ecological issues and instead of phasing out groundwater use as planned, pumping of the aquifers increased for nearly 50 years. The result is groundwater declines of more than 200 feet in some areas. Some portions of these aquifers contain ancient water that is not readily recharged.

Without water there is no economic development and the declining aquifer represents a threat to Lincoln County's prosperity. Lincoln County governments and the Economic Development Council have joined with the Bureau of Reclamation, Washington State Department of Health, Washington State Department of Ecology, County Conservation Districts, County Health Districts, and farmers, ranchers and landowners to support economic resilience and protect and maintain a water supply for present and future generations of the Columbia Basin.

POPULATION

Population estimates from the Washington State Office of Financial Management are used in state program administration; in the allocation of selected state revenues; and in the development of this economic development strategy. The Office of Financial Management estimated Lincoln County's population to be 10,960 as of April 2019, the most recent available. The population percent change between the 2010 census and 2019 was 3.7% while the state's percent change for the same 10 year period was 13.2%. (4)

Both the regional economist for the Employment Security Department and the Lincoln County Economic Development Council believe that Lincoln County’s population will increase due to industrial growth on the West Plains of neighboring Spokane County – especially the Amazon Distribution Center that is expected to hire up to 1,500 workers prior to a scheduled opening in 2020.

COMMUNITIES

Of the multiple communities in Lincoln County, eight are incorporated and recognized by the US Census Bureau. These municipalities and their 2019 estimated populations are Almira (275), Creston (225), Davenport (1730), Harrington (415), Odessa (910), Reardan (580), Sprague (440), and Wilbur (890). These cities and towns account for 49.9% of the county’s population. The rest of the population lives in unincorporated areas on farms or ranches, in grain elevator communities, and along the southern border of Lake Roosevelt National Recreation Area, the most rapidly developing area in the county.

The population in 2019 was predominantly white. Of residents over the age of 25 years, 91.4% are high school graduates and 23.6% hold a 4-year college degree or higher. At 25.6%, the 65 and over group is the fastest growing. (5) Rural Lincoln County tends to grow slower and to have an older population than is typical for the state and nation.

When discussing community, it is important to include the two key metro areas that provide urban amenities to Lincoln County’s citizens. The City of Spokane, population 220,000, is directly east of Lincoln County via State Highway 2. Residents living in the eastern two-thirds of Lincoln County travel to Spokane for big box shopping, mall shopping, sports, and entertainment. The majority of Lincoln County’s commuters are working in the Spokane region. The City of Moses Lake, population 24,220, is southwest via State Highway 2 or Interstate 90. The western third of Lincoln County goes to Moses Lake for big box shopping and mall shopping. The Port of Moses Lake operates the Grant County International Airport, an industrial park, and the foreign trade zone that includes Lincoln County.

WORKFORCE AND EMPLOYMENT

According to Employment Security Department statistics for the first nine months of 2019, Lincoln County had an average nonfarm labor force of 5,139, a 1.58% increase over the previous year. Goods-producing employment during that period averaged 340, the same level as 2018. Service-providing employment averaged 2,200, down from the 2018 average of 2,339. Most of that decrease is associated with public schools which faced employment cuts on the heels of *McCleary v. Washington*, a case that resulted in fully funding public schools. Non-school government employment averaged 1,120 in 2019, also down from 2018. Still, school and government employment constitutes nearly half of all jobs in the county.

Aside from government and school employment, 54% of the remaining workforce is employed outside the county. That equates to 1,613 residents commuting out every workday and creates a weakness in the local economy. Not only do commuters take their skill set outside the county, but they typically make a majority of their retail sales outside the county as well. The outflow of labor also makes it more difficult for local employers to fill vacant positions.

UNEMPLOYMENT RATE

The county unemployment rate for the first nine months of 2019 averaged 5.2%, an increase from the 4.9% for the same period a year earlier. Lincoln County's unemployment rate fluctuates throughout the year, reflecting seasonal employment, with lows in the summer and highs in the winter.

EMPLOYMENT BY AGE & GENDER

The largest job holder group in Lincoln County in 2018, the most recent year for which information is available, was the 55+ age group with 32.1% of the workforce. In the same year, 51.3% of all industry jobs were held by men and 48.6% were held by women. Male dominated industries included agriculture (82.8%), construction (85.8%), transportation and warehousing (76.5%),

administrative and waste management (64.8%), and wholesale trade (65.4%). Female-dominated industries included professional, scientific, and technical services (84.9%), finance and insurance (77.5%), healthcare and social assistance (76.6%), accommodation and food services (75.2%) and educational services (65.4%). (6) Statistics on age and gender reflect only workers covered by state unemployment insurance.

INCOME AND WAGES

In 2018, the most recent year for which information is available, there were 2,862 jobs covered by unemployment insurance with a total payroll of \$109.6 million. The average wage was \$38,297, which is below the state's average wage of \$66,195. In 2018 Lincoln County ranked 33rd of 39 counties in the state for average annual wages. Statistics on income and wages reflect only workers covered by state unemployment insurance.

Personal income includes not only wages and other earned income, but also investment income and government payments such as Social Security and Veterans Benefits. Investment income includes income attributed to pension funds and income gained from owning a home. In 2017, the most recent year for which information is available, the per capita income (total personal income divided by the resident population) was \$43,145 which is below the nation's per capita income of \$51,640. Median household income (the amount that divides income distribution into two equal groups, half having income above and half having income below) from 2013 to 2017 was \$49,460, below the state's \$66,174.

Over the period of 2013 to 2017, 12.6% of Lincoln County's population was living below the poverty level, compared to 10.3% of the state.

WORKFORCE TRAINING

There are no post K-12 educational facilities in Lincoln County. This is a weakness that results in youth outmigration. The nearest universities, colleges and skill centers are located in neighboring counties. Spokane County has four universities, two community

colleges, multiple trade schools, and three entrepreneurship incubators. Grant County has Big Bend Community College in Moses Lake which offers workforce training programs for the region's core industries. Institutions have turned down requests for satellite sites due to the close proximity to their brick and mortar institutions.

SKILL CENTER & APPRENTICESHIPS

The Davenport School District partners with leaders from two of Lincoln County's strongest sectors, healthcare and construction, to provide workforce training for high school students. Both industries have struggled to fill positions as they expand and the skill center was specifically developed to help fill these workforce shortages while helping local youth develop careers that provide family wage jobs without leaving home.

The school's pre-nursing program is a partnership with Lincoln Hospital District 3 in Davenport. The healthcare course prepares students for employment as a certified nursing assistant in hospitals, clinics, nursing homes, long-term care facilities, and home or community health agencies. Students who continue toward an advanced career in medicine can return to Lincoln County through Washington State University's College of Medicine clinical partnership program. Lincoln Hospital and Clinics are partners and students work alongside doctors in five facilities. The Lincoln Hospital Foundation awards scholarships to students who have been accepted into five eligible areas of study. Preference is given to applicants who have graduated from a high school in Lincoln County and who plan to return to Lincoln County after they graduate. The school's construction trades course prepares students to apply a wide range of technical knowledge and skills. Students receive OSHA-10 certification upon graduation. Davenport-based Halme Builders participates in the Washington State Department of Labor and Industries registered apprenticeship program for carpenters and construction equipment operators. The employer-sponsored apprenticeship programs offer both on-the-job training with a journey-level professional and classroom instruction. Upon completion of the program apprentices receive a state-issued industry credential.

HOUSING AND HOUSEHOLD

According to the U.S. Census Bureau, there were 6,083 housing units in 2018. Of those 6,083 units, 79.2% were owner-occupied and the average household size was 2.3 persons. The median value (the amount that divides housing values into two equal groups, half having values above and half having values below) of owner-occupied housing units was \$153,800. The median monthly owner cost, including mortgage, was \$1,159.

Lincoln County municipalities have seen minimal investment in housing for several decades due to low population growth. However, with dynamic job growth taking place in neighboring Spokane County, demand is increasing and the lack of housing stock has become a weakness. Urban developers have shown little interest in Lincoln County because demand in urban areas remains high and is more profitable. Most new construction that has taken place recently can be attributed to local contractors.

The one outlier is housing that borders Lake Roosevelt National Recreation Area, a property of the National Park Service that establishes the entire northern border of Lincoln County. Homes there enjoy dramatic views of Lake Roosevelt and convenient access to the recreational opportunities that the lake affords. This unincorporated region accounts for a large number of building permits issued in Lincoln County and is primarily retirement and vacation homes. Development near the lake launched prior to the economic downturn of 2007, then went cold until the economy began to recover. The initial activity brought development infrastructure and the more recent investment has been in homes.

TRANSPORTATION

Every region has unique characteristics that shape their transportation system. Transportation patterns generally follow land use and for Lincoln County those uses are dominated by agriculture, distribution, and destination recreation. The transportation system is summarized by mode below.

ROADWAY NETWORK

The communities in Lincoln County are supported by 2,366 miles of roadway. The county and its municipalities maintain approximately 2,075 miles of tertiary roads, of which 1,500 are unpaved. The balance are maintained by the state. Two of the state's major east-west corridors, Interstate-90 and US Highway 2, carry significant traffic through the county. Interstate-90 crosses the southeastern corner of the county and provides access to the county's Opportunity Zone. According to the Washington State Department of Transportation (WSDOT), the interstate saw an average daily traffic volume of 20,000 vehicles roll through Lincoln County in 2018, up from 19,000 trips in 2017. (7) US Highway 2 bisects the county and in 2018 carried an average daily traffic volume of 1,100 on the west end of the county where it borders Grant County and 6,600 on the east end of the county where it borders Spokane County, emphasizing Spokane's influence as an origin and destination. Less traveled State Route 28 also runs east-west with north-south corridors being State Routes 21, 23, 25, 174, and 231.

Every municipality in Lincoln County has grain storage elevators and a majority of the county's routes are rated T-3 (300,000 - 4 M tons/year) by the WSDOT Freight and Goods Transportation System to support the need to transport agricultural products to these elevators. An exception is a much needed truck route upgrade planned for an industrial area in Davenport that supports several large grain elevators and other industrial occupants. The currently unpaved route is inadequate for the high volume of truck traffic generated and crosses through a residential neighborhood. When constructed, the updated route will be paved for ag transport, will continue to serve the CW Branch of the Palouse River Coulee City Line railway, and will avoid residential impacts.

RIVER TRANSPORTATION

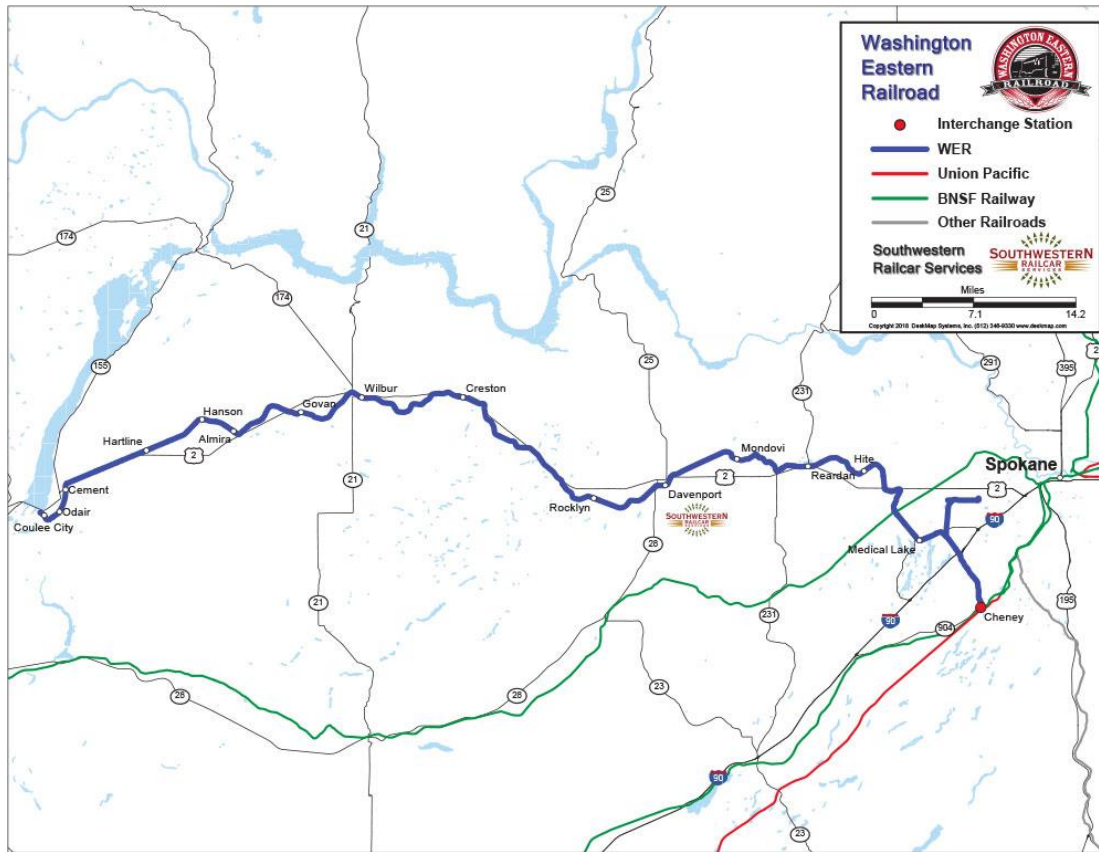
The Columbia and Spokane Rivers form the northern border of Lincoln County. They compose a significant body of water, Lake Roosevelt, a National Recreation Area that provides many recreational opportunities as well as being a Federal Navigable Waterway. These rivers present a significant barrier to north-south traffic surmounted at only three points; a bridge at Little Falls Dam on State Route 231, a bridge on State Route 25 at the confluence of the Spokane and Columbia rivers, and by a WSDOT operated ferry on State Route 21 at Keller, fourteen miles north of Wilbur and US Highway 2. The Keller Ferry transports approximately 60,000 vehicles each year.

The Columbia River provides the state with the means to transport a significant amount of grain and other commodities. It provides links to port districts from Grant County to the north to the Port of Lewiston to the east and provides access to the Pacific Ocean via the Port of Pasco to the south. This system constitutes about 465 river miles from the mouth of the Columbia River. The ability to provide barge service to central Washington is critical in maintaining competitiveness and in providing locally produced agricultural products to world-wide markets. Washington-grown or processed food and agricultural products exported in 2018 were valued at \$6.7 billion and pass-through exports added an additional \$8.3 billion. Wheat was the state's 5th largest export in 2018 and is Lincoln County's top export with up to 90% of wheat grown in Lincoln County being exported, according to the Washington Department of Agriculture. (8)

RAILROADS

Three railroad owners operate four sets of track in Lincoln County. The Burlington Northern Santa Fe Railway (BNSF) provides Class I mainline service through Lincoln County and on to points south and west on two sets of track. Both lines pass through the southern half of the county. BNSF provides service to grain elevators in the municipalities of Sprague, Odessa, and Harrington and to additional grain elevators in the county's unincorporated areas. Wheat is the core product shipped directly out of Lincoln County

from these rail stops. Union Pacific Railroad provides Class I mainline service from Spokane to the Tri-Cities on one track, passing



through the southeastern corner of the county.

The fourth line and the line that most directly impacts Lincoln County’s economy is the CW Branch of the Palouse River Coulee City Line, owned by the Washington State Department of Transportation. The CW Branch is leased to and operated by privately-owned Washington Eastern Railroad, LLC, headquartered in Medical Lake, Washington. The CW Branch crosses through the northern portion of Lincoln County, roughly parallel to US Highway 2. The 108-mile branch lies between Coulee City to the west and Cheney to the east where it connects with a BNSF Railway

main line. The BNSF Railway currently has trackage rights over the CW Branch. The CW is primarily used for shipping grain and other agriculture-related products. The line is currently downgraded to a Class III line and as of early 2020 railcars are limited to 263,000 pounds and speed is limited to 12 miles per hour. WSDOT is working to return the capability of handling 286,000-pound cars at speeds up to 25 miles per hour (FRA Class II track). The cost to accomplish this is estimated to be \$64 million and rehabilitation is already underway. Approximately \$4 million will be invested in 2020 and an additional \$6.7 million every two years has been allocated by the Legislature to continue rehabilitation. That funding sunsets in 2031.

Track rehabilitation will avoid a repeat of an economically damaging rail stoppage that occurred in 2005. Unsafe track conditions caused the CW Branch to shut down, resulting in an increase in transportation costs to farmers which made continued farming hard to justify. Lincoln County's local economy and Washington State's agricultural export market both took financial hits when many farmers chose to put their acreage in to the Conservation Reserve Program (CRP).

The Geiger Spur, a five-mile-long rail spur that connects to the CW Branch in west Spokane County, will soon connect to a transload facility where shipments are transferred from trucks to rail and rail to trucks. The Spokane International Airport received an \$11.3 million BUILD grant from the U.S. Department of Transportation in November, 2019 to build the transloader. The project will make access to the CW Branch short line rail more beneficial for industry which in turn will make rail access in Lincoln County more attractive. The spur and transload facility will connect Lincoln County to a robust freight infrastructure network.

PRIVATE RAIL INVESTMENT

Since 2007, private investments in facilities either on the CW Branch or on facilities that receive commodities from the system have totaled over \$34 million.

The McGregor Company, the largest independent fertilizer company in the Pacific Northwest, invested in a rail siding on the CW



Branch near Creston in 2012. The company transformed a nonoperational biodiesel plant from an environmental hazard into a clean, compliant agri-chemical facility that utilizes rail to receive fertilizer inputs. The facility is rail dependent and would have to relocate if rail service terminated. Investment totals approximately \$4.2 million.

HighLine Grain Growers, Inc., a grain management group, built a grain terminal and rail loading facility near Four Lakes, Washington in 2014. The elevator can stockpile 2 million bushels of grain products and accommodate a 110-car unit train operated by BNSF



Railway. HighLine Grain Growers is a cooperative formed of five formerly-independent cooperatives, four of which operate elevators in Lincoln County. Lincoln County grain is transported to HighLine Grain Growers where it is combined to create larger shipments. The terminal was built in Spokane County to take advantage of BNSF's capability to run 110-car

units, however it benefits Lincoln County farmers through more cost-effective transport to market. Investment totals approximately \$30 million.

AIRPORTS

Lincoln County has three public-use airports, located in Davenport, Odessa, and Wilbur. These airports serve an important function within the overall regional transportation system. They support a variety of general aviation activities including personal and business travel, air ambulance access, agricultural aerial application, wildfire protection services, recreational flying, flight training, aircraft testing, and other uses. Scheduled commercial air service is not provided at any Lincoln County airport and air freight does not make up a significant portion of the traffic.

All three airports are included in the FAA's National Plan of Integrated Airport Systems (NPIAS). (9) The NPIAS identifies more than 3,300 airports, nationwide, that are significant to national air transportation and thus eligible to receive Federal grants under the Airport Improvement Program (AIP). (10) These county airports have performed recent master plan or airport layout plan (ALP) updates that serve as an official inventory of existing airport facilities and provide planning guidance for future airport development.

Davenport Municipal Airport (68S) is located on the west end of Davenport. The airport offers 24/7 coded access at the gate; 24/7 self-serve cardlock fuel; and a pilot's lounge with restroom, shower, WIFI, lounge, and a flight planning area. The Davenport airport will undertake a runway expansion and rehabilitation project in 2021. The main runway will be moved west to enable locating the entire Aircraft Protection Zone within the airport's property and fence. The runway will also be extended an additional five hundred feet to a length of 3,260'; widened to 60'; and will receive new lighting and a PAPI system.



Davenport's new Airport Layout Plan includes the repurposing of a closed crosswind runway to allow improved taxi and other access to existing facilities; additional hangar space; and a proposed light industrial area at the north end of the airport. Adding a light industrial area is an economic development project supported by the county's EDC as demand outpaces supply for light industrial space in the county. Davenport's airport is also getting increased attention from pilots in neighboring Spokane County as that county's airports reach maximum capacity.

Odessa Municipal Airport (43D) is located one mile north of the Town of Odessa. The airport is publically owned and operated by the town. Odessa's runway is 3,124' long and 58' wide with an asphalt surface and lighting. Tie downs are available for parking. A significant runway rehabilitation and safety improvement project was completed in 2019. The Odessa airport is located within the Lincoln County Opportunity Zone, making it ripe for investment.

Wilbur Municipal Airport (2S8) is located 2 miles west of the Town of Wilbur. The airport is publically owned and is operated by the town. Wilbur's runway is 3,850' long and 60' wide with an asphalt surface and lighting. Fuel is available as are tie downs for parking. Current investment projects planned include FAA-compliance improvements to the runway; adding a helicopter pad to better accommodate wildfire protection use; drilling a water well; and adding an enclosed pilot's space.

The nearest airport offering commercial passenger service is Spokane International Airport, located 15 miles east of Lincoln County.

OTHER MODES

Amenities for pedestrian, bicycle, and motorcycle use are available in communities throughout the county, however Lincoln County's cities and towns are intrinsically pedestrian-friendly due to their small size. Given the light traffic volumes on many of the county roadways, these roadways see a lot of use from regional bicycle clubs.

Public transportation services are limited. People for People, a non-profit transit service from outside the county, provides paratransit services in Lincoln County to special needs populations and limited intercity service between Coulee Dam, Grand Coulee, Wilbur, Creston and Davenport. Special Mobility Services, a non-profit Medicaid transportation service from outside the county, provides bus services to the general public between Davenport and Spokane. Medical Assistance Administration provides transportation for non-emergency medical visits for Medicaid eligible individuals with no other way to reach an approved medical service.

TRANSPORTATION PLANNING

Lincoln, Adams, Grant and Kittitas Counties make up the Quad County Regional Transportation Planning Organization (QUADCO RTPO) under the provisions of the 1990 Growth Management Act. Geographically, the RTPO covers an area of 9,214 square miles of central and eastern Washington. In 1994 the QUADCO RTPO adopted the initial Regional Transportation Plan (RTP). The 2017 RTP (most current) was approved on December 8, 2016. (11) The primary purpose of the RTP is to provide a forum for continuing, cooperative, and comprehensive transportation planning and decision-making among the member agencies and plays an important role in achieving consistency between state, county, city, and town plans and policies. This includes identifying future improvements; determining model priorities; and determine funding strategies to correct transportation system deficiencies.

An analysis of the transportation network specific to Lincoln County can be found in within the Transportation and Circulation Element of the county's Comprehensive Plan. (12)

POWER UTILITIES

Two electrical utilities serve Lincoln County. Avista Utilities, an investor-owned corporation, provides electricity and natural gas to most municipalities and communities in the county. Inland Power and Light, an electric cooperative, provides electricity to a majority of the unincorporated areas of the county.

A 115-kV transmission line belonging to the Bonneville Power Administration, a nonprofit federal power marketing administration, cut across Lincoln County heading east from Grand Coulee Dam. Congress authorized the BPA to sell and deliver power from federal dams, including nearby Grand Coulee Dam, and now owns one of the largest high-voltage transmission systems in the nation.

WATER UTILITIES

There are twenty-eight operating Group A water systems in the county. Group A systems have 15 or more service connections or serve 25 or more people 60 or more days per year and system operators are certified and overseen by Washington's Department of Ecology and the Department of Health. Eight of those are municipal water systems operated by city and town public works departments. The other twenty systems serve unincorporated communities, campgrounds, and marinas. For other unincorporated areas the only alternative is to dig a private well. As with Group A water systems, the Department of Health regulates wells. In all cases, the Department of Ecology regulates water rights.

PHONE UTILITIES

Lincoln County's landline phone service is provided by CenturyLink, Inc., a communications and network services telecom headquartered in Monroe, Louisiana.

BROADBAND UTILITIES

Lincoln County's internet access options include DSL, fixed wireless, satellite, and mobile cellular service. CenturyLink provides DSL internet-access throughout the county. Because of topography, wireless, satellite, and mobile connections can be spotty and

unreliable, leaving DSL as the only option for much of the county, including a majority of businesses. This is a concern because this provider is experiencing exhaust; is limiting its level of service to existing customers and denying DSL access to new customers; and has chosen not to invest in the infrastructure due to the county's low population. Cable companies in neighboring counties also choose not to invest in Lincoln County due to the population. A lack of strong broadband options jeopardizes business retention, expansion, and diversification.

The Economic Development Council, Lincoln County's broadband planning entity, is working to mitigate these negative impacts. As of early 2020 a broadband planning grant is being used to determine the best way to leverage available telecommunication assets by developing a network that would bring fiber to the home and business in municipalities and high speed wireless service to the county's unincorporated areas.

PRODUCTION OF GOODS AND SERVICES

Production of goods and services in Lincoln County can be summarized by looking at the county's Gross Regional Product (GRP). GRP measures the final market value of all goods and services produced within an area using the North American Industry Classification System (NAICS). The system is widely used by business and government to evaluate a region's economy, including GRP. For the year 2018, the most recent available, Lincoln County's total GRP was \$303,877,188; up from \$297,577,190 for 2017.

The following **Table** lists final market value for Lincoln County industries *with values of \$1 million or greater*. It compares 2018 in the right-hand column to 2008, ten years earlier, in the left-hand column. The complete table with industries of all values can be found in the Appendix. (13)

NAICS	Industry	2008 GRP	2018 GRP
111000	Crop Production	\$29,813,201	\$35,972,187
112000	Animal Production	\$2,404,237	\$2,142,072
115114	Postharvest Crop Activities (except Cotton Ginning)	\$1,120,950	\$3,354,411
211120	Crude Petroleum Extraction	\$6,301,809	\$3,351,660
211130	Natural Gas Extraction	\$1,990,925	\$1,103,010
212321	Construction Sand and Gravel Mining	\$101,450	\$1,627,560
221111	Hydroelectric Power Generation	\$1,558,042	\$0
221122	Electric Power Distribution	\$59,690	\$6,153,794
221310	Water Supply and Irrigation Systems	\$2,113,157	\$219,365
236115	New Single-Family Housing Construction (except For-Sale Builders)	\$658,685	\$1,135,330
236210	Industrial Building Construction	\$19,238	\$1,975,293
236220	Commercial and Institutional Building Construction	\$2,040,264	\$1,176,834
237110	Water and Sewer Line and Related Structures Construction	\$2,343,631	\$3,040,839
237310	Highway, Street, and Bridge Construction	\$2,289,950	\$5,842,804
238210	Electrical Contractors and Other Wiring Installation Contractors	\$644,600	\$1,760,760
238910	Site Preparation Contractors	\$1,197,343	\$1,486,998
324110	Petroleum Refineries	\$3,829,186	\$0
423820	Farm and Garden Machinery and Equipment Merchant Wholesalers	\$1,488,071	\$1,364,160
424510	Grain and Field Bean Merchant Wholesalers	\$8,094,193	\$11,914,647
424520	Livestock Merchant Wholesalers	\$12,868	\$1,144,833
424720	Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals)	\$2,237,945	\$0
424910	Farm Supplies Merchant Wholesalers	\$12,807,757	\$20,950,057
445110	Supermarkets and Other Grocery (except Convenience) Stores	\$3,861,960	\$4,317,100
446110	Pharmacies and Drug Stores	\$793,133	\$1,068,565
447110	Gasoline Stations with Convenience Stores	\$966,940	\$1,327,288
453998	All Other Miscellaneous Store Retailers (except Tobacco Stores)	\$1,008,605	\$1,979,483
482110	Rail transportation	\$1,535,230	\$688,559
484121	General Freight Trucking, Long-Distance, Truckload	\$1,648,194	\$530,426
493130	Farm Product Warehousing and Storage	\$1,846,440	\$2,100,435
517311	Wired Telecommunications Carriers	\$2,704,815	\$4,157,400
522110	Commercial Banking	\$5,170,637	\$5,295,056
531110	Lessors of Residential Buildings and Dwellings	\$1,952,679	\$6,086,019
531120	Lessors of Nonresidential Buildings (except Miniwarehouses)	\$427,160	\$1,922,606
533110	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	\$944,150	\$1,271,325
541110	Offices of Lawyers	\$3,671,963	\$2,794,597
541211	Offices of Certified Public Accountants	\$4,360,699	\$3,062,648

624120	Services for the Elderly and Persons with Disabilities	\$697,756	\$1,644,458
722513	Limited-Service Restaurants	\$1,114,824	\$952,134
901149	US Postal Service	\$1,827,850	\$1,618,814
901199	Federal Government, Civilian, Excluding Postal Service	\$2,933,049	\$3,051,642
901200	Federal Government, Military	\$2,102,932	\$1,523,593
902999	State Government, Excluding Education and Hospitals	\$4,553,374	\$3,136,292
903611	Elementary and Secondary Schools (Local Government)	\$20,649,742	\$23,966,262
903622	Hospitals (Local Government)	\$17,840,429	\$19,603,729
903999	Local Government, Excluding Education and Hospitals	\$20,765,954	\$19,096,238
	Other Vectors	\$39,778,829	\$43,556,167
		\$266,908,016	\$303,877,188

It is apparent from the data that agriculture, construction, utilities, and services are the largest private industries. Public entities including schools, local government, and healthcare are also very important to the economy.

AGRICULTURE

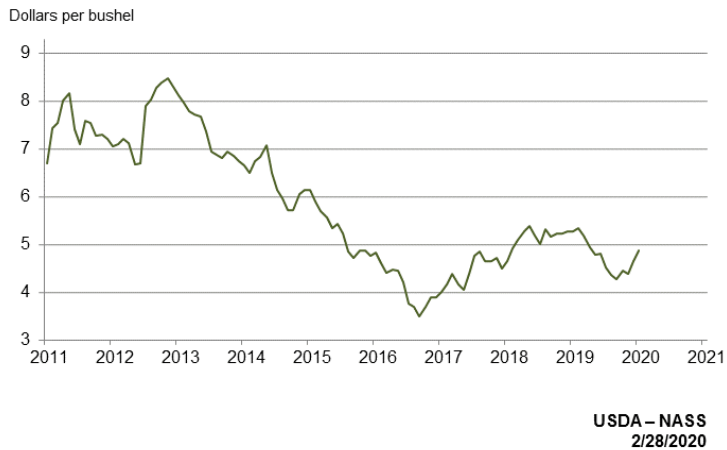
The agricultural sector provides an important and sustainable base for Lincoln County’s economy. Lincoln County farmers and ranchers have the land availability, the weather, the infrastructure, the capitalization, and the experience to maintain a competitive position. Wheat and cattle are the top two individual products.

CENSUS OF AGRICULTURE		
PRODUCT & PRODUCER	2012 CENSUS	2017 CENSUS
Total agricultural product	\$183,244,000	\$130,237,000
Crops	\$173,610,000	\$119,129,000
Livestock, poultry, and products	\$9,634,000	\$11,108,000

In 2017, the year of the most recent five-year Census of Agriculture (14), Washington state had the third driest July, August, and September on record. Lincoln County’s wheat production was down significantly, a 13%

decrease from the prior year. Lower production in 2017 is also reflected in the value of crops produced. Crop value in 2017 was 33% less than the prior Census in 2012. (15)

Prices Received for Wheat by Month – United States



The 2017 census reflects how damaging outside forces can be, whether it’s damage from drought, rain, wind, or disease. What has become most damaging, however, is the low price of wheat. As seen in this graph, wheat prices have been a distressed for nearly a decade. Without diminishing the role that wheat plays, it would be desirable to diversity the economy to take advantage of new products and technologies as well as changes in consumer preferences and future labor force skills to increase farmers profits.

The 2017 census indicates that cattle and calves saw increases in quantities and in revenue for cattle ranchers. Livestock production is an important industry and Lincoln County provides some key services to the region’s livestock producers. Stockland Livestock Exchange, a family-owned and operated auction located in Davenport, handles the sale of thousands of animals from throughout the Inland Empire every year. A livestock processing facility in Odessa provides USDA carcass inspection and processing for the retail market, enabling producers to increase their profit margins by marketing their product directly to stores, distributors, restaurants and institutions. The facility is a public-private partnership between the Odessa Public Development Authority and the Cattle Producers of Washington Livestock Processors Cooperative Association.

Some of the more recent growth in agriculture and jobs can be attributed to cannabis production and processing. Following Washington State’s legalization of cannabis in 2012, Lincoln County saw an influx of producers who recognize that cannabis benefits from the same favorable soil and weather attributes as wheat. Unfortunately, the state’s legislature declined to tax the production or processing of marijuana so no tax revenue is generated for the county. Retail sales are taxed and Lincoln County has three

retailers. According to the Washington State Liquor and Cannabis Board, retail sales for the most recent 12 month period (July 2018 through June 2019) were \$559,486 which generated \$207,010 in excise tax.

CONSTRUCTION

Lincoln County has a strong construction industry that provides a substantial number of family wage jobs. In 2018 the industry topped \$18 million in final market value. A wide range of companies work on projects across the Inland Empire and include industrial building construction (\$1.97 mil); commercial and institutional construction (\$1.18 mil); single-family construction (\$1.13 mil); water and sewer (\$3.04 mil); highway, street and bridge construction (\$5.84 mil); electrical contractors (\$1.76 mil); and site preparation (\$1.48 mil). Basalt mining for road and rail ballast (\$1.63 mil) is another branch of construction that has increased as the economy has improved. Growth in these industries parallel the growth of the economy.

TOURISM

Tourism brings significant seasonal revenue to the county's service industry. The most popular tourist destination is the Lake Roosevelt National Recreation Area, part of the National Park System. The National Park Service logged over 1.27 million visitors to the recreation area in 2018. Those visitors spent over \$56 million and supported 689 jobs in communities near the park, bringing a cumulative benefit of close to \$66 million to the regional economy. (16) Houseboat vacations are another tourist attraction. National Park Service concessionaire Guest Services Inc. operates two marinas and a dozen luxury houseboats in Lincoln County. The houseboat rentals generate lodging tax income for the county.

Tourists travel through Lincoln County to reach another important tourist attraction, Grand Coulee Dam. Located two miles beyond the Lincoln County line in neighboring Grant County, the destination sees an average of 150,000 tourists annually. Promotion of tourism is prioritized through a partnership between Lincoln County and the Economic Development Council.

SERVICE

Service sectors, as recognized by the Department of Employment Security (ESD), include 1) Trade, Transportation and Utilities; 2) Information and Financial Activities and 3) Government, which includes Health Care. ESD reports service-providing employment averaged 2,200 in 2019 compared to the 2018 average of 2,339. A majority of the job decrease came in government.

Health care is an important service provider and employer in Lincoln County, supplying close to two-hundred fulltime-equivalent jobs. Two Critical Access Hospitals, three medical clinics, and the Lincoln County Public Health Department provide health care to residents. Lincoln County’s rural hospitals expand their capabilities by partnering with Washington State University’s School of Medicine to bring medical student placements and mobile health services to the county. Both hospitals partner with the Lincoln County Health Department to implement programs designed to improve the health status of Lincoln County residents by identifying priority health issues and reducing chronic disease.

TAXABLE SALES & SERVICE

YEAR	TOTAL SALES
2009	\$101,675,790
2010	\$101,585,916
2011	\$127,196,690
2012	\$127,007,225
2013	\$127,126,648
2014	\$119,565,575
2015	\$119,774,342
2016	\$112,357,803
2017	\$135,348,676
2018	\$139,544,970

Over the past ten years for which there is data available (2009 through 2018) Lincoln County saw a 37.2% increase in taxable sales adjusted for inflation. The nonfarm industries that contributed the largest portion of sales include retail trade, construction, and wholesale trade. Large utility projects took place in the county between 2011 and 2013 including an ARRA-funded broadband fiber build to anchor institutions throughout the county. Retail sales in 2019 increased 0.503% over 2018, but tend to be lower relative to the per capita state average. This is partly a result of an out-of-county employment commute rate of sixty percent of the workforce who shop where they work coupled with residents choosing to travel to shop.

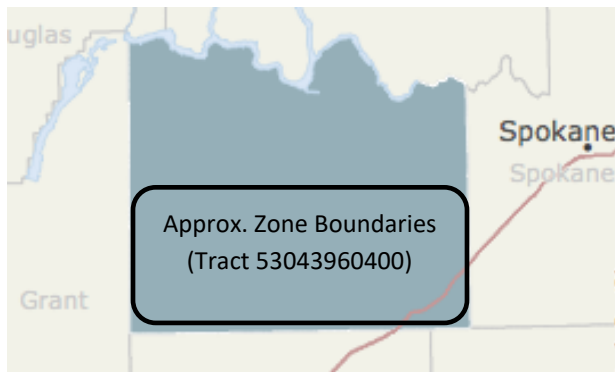
CORONAVIRUS PANDEMIC

In March of 2020 the Coronavirus pandemic halted economic growth in Lincoln County. Every one of the industries previously listed felt negative impacts – particularly construction and tourism. Washington State Governor Jay Inslee closed down restaurants, bars, and entertainment and recreational facilities on March 11; closed schools on March 13; and on March 24 put in place an order requiring everyone in the state to stay home indefinitely. At the time of this update, businesses whose livelihood have been disrupted by state orders are now struggling or closed. The pandemic has brought negative impacts that will be felt in the future including business recovery and unemployment.

ECONOMIC RESOURCES

OPPORTUNITY ZONE

Opportunity Zones are an economic development tool that attract private investment to low-income areas that suffer from a lack of business growth. Opportunity Zones were initiated as part of the Tax Cuts and Jobs Act of 2017 and retain their designation and benefits for a minimum of 10 years. Lincoln County’s Zone is strategically located between urban Spokane County (pop. 515,250) to the east and industrial Grant County (pop. 98,740) to the west and lies within Port of Moses Lake Foreign Trade Zone #203. Because of the slow growing population, Lincoln County is not required to plan



under the full force of Washington State’s Growth Management Act. This means less restrictive land use decision making and permitting than Spokane and Grant counties, yet close enough to benefit from their skilled workforce and their trade schools, colleges, and universities. Two industrial parks are already located in the zone, both owned by the Odessa Public Development Authority. An undeveloped 90-acre site is available on the Interstate 90 corridor at Sprague.

PUBLIC DEVELOPMENT AUTHORITIES

Lincoln County has three Public Development Authorities. A Public Development Authority (PDA) is created by a city, town or county to carry out projects or functions that the municipality may be unable to undertake and is subject to the general laws regulating local government. The following is a list of Lincoln County’s Public Development Authorities, their purposes, and their creating entities:

Harrington PDA – The Harrington PDA was formed to promote economic development and create infrastructure for economic diversification. The Harrington PDA is well known for providing high speed broadband fiber to the businesses in the downtown business district. Created by the City of Harrington.

Odessa PDA – The Odessa PDA created the Odessa Industrial Park near Odessa and the Barr Regional Bio Industrial Park on Interstate 90, nine miles east of Sprague. They also partnered on a biodiesel facility (now closed) and a USDA-inspected livestock processing plant. Created by the Town of Odessa.

Reardan Area PDA – The Reardan Area PDA was instrumental in the development of the Audubon Lakes Wildlife Viewing Area north of Reardan and the Inland Northwest Rail Museum two miles west of Reardan. Created by the Town of Reardan.

FOREIGN TRADE ZONE

Lincoln County is included in the Moses Lake Port District’s Foreign Trade Zone #203. A Foreign Trade Zone is a specific location legally considered to be outside U.S. Customs territory and is an economic development tool directed at businesses that import

materials into the United States. The benefits to a business located within a Foreign Trade Zone can include delayed, reduced or eliminated payment of import tariffs; improved cash flow; lower inventory costs; and the opportunity to buy commodities at world prices. Businesses pay a fee to the Moses Lake Port District to utilize the trade zone and its Customs Officer.

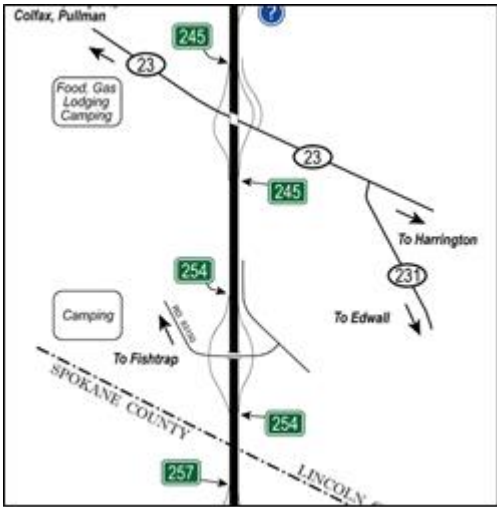
INDUSTRIAL PARKS

The Odessa Industrial Park is also owned and managed by the Odessa Public Development Authority. This 40-acre industrial park is located 16 miles north of Interstate 90 (Exit 206) and 1 mile south of the town of Odessa and is within the Lincoln County Opportunity Zone. The park fronts State Highway 21 and focuses on agriculture-related industries. Current leaseholders include two grass seed producers, a USDA certified livestock processing facility, and a garbanzo bean merchandiser. There are 20 acres available for expansion within the park.

The Barr Regional Bio Industrial Park is a 40-acre state of the art industrial facility located on the I-90 corridor just west of the Spokane County line (Exit 254) and within the Lincoln County Opportunity Zone. The industrial park has been constructed for heavy industrial commercial use and includes an access easement from an Interstate 90 exit directly to the site. The site is owned and managed by the Odessa Public Development Authority. The anchor tenant is the Barr-Tech Organic Processing Facility. Barr-Tech promotes responsible, local organic recycling by processing green waste, food material, and municipal biosolids using an aerated static pile composting system. The park, 22 miles from Spokane's metropolitan area, draws materials from eastern Washington and northern Idaho.



The Sprague-Interstate 90 Annex is approximately 91 level acres located on the northeast corner of the Interstate 90 exit (Exit 245)



where State Highway 23 intersects with the I-90 corridor at the community of Sprague. The property lies within the Lincoln County Opportunity Zone and borders the westbound Interstate 90 exit ramp to the south; State Highway 23 to the west; and a Lincoln County road to the north and is highly visible from the freeway. The privately-owned parcel was annexed into the city limits in 2014 and is currently zoned Business Park District with the option of being up-zoned or down-zoned depending on the proposed use. It is outside the 100-year floodplain as defined by FEMA. The property’s proximity to Interstate 90 and to urban areas makes it ideal for warehousing or distribution activities. Spokane’s rail terminals are 40 minutes (37 miles) east and Seattle’s ports are four hours (249 miles) west.

SWOT ANALYSIS

The SWOT analysis is a tool that identifies assets that give a competitive advantage as well as identifying internal and external factors that can become barriers to reaching goals. The items listed in this SWOT have been addressed in detail in corresponding elements within this strategy.

STRENGTHS

Agriculture Cluster – The agriculture cluster continues to be an economic strength. Crop and livestock production provides jobs on the farm and ranch, jobs in the industries that provide inputs; and jobs in warehousing and distribution.

Healthcare Cluster – Lincoln County has a strong public healthcare cluster that includes two critical access hospitals, four clinics, and physical and occupational therapy. The cluster provides over 300 jobs.

Construction Cluster – A strong construction cluster has developed in the county and includes road and utility infrastructure, design/build services for public facilities, residential construction, HVAC, plumbing, and electrical. These trades are headquartered in Lincoln County, but contract work throughout the Inland Empire. Their success provides growing tax revenue and family wage jobs.

Recreation & Tourism Cluster – Lincoln County’s recreational opportunities, primarily the Lake Roosevelt National Recreation Area and thousands of additional acres of public land, attract tourists and their discretionary income. This benefits local resorts, motels, restaurants, stores, and gas stations. Tourism also results in vacation and retirement home development, benefitting local government and real estate agencies.

WEAKNESSES

Workforce – Lincoln County has a high out-of-county commute rate which leaves local jobs unfilled and leaves retail sales tax revenue in another county. Lincoln County wages are well below the state’s average annual wage and in 2018 Lincoln County ranked 33rd of 39 counties. The county’s workforce is aging and in 2018 32% was 55 and over.

Property Inaccessibility – Lincoln County has a housing shortage yet sees little housing investment and the current stock is aging. Commercial and industrial property suffers from the same problem. There is minimal property zoned commercial or industrial which hampers development. Brownfields are also a barrier.

Objection to Taxation – For decades conservative Lincoln County has resisted opportunities that rely on taxation. There is no port district; the public utility district is inactive; there is no library district; and the list goes on. Solutions and opportunities that involve taxation are seldom acceptable.

Insufficient Support of Local Businesses – A majority of Lincoln County’s rural communities are within an hour of an urban center in another county. Residents choose to do a majority of their shopping in these urban centers. The lack of support leads to business closure and outmigration.

OPPORTUNITIES

Leverage Broadband Infrastructure – Lincoln County is traversed by high speed broadband fiber that residents cannot take advantage of. Access to the fiber would bring opportunity for industry diversification, business recruitment, and national and global reach.

Leverage Proximity to West Spokane County – Across Lincoln County’s eastern border is the second fastest growing city in eastern Washington – Airway Heights. This growth brings opportunity for economic and population growth.

Opportunity Zone – Nearly half of Lincoln County has been designated an Opportunity Zone.

Expand Crop Production & Diversification – Dryland crop production is principal to Lincoln County’s economy, yet more than one hundred thousand acres of agricultural ground has come out of production and been enrolled in the USDA’s Conservation Reserve Program. Returning ground to agricultural production and diversifying what is planted could present opportunity to grow the industry.

THREATS

Declining Aquifers – Lincoln County gets municipal water from two aquifers. The aquifers are declining and without a source of sustainable potable water economic development will struggle and property values will decline. This is the number one threat facing Lincoln County and local government and the Economic Development Council are actively involved in a region wide search for solutions.

Columbia Basin Project – The Federal Government has failed to complete the Columbia Basin Project, an irrigation system intended

to replace groundwater with Columbia River water for irrigating central Washington. The result is a continued use of groundwater for irrigation wells that threatens the future of dozens of municipalities in eastern Washington, including the municipalities in Lincoln County.

Municipal Infrastructure – Rural municipalities face challenges when maintaining aging water and sewer infrastructure – meeting unfunded legislative mandates and environmental regulation plus the rising cost of construction. At the same time, state assistance through grants and loan forgiveness is decreasing.

Transportation – Lincoln County’s industry clusters rely on state transportation systems, both road and rail. Increasingly, budget restraints are limiting the maintenance of these transportation systems, primarily US Interstate 90, US Highway 2, and a state-owned short line railroad that serves multiple Lincoln County grain elevators.

STRATEGIC DIRECTION

VISION

Increase prosperity and improve quality of life through strategic economic development that supports Lincoln County's industries and communities.

MISSION

The mission of the Lincoln County Board of Commissioners and the Economic Development Council is to work together with industry leaders, civic leaders, and citizens to maximize our economic strengths; mitigate our weaknesses; capitalize on our opportunities; and address threats to our prosperity and quality of life. Through collaboration and strategic planning, Lincoln County will be an economically resilient county benefiting those that live here.

GOALS AND OBJECTIVES

1) Goal: Retain, Expand & Recruit Business

Objectives:

- A. Maximize our region's agricultural economy through diversification.
- B. Maximize our region's recreation and tourism economy.
- C. Provide assistance to the region's new and existing businesses and industries.
- D. Capitalize on the industrial growth taking place in west Spokane County.

2) Goal: Build Our Workforce

Objectives:

- A. Identify industry workforce gaps.
- B. Recruit businesses that can provide jobs for the skilled workforce that commutes outside the county for work.
- C. Partner with providers of vocational training opportunities.

3) Goal: Secure the Infrastructure Necessary for Resource Delivery & Economic Growth

Objectives:

- A. Develop the telecommunication infrastructure necessary to increase economic opportunity and improve quality of life, prioritizing high speed broadband.
- B. Secure the commercial and industrial infrastructure necessary for future development.
- C. Address housing-related issues that inhibit economic growth.
- D. Develop the multimodal transportation system necessary to accommodate existing and future commerce.

4) Goal: Unite Stakeholders for increased Economic Development

Objectives:

- A. Maintain an Economic Development Strategy to support Lincoln County and its municipalities.
- B. Strengthen our regional partnerships.
- C. Address policy that inhibits economic growth.

ACTION PLAN

Following the guidelines of the Economic Development Administration and utilizing Lincoln County’s strategic goals as a framework, the following action plan will be utilized.

Goals	Objectives	Actions	Leaders
Retain, Expand & Recruit Businesses	1A. Support our region's agricultural economy through diversification.	Identify opportunities to support crop and livestock producers.	WAWG; WSU; CPoW; WCA; WPP; SASP
		Identify opportunities to add new products and add economic value to existing products.	WSU; Co-ops; Producers; LCEDC; EDA; USDA; WSDA
		Identify opportunities to support auxiliary services for both crop producers and livestock producers.	WSU; Producers; Property Owners
	1B. Maximize our region's recreation and tourism economy.	Promote the Lake Roosevelt Recreation Area as a vacation destination and vacation home opportunity.	LC; NPS; LCEDC; Industry Leaders
		Promote opportunities to utilize public land for hunting, fishing, camping, and hiking	LCEDC; LCVCB; Chambers
		Support local efforts to revitalize historic properties for uses related to tourism.	Historic Societies; Local Gov’t; Planning Commissions
	1C. Provide assistance to the region's new and existing business and industry.	Provide assistance with business planning; site location; expansion; tax issues; & exporting.	LCEDC; COM; SBDC; ESD; TEDD
		Support the plans and goals of the health care industry.	LCHD; LC Health Dept.; Critical Access Hospital Network
		Encourage and support preservation and revitalization of business districts. Maintain an available commercial properties list.	DAHP; NPS; PDAs; Chambers; Municipalities; LCEDC; USDA-RD; COM
		Market Lincoln County's economic opportunities to audiences outside of Lincoln County.	LCEDC
	1D. Capitalize on the industrial growth taking place in west Spokane County.	Utilize facilities available at Lincoln County’s fairgrounds property as supported by the 2018 Highest and Best Use Analysis.	LC; WSU; LCEDC; COM
		Support the expansion of the Davenport Municipal Airport to include a proposed industrial park.	PDAs; Chambers; LCEDC
		Provide location and site preparation assistance.	PDAs; LCEDC

Goals	Objectives	Actions	Leaders
		Promote the Opportunity Zone and assist investors with development within the zone.	LCEDC; OPDA;
Build our Workforce	2A. Address industry workforce gaps.	Partner with schools and workforce councils to Identify opportunities to support the local skill center and increase mentor and apprenticeship opportunities.	Industry leaders; LCEDC; WorkSource; Davenport School District
		Address barriers to securing a workforce such as a shortage of housing and child care.	Industry Leaders; LCEDC; WA DCYF
	2B. Recruit businesses that can provide jobs for the skilled workforce that commutes outside the county for work.	Build regional partnership that can result in contacts for business recruitment.	LCEDC
		Target industries that pull commuters, including health care, life science, aerospace, and education.	LCEDC; Industry Leaders; Educators;
	2C. Partner with providers of vocational training opportunities.	Identify outside resources to address the current and future skill sets needed.	Industry Leaders; LC Hospital District; WSU; CCS; WorkSource
		Support existing local efforts in ag-related training, testing & certification; construction training and apprenticeships; and Certified Nursing Assistant & Nursing Student Programs.	WSU; CCS; BBCC; Lincoln Hospital & Foundation; WorkSource; Educators
	Goals	Objectives	Actions
Provide the Infrastructure Necessary for Resource Delivery & Economic Growth	3A. Provide the multimodal transportation system necessary to accommodate existing and future commerce.	Provide for roadways, public transit & pedestrians.	QUADCO; LC; P4P; Local Gov't
		Maintain access to and across waterways.	WSDOT; NPS; LC
		Support restoration of the CW Branch of the Palouse River Coulee City Railroad Line.	EWG; WSDOT; LC; LCEDC; Industry Co-ops & Producers; EDA
		Support the Airport Improvement Plans for our municipal airports.	Local Gov't (3); FAA; WSDOT; EDA
	3B. Provide the commercial and industrial infrastructure	Assure adequate availability of industrial/commercial zoned property. Advocate for the formation of a Port District or Public Development Authority.	LC; Local Gov't & Planning Commissions; WAPD; CERB; EDA
		Assist Lincoln County and its municipalities in their regionalization efforts in order to strengthen Group A water system operations.	LCEDC; RCAC; LCCD; COM; PWB; DOH

	necessary for future development.	Maintain an inventory of tenant-ready sites and facilities.	LCEDC; PDAs; Real Estate Owners & Agents; WSDOT
	3C. Provide the telecommunication infrastructure necessary - prioritizing high speed broadband.	Prepare a strategy that provides Lincoln County businesses and residents with the opportunity to access a minimum of 1 Gigabit middle-mile broadband countywide. Utilize the fiber, wireless, and mobile assets already located within the county.	LC; Local Gov't; LCPUD; LCEDC; LC Broadband Action Team; Port of Whitman County; WA State Dept. of Commerce
		Continue to monitor and maintain relationships with ISPs and broadband funders. Continue to map broadband utilities.	LCEDC; LC Land Services Dept.
	3D. Identify and address housing-related issues that could inhibit economic growth.	Maintain relationships with real estate firms. Continue to assist industries such as the Bureau of Reclamation with employee housing needs. Inventory available vacant lots in cities and towns and identify owners; communicate with owners the need for infill housing and encourage them to put their lots up for sale.	Local Gov't; Real Estate Owners & ; Agents; LCEDC; PDAs; BOR; Contractors – Local & Regional
Goals Objectives Actions Leaders			
Unite Stakeholders for Increased Economic Development	4A. Maintain an Economic Development Strategy to support Lincoln County and its municipalities.	Update Current & Planned Investments list annually.	LCEDC; LC; Local Gov't
		Update Strategic Plan every 5 years.	LCEDC
	4B. Address policy that inhibits economic growth.	Advocate for solutions to regional water issues.	LC; Local Gov't; LCCD; Industry Leaders; CBDL; CBSWC; ECY; BOR; OCR
		Advocate for rural broadband expansion and funding support.	LCEDC; LC; Industry Leaders
		Advocate for disaster relief funding for municipalities and small businesses impacted by the Coronavirus pandemic.	LC; Local Gov't
		Advocate to strengthen the state's Critical Care Hospital Network; address other threats to rural health care.	LC; Local Gov't; Industry Leaders

CURRENT AND PLANNED INVESTMENTS (2022 UPDATE)

Supplemental to the Action Plan, the following list of strategic investments coincides with Lincoln County’s goals and objectives and with the economic development plans of local municipalities; public development authorities; public districts; councils; and organizations.

BUSINESS RETENTION, EXPANSION & RECRUITMENT INVESTMENTS					
Project	Location	Description	Leaders	Est. Cost	Possible Funding
Flood Recovery & Mitigation	Sprague & Sprague Lake Region	Repair/replace public infrastructure; apply non-structural mitigation improvements to businesses/properties within floodplain & on east end of lake.	City of Sprague; ECY; ACE; LCEDC	\$1.5 mil.	FCAAP; HMGP; PDM; ECY; FEMA; CDBG; WA EMD; USACE; NOAA
Lincoln County 2023 Rural Development Fund Grant	WSU Lincoln County Extension	<p>Agriculture is essential to the economy of Lincoln County. One Agronomist from WSU conducts research such as test plots, variety trials and gather weather data such as rain and wind and disease records. Then provide these resources through electronic means and educational classes to assist farmers in making economic decisions.</p> <p>One Livestock Specialist, from WSU, will assist local ranchers through education focused on areas such as livestock nutrition, reproduction, meat science, forage production, livestock enterprise management and value-added production systems.</p> <p>One 4-H Youth Development Programs Coordinator will work with 4-H volunteers and youth members</p>	LC; WSU	\$42,5000	LC; WSU

		<p>through training volunteers to help youth members and their families to build skills for real life.</p> <p>One SNAP-Ed educator will work with grade school age children in Lincoln County to educate in making healthy food choices and choose active lifestyles.</p> <p>In addition to the agriculture industry, local businesses need a viable workforce as well as the youth in Lincoln County. Educational and training opportunities provide youth projects and local business owners the ability to reduce barriers to working in Lincoln County and can influence the local workforce to grow and improve in Lincoln County.</p>			
Lincoln County 2023 Rural Development Fund Grant	Lincoln County Fair	Maintaining and improving the grounds and facilities at the Fairgrounds for public use and prepare for the 85 th Lincoln County Fair & Rodeo	Lincoln County Fair	\$100,000	Entry Fees; Attendance
Lincoln County 2022 Rural Development Fund Grant	Lincoln County Economic Development Council	This coming year is working on fulfilling Broadband needs in Lincoln County. Continue with supporting documentation for Lincoln County’s CERB, PWB and WSBO federally funded broadband projects per Lincoln County’s Economic Development Strategy. The EDC will	LCEDC, LC	\$140,000	WA Dept of Commerce; LC Municipalities & LCEDC Memberships

		continue efforts to bring high speed broadband to all corners of the county, including funding of infrastructure. Full market promotion of tourism opportunities and market chamber and non-chamber sponsored events. The EDC will also support the business needs of our rural small businesses.			
Broadband Expansion	Lincoln Co.	Apply for grants to construct fiber and wireless infrastructure as first phase of a countywide broadband expansion.	Lincoln Co; LCEDC; Lincoln Co. Broadband Action Team	\$10,000,000	Petrichor Broadband; USDA; CERB; PWB; State Broadband Office; Fed. Coronavirus Relief Funds; Lincoln Co; LCEDC
Truck Mobility Improvements	Davenport	Improve truck mobility to grain scales & elevators.	City of Davenport	\$1.5 million	CERB; QUADCO; USDA-RD; EDA
Odessa Industrial Park	Odessa	Build out infrastructure to remaining 20 acres.	Odessa PDA	\$1 mil.	CERB; PWTF; USDA-RD; Private Investment w/Opportunity Zone Incentive.
Barr Regional Bio Industrial Park	Lincoln Co.	Purchase and develop adjacent property for growth/commercial lease.	Barr Tech LLC	\$1.2 mil.	CERB; Private Investment w/ Opportunity Zone Incentive.
I-90 Business Park	Sprague	Extend city water and sewer.	City of Sprague	\$1.5 mil.	CERB; PWTF; Sprague; Private Investment w/Opportunity Zone Incentive.
Columbia Basin Project	Lincoln Co.	Invest in infrastructure to bring project water to Lincoln County.	Ag Industry; CBDL; BOR; WA State; Lincoln Co.	TBD	BOR; ECY; WDFW; Private Investment w/Opportunity Zone Incentive; CBSWC
Water System Capacity & Improvements	Davenport	Well testing; new well siting & construction.	City of Davenport	\$2.5 mil.	DOH; ECY; PWTF; USDA-RD
Flood Mitigation	Wilbur	Infrastructure to remove business district from floodplain.	Town of Wilbur; DOE; FEMA	\$12 mil.	FCAAP; HMGP; PDM; ECY

Odessa Memorial Health Care Center	Odessa	CT Scanner: Equipment & Facility Modification.	Odessa Memorial Health Care Center	\$500,000	WSU; UW; USDA-RD
Airport Hangars	Davenport	Construct hangars & T-hangars for GA & commercial lease.	City of Davenport	\$250,000	Private; Davenport; QUADCO; WSDOT; FAA; DHS
NuAgra	Sprague	Agricultural fertilizer production & distribution facility on BNSF siding.	Private Developer	\$10 million	CERB; USDA; EDA; TIB; Fed. Coronavirus Relief Funds; Opportunity Zone Incentive
Harrington Broadband Project	Harrington	Extend fiber to west end of business district.	City of Harrington; Public Development Authority	\$50,000	Harrington; HPDA; LocalTel; PWTF; CERB; USDA-RD
Lincoln County EDC Property	Davenport	Remodel shop at 203 Morgan for commercial lease.	Lincoln Co. Economic Development Council	\$50,000	LCEDC; Lincoln Co.

WORKFORCE INVESTMENTS

Project	Location	Description	Leaders	Est. Cost	Possible Funding
Aviation-Related Educational Facility	Davenport Municipal Airport	Trade school/class for aircraft repair & design.	City of Davenport; Davenport School District	\$100,000	EAA; Davenport; COM; Davenport School District

TRANSPORTATION & INFRASTRUCTURE INVESTMENTS

Project	Location	Description	Leaders	Est. Cost	Possible Funding
CW Branch of the PCC Railroad	Lincoln Co.	Restore track to Class 2 status. 2020: \$4 mil. in track improvements to Lincoln/Spokane Co's (Fed. BUILD Grant)	WSDOT; CW Rail; Lincoln Co.	\$40 mil.	WSDOT; WUTC; QUADCO; USDOT; Ag Industry Leaders.
Airport Expansion	Davenport	Lengthen runway; remove RPZ from commercial lots.	City of Davenport	\$3.2 mil.	FAA; WSDOT; Davenport
Airport Improvements	Odessa	FAA-compliance improvements to runway and runway safety areas.	Town of Odessa	\$1.15 mil. (3 phases)	Odessa; WSDOT; FAA; QUADCO; USDA-RD
Airport Improvements	Wilbur	FAA-compliance improvements to runway; add helicopter pad; drill well; add enclosed pilot's area.	Town of Wilbur	\$1.7 mil.	Town of Wilbur; FAA; WSDOT; QUADCO
Seven Bays Emergency Facility	Lincoln Co.	Construct facility on county-owned land to house emergency response vehicles.	Lincoln Co.	TBD	PWTF; USDA-RD; Seven Bays HOA

COMMUNITY DEVELOPMENT INVESTMENTS					
Project	Location	Description	Leaders	Est. Cost	Possible Funding
Lincoln County Fairgrounds	Lincoln Co.	Facility & grounds enhancements, including a Livestock & Equestrian Center.	Lincoln County; Fair Advisory Board	\$2 million	LC; WA State Legislature; WA Fair Assoc.; WSDA
Veteran’s Memorial Park & Amphitheater	Reardan	Memorial to honor Joe E. Mann, WWII Congressional Medal of Honor Recipient, & all regional veterans. Amphitheater will be used by community and school.	Reardan Heroes; Winkler Construction Co.; Fairchild 141 st Air Refueling Wing; Avista	\$1.5 mil.	WA Capital Facilities Grant; Donations from Community; Commitments of assistance from leaders (in-kind match)
Gun Club Expansion	Davenport	Expand area to increase membership & activities.	City of Davenport; Davenport Gun Club	\$500,000	WRCO; DGC; Davenport
Gun Club Expansion	Sprague	Facility Development: Phase 1 – ADA restrooms & kitchen. Phase 2 - Grounds.	Sprague Rod & Gun Club	\$400,000 total both phases	WRCO; NRA; U.S. Dept. of Veterans Affairs; Dept. of Justice; Civil Rights Division
Inland Northwest Rail Museum	Reardan	Complete Complex Phases 2-5: Streetcar Gallery (Phase 2).	Inland Empire Railway Historical Society; Reardan PDA	\$15 million / \$950,000	CERB; BNSF; USDA-RD; WA State; Avista; Private
Wilbur ORV Park	Wilbur	Complete track; install dust control landscaping; add restrooms & bleachers.	Town of Wilbur	\$150,000	WWRC; WRCO; Wilbur; Private
Public Restrooms	Wilbur	Rebuild public restroom in the town park.	Town of Wilbur	\$70,000	Lions Club; Wilbur; WSDOT; Transient Rental Tax
City Park Improvements	Wilbur	Replace existing playground equipment.	Town of Wilbur	\$70,000	Town of Wilbur; Lions Club; Transient Rental Tax
City Park Improvements	Sprague	Replace existing playground equipment.	City of Sprague	TBD	City of Sprague
Composting Center	Wilbur	Construct equipment shed and composting bins on closed landfill.	Town of Wilbur	\$60,000	Town of Wilbur
Municipal Recreation Center	Wilbur	To include swimming pool, fitness room, basketball & pickle ball courts.	Town of Wilbur	TBD	WA State Recreation & Conservation Office;
Old Town Hall Community Center	Odessa	Architectural evaluation & alteration plan.	Old Town Hall Rejuvenation Society	\$30,000	Rejuvenation Society; Odessa; FBLA; Private; Foundations

Park Improvements	Davenport	New Logan Park; Multi field improvements.	City of Davenport; Davenport School District	\$35,000/ \$25,000	WRCO; Davenport; Davenport School District
Lincoln Communities Asset Management Group	Lincoln Co.	Conduct a Water System Regionalization/Consolidation Feasibility Study.	Elected Officials from eight Lincoln County municipalities.	\$30,000 - \$50,000	DOH – Drinking Water State Revolving Loan Fund; PWB; USDA-RD

Acronyms:

ACE – Army Corps of Engineers
 BNSF – Burlington Northern Santa Fe Railway
 CBDL - Columbia Basin Development League
 CBSWC – Columbia Basin Sustainable Water Coalition
 CERB – Community Economic Revitalization Board
 COM – Washington State Dept. of Commerce
 DGC – Davenport Gun Club
 DOH – Dept. of Health/Drinking Water
 EAA – Experimental Aircraft Association
 ECY – Dept. of Ecology
 EDA – Economic Development Administration
 EMD – Washington Emergency Management Division
 EWG – Eastern WA Gateway Rail Line
 FAA – Federal Aviation Administration
 FBLA – Future Business Leaders of America
 FCAAP – Flood Control Assistance Account Program

FEMA – Federal Emergency Management Agency
 HPDA – Harrington Public Development Authority
 HMGP – Hazard Mitigation Grant Program
 LCEDC – Lincoln County Economic Development Council
 LCRDF – Lincoln Co. Rural Development Fund
 OPDA – Odessa Public Development Authority
 PDM – Pre-Disaster Mitigation
 PWTF – Public Works Trust Fund
 QUADCO – Quad County Regional Transportation Planning Org.
 TIB – Transportation Improvement Board
 USDA-RD – U.S. Dept. of Agriculture-Rural Development
 WA EMD – Emergency Management Division
 WRCO – WA Recreation & Conservation Office
 WSDOT – Washington State Dept. of Transportation
 WSU – Washington State University
 WUTC – WA Utilities & Transportation Commission
 WWRC – Washington Wildlife & Recreation Coalition

EVALUATION FRAMEWORK

It is important to identify progress made in order to achieve goals related to the regional economy. The Lincoln County Economic Development Council is responsible for evaluating the regional economy on behalf of Lincoln County. The EDC tracks business recruitment, retention, and expansion; direct business assistance; and readiness and capacity building through a contract with the Washington State Department of Commerce. Progress is reported on a quarterly basis.

Additionally, Lincoln County maintains an ongoing chart of Current and Future Investments related to capacity building. The chart is part of the economic development strategy and is updated annually by the stakeholders connected to the investments. This process allows the county to track projects over an extended period.

REGIONAL, STATE, AND FEDERAL PLANNING PARTNERS

It is important that Lincoln County aligns their strategy with regional, state, and federal economic development strategies. The following documents were used as resources during the preparation of this plan.

Economic Development Administration

The mission of the EDA is to lead the federal economic development agenda by promoting innovation and competitiveness and preparing American regions for growth and success in the worldwide economy. The EDA targets its investment assistance on projects that advance global competitiveness, create jobs, and leverage public and private resources. Their investment priorities include innovation clusters based on regional strengths, clean energy and green technologies, sustainable manufacturing, information technology, and infrastructure. (17)

Washington Department of Commerce

The mission the Washington State Department of Commerce is to strengthen communities in Washington. Commerce is the lead state agency charged with enhancing and promoting sustainable community and economic vitality. Key customers include businesses, local governments, tribes, and community-based organizations. The Lincoln County Economic Development Council is the designated Associate Development Organization (ADO) for the Department of Commerce and the State Legislature on behalf of Lincoln County. (18)

Washington Workforce Training & Education Coordinating Board

The Washington Workforce & Education Coordinating Board is dedicated to helping Washington residents obtain and succeed in family-wage jobs, while meeting employer’s needs for skilled workers. The Board is the lead policy advisor over the state’s workforce development system. (19)

LINCOLN COUNTY GOVERNMENT

Lincoln County’s governmental structure is standardized with the rest of the State. Legislative and Executive powers reside in the three elected County Commissioners. The Board of Commissioners in place at the time of this update were:

Rob Coffman, Chair, Representing District #3

Mark Stedman, Representing District #1

Scott Hutsell, Representing District #2

2022 Rural Development Fund Grant and Guidelines

Program Goal

To promote the creation, attraction, expansion and retention of businesses and provide for family wage jobs.

Grant Fund Source and Purpose

Washington State Law, authorized under RCW 82.14.370, allows rural counties to impose a sales and use tax to “... finance public facilities serving economic development purposes in rural counties and finance personnel in economic development offices.” The legislative goal for RCW 82.14.370 is for rural counties to use this tax to promote the creation, attraction, expansion, and retention of businesses and provide for family wage jobs. Lincoln County compiles the monies collected into the Lincoln County Rural Development Fund. Much of the Rural Development Fund monies are dispersed through a grant program, as funds allow and at the discretion of the Lincoln County Commissioners.

Eligible Projects

Projects submitted for Rural Development Fund Grant monies must meet the following requirements set by the statute: They must be used to finance public facilities serving economic development purposes and they must be listed either in the Lincoln County Economic Development Strategy or in a municipal capital facilities plan.

The statute defines economic development purposes as “... those purposes which facilitate the creation or retention of businesses and jobs in a county.”

The statute defines public facilities as “... bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroads, electrical facilities, natural gas facilities, research, testing, training, and incubation facilities in innovation partnership zones designated under RCW 43.330.270, buildings structures, telecommunications infrastructure, transportation infrastructure, or commercial infrastructure, and port facilities in the state of Washington. “ (Lincoln County is not located within an innovation partnership zone). Eligible activities include the capital facility costs of acquisition, construction, rehabilitation, alteration, expansion or improvements of public facilities; costs of development and improvement for the public facilities; project-specific environmental costs; land use and permitting costs; costs of site planning analysis; project design, etc.

The statute requires that public facilities be listed as an item in the officially adopted county overall economic development plan or the public facility must be listed in the county's capital facilities plan or the capital facilities plan of a city or town located within the county.

Rural Development Fund Program Principles

The basic principles that serve as the foundation for the Rural Development Fund grant program are:

- Invest in projects that retain or increase sustainable economic capacity.
- Invest in projects in partnership with the local community and/or others.
- Invest in projects that are well planned and ready to be implemented at the time of application.

Application Review Process

The County Commissioners review applications and make the final decision on all funding from the Rural Development Fund.

Grant Management

The one-year grant period will commence on January 1, 2022 and end on December 31, 2022.

At the end of the one-year grant period, awardees will provide a written project summary and a final financial report showing how funds were spent. Reports are due no later than thirty (30) days after the end of the grant period. All unspent funds are property of the County.

Because these are public funds, it is the responsibility of the awardee to retain original invoices, receipts, contracts, or any other record of project related expenditures relevant to an audit.

Applications are due no later than October 4th, 2022 for the 2023 fiscal year. All completed applications are to be submitted to Tara Holden, Deputy Clerk of the Board, by email to tholden@co.lincoln.wa.us

2022 Rural Development Fund Awardees:

- 1) Lincoln County Economic development Council
- 2) WSU Lincoln County Extension
- 3) Lincoln County Fair

ECONOMIC DEVELOPMENT COUNCIL

This economic development strategy was produced by the Lincoln County Economic Development Council (LCEDC.) The Economic Development Council is a 501(c) (3) non-profit corporation that operates exclusively for social welfare purposes specifically related to economic development. Since its formation in 2006, the Economic Development Council has been responsible for coordinating, facilitating and administering economic development for Lincoln County and has contracted with the Washington State Department of Commerce to be Lincoln County’s Associate Development Organization.

The LCEDC is represented by a volunteer Board of Directors comprised of members from both the private and public sectors who recognize the importance of being proactive with regard to the County’s economic future. The Lincoln County Economic Development Council Board of Directors in place during this plan update were:

- | | |
|----------------------------|----------------------------|
| Jan Hoogstad | Avista Utilities |
| Ross Felice | Town of Creston |
| Rex Harder | Golden West Cattle Co. |
| Commissioner Scott Hutsell | Lincoln County |
| Jamie Manchester | Davenport School District |
| Staci Moses | US Bank |
| Don Phillips | WA Assoc. of Wheat Growers |
| Dale Swant | Inland NW Rail Museum |

Economic Development Council Staff

Janice Meats

Executive Director

Erika Jennings

Administrative Assistant