

CITY OF WEST RICHLAND **ECONOMIC DEVELOPMENT PLAN**



Original: June 2008
Revised: October 2013

TABLE OF CONTENTