

# ECONOMIC DEVELOPMENT ELEMENT

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## Purpose

This element guides investment and economic development activities in West Richland. The primary purpose of the Economic Development Element is to provide a strategy and policy framework to grow investment and economic opportunity in the area. Additionally, this chapter lays out goals and policies to help the city attain its vision for what the city will be like in the year 2037, twenty years into the future.

This element is written with the intent to be harmonious with the goals and policies set forth in Benton County's Countywide Planning Policies. The Economic Development Element is based on an existing economic development strategy for West Richland not contained in the Comprehensive Plan. It is closely related to the plan's other elements, such as land use and capital facilities, but it serves the specific purpose of helping the community position itself to be a strategic actor so that economic opportunity helps the community meet multiple city goals.

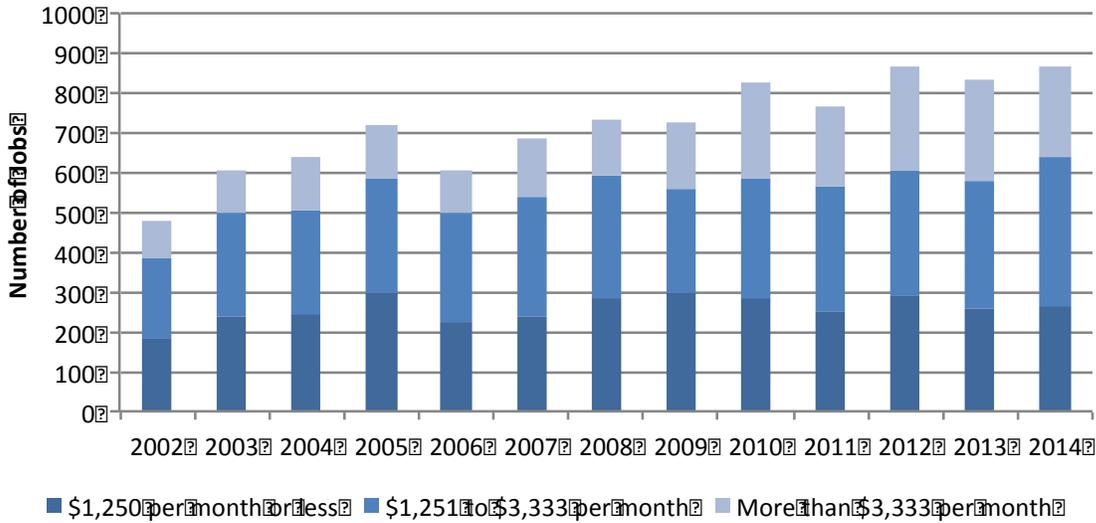
## Background and Context

Generally, the city must plan and prepare to accommodate more people, employees, and business over the planning period. However, this economic development result is not a foregone outcome. Instead, the city must work proactively and efficiently to provide the right support, incentives, and policy to enable the local economy to grow in the city. This section summarizes population, employment and industry trends and forecasts. It provides context to the economic development goals and strategies in the following section.

### ***Historic Economic Growth Trends***

From 2010 to 2014, population in West Richland 18%, yet total employment grew by just 4.1%. As of 2014, just over two percent of West Richland residents (131 people) also work in West Richland. About 5,200 residents commute elsewhere and about 700 people commute into West Richland from elsewhere. As shown in Exhibit 1, there were approximately 860 jobs in West Richland in 2014 having grown from about 300 jobs over the past decade. The city has seen strong growth in job earnings with most gains in jobs coming in those making over \$3,300 a month.

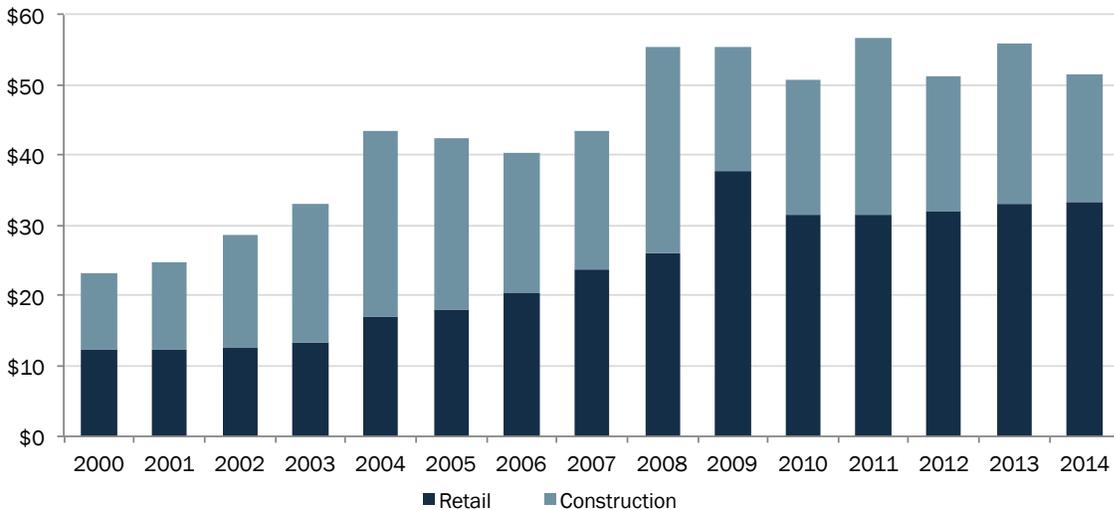
[Exhibit 1. Employment Trends by Earnings \(2002-2014\)](#)



Source: US Census On the Map, 2016

Richland in has seen real growth in its retail and services base (Exhibit 2) since 2000, about a threefold increase. The city has also seen a steady increase in spending on construction activities over that time that have led to real increases in building square footage, housing units, and land valuation.

**Exhibit 2. Retail Tax and Construction Value Trends – 2000-2014**



Source: WA Department of Revenue

Note: In this chart, Retail is defined as NAICS sectors 44, 45, 71, 72, and 81. Construction is NAICS sector 23.

Exhibit 3 summarizes the current building square footage or commercial properties in Benton County by retail, industrial, office, and other uses. Based on this summary, West Richland has less than 3% of the county’s commercial square foot space.

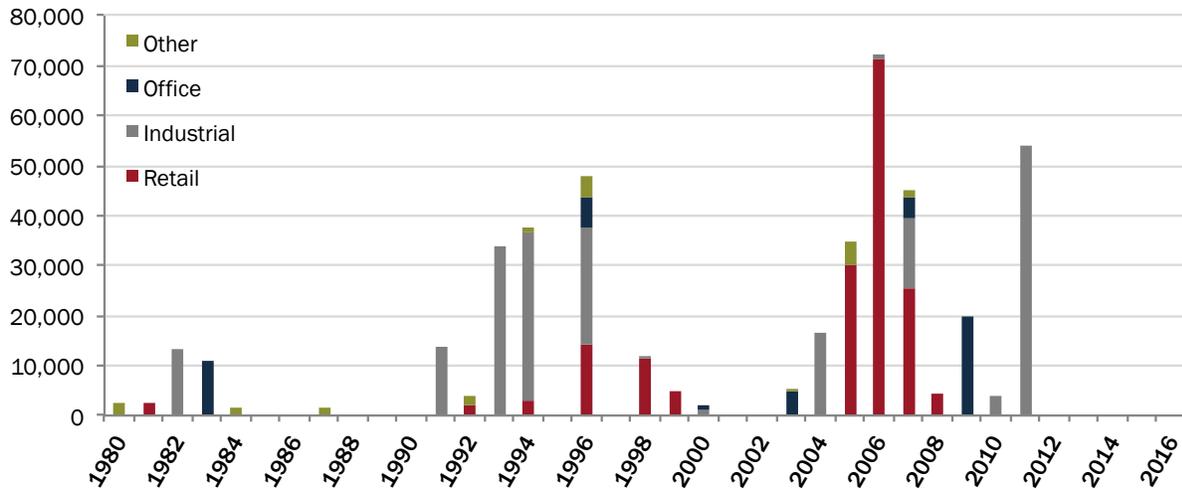
**Exhibit 3. Development Summary by Type**

Use	West Richland	Richland	Kennewick	Prosser	Rest of County	Total
Retail	205,000	2,775,000	5,089,000	421,000	123,000	8,613,000
Industrial	282,000	2,803,000	2,475,000	924,000	1,381,000	7,866,000
Office	52,000	3,259,000	2,645,000	110,000	57,000	6,123,000
Accommodations	0	462,000	633,000	54,000	0	1,149,000
Other	59,000	326,000	1,087,000	57,000	259,000	1,788,000
<b>Total Commercial</b>	<b>597,000</b>	<b>9,626,000</b>	<b>11,930,000</b>	<b>1,566,000</b>	<b>1,821,000</b>	<b>25,540,000</b>

Source: Benton County Assessor, 2016

Exhibit 4 summarizes by the delivery of commercial square foot by year by type for West Richland. Development tends to be lumpy and the trends for West Richland show sporadic development over time – years with good delivery and other years with no delivery.

Exhibit 4. Development Trends by Type – Square footage by use by year



Source: Benton County Assessor, 2016

### Future Employment and Industry Sector Forecasts

Exhibit 5 shows the relative distribution of employment by Land Use Zone for Traffic Analysis Zones in West Richland from 2010 to 2030. Employment in these zones is expected to increase over 20 years from 633 to 3,164, notably in the categories of retail (growing by 392%) and office (from 0 to 530 employees). However, the relative distribution of employment is expected to remain similar, with the exception of the office category comprising a larger percentage of total employment in the area.

Exhibit 5. Relative Distribution of Employment, West Richland TAZs, 2010-2030.

	2010	2020	2030
Industrial & Manufacturing	13%	11%	7%
Retail	42%	41%	41%
Finance, Insurance, Real Estate Services, Government	45%	35%	35%
Offices (Lacking heavy client traffic)	0%	12%	17%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note: Forecast includes West Richland and West Richland/Benton County TAZ  
 Source: Benton Franklin Council of Governments, TAZ Forecasts, 2010 Model.

## ***Key Considerations for West Richland Economic Development Policy***

### **Business Growth and Retention**

West Richland desires to be a place where individuals and firms can locate, start, and grow a business. The city sees this type of growth in employment and business activity as the most effective action it can move forward to support economic prosperity for its residents and the region as a whole.

### **Tax Revenue and Support for Strong City Services and Infrastructure**

The city delivers a range of public services and infrastructure that are essential to support a community where businesses and residents can thrive. In order to deliver those services, the city counts on strong growth in property values, new investment, and retail sales to drive tax revenues while keeping overall tax burdens as low as possible.

### **Productive Use of Incorporated City Lands**

West Richland has a large amount of undeveloped land within the city limits with some of this land anticipated to be used for commercial and industrial purposes. In addition, some lands that are currently used for agricultural production may be repurposed for commercial and industrial uses. The city also has an economic development strategy that prioritizes development on key anchor points in the city that include Van Giesen Street & 38<sup>th</sup> Avenue, Kennedy Road & Dallas Road, Keene Road & Van Giesen Street, and Keene Road and Belmont Blvd.

### **Shared Economic Prosperity and Equity**

The population in the Tri-Cities region and in West Richland are becoming more diverse and the region is accommodating for people in all walks of life. The city would like to see economic development proceed in a fashion that benefits all peoples and that businesses and residents share the gains in economic growth widely.

# Goals and Polices

## Economic Development Goals, Policies, and Strategies

The Economic Development goals, policies and strategies are provided below. *(Goals are shown and numbered in boldface type, with strategies listed in bullets below the policies.)*

### Economic Development Goals

**GOAL 1:** Grow approximately 2,500 jobs in the city over the 20-year planning period to ensure long-term economic security to all West Richland residents.

**GOAL 2:** Preserve West Richland's quality of life and promote economic development that builds on this strength.

**GOAL 3:** Implement the economic development strategy by encouraging commercial and housing growth in targeted light industrial, commercial, and residential areas.

**GOAL 4:** Achieve vibrant commercial districts and nodes in the city's commercial areas.

**GOAL 5:** Grow a diverse mix of jobs in the city that offer a range of incomes.

**GOAL 6:** Encourage a business climate that supports new investment and job creation.

**GOAL 7:** Make effective use of limited city resources, including infrastructure support and public services, to serve new development and redevelopment areas.

**GOAL 8:** Ensure that a wide range of land use, services, and choices are available for West Richland residents and businesses.

**Goal 9:** Make West Richland a desirable place for private investment in businesses and real estate.

### Economic Development Policies

#### Policy 1

Support the efforts of local, regional, and state economic development organizations in their promotional activities to attract new businesses and industries to the community. The city is within the Port of Kennewick district and is member of TRIDEC.

#### Policy 2

Encourage commercial and industrial development that diversifies and strengthens the local and regional economy, and is compatible with surrounding land uses. This could include business attraction, retention, and expansion activities. Economic activities that the city could support might include:

- Diversify the local economy
- Higher than average wages
- High multiplier industries and firms that will grow the local economy
- Sectors with strong growth prospects
- Preserve, enhance, or create natural assets
- Support and grow West Richland's wine industry, taking advantage of the city's proximity to unique growing areas.

**Policy 3**

Create a strong business climate to encourage the growth and expansion of businesses within the city that focus on regulatory, tax, and business assistance efficiency dimensions.

**Policy 4**

Limit non-industrial uses within industrial zones to those uses that complement or support industrial development.

**Policy 5**

Encourage the development of infill and redevelopment of under-utilized commercial areas. The city will consider:

- Improve access to retailers through traffic circulation improvements and parking strategies.
- Support existing retailers through traffic management, parking policies and other city services (street cleaning, infrastructure maintenance, code enforcement, others).
- Support existing retail and encourage new quality retail in the Van Giesen corridor.
- Coordinate retail strategies oriented toward regional tourism activities (i.e. Red Mountain AVA) for market synergy.

**Policy 6**

Prioritize infrastructure development, in advance of need, to areas suitable for industrial and commercial development.

**Policy 7**

Connect West Richland to I-82. This city may consider the securing of necessary land and building an interchange among other options.

**Policy 8**

Work to ensure that the City has the resources needed to provide adequate utilities and other public infrastructure necessary to meet projected needs.

**Policy 9**

Develop master plans to encourage Planned Unit Developments (PUD's) and other commercial, industrial, and residential communities for growth.

**Policy 10**

Support workforce development activities of private and public entities. This support could include:

- Encourage large and small employers to provide continuing education, skills upgrading, mentoring, and lifelong learning programs.
- Encourage improvement of the region's educational network, including K-12 and higher education.

**Policy 11**

Use cultural, social, and natural resources such as art and historic assets as a tool for stimulating economic development. This city will consider the following types of actions.

- Promote the City's parks and open space system as an asset.
- Promote the city's family-focused environment as an attractive feature for prospective businesses.

**Policy 12**

Offer public support and resources to commercial districts and nodes that can provide catalytic or equitable economic development. In the past, the city has supported investment in utility and transportation infrastructure. The city may also pursue all options available to include actions such as public private partnerships.

**Policy 13**

Recognize the importance of maintaining and growing the city's tax base to support public services and balance the impact of taxes, fees, or utility rates on the economic development goals and the financial health of the city.

**Policy 14**

Promote West Richland's image and identity for purposes of attracting and growing business, tourism, and local spending. This would include work to partner and support agencies working in marketing, promotion, and tourism.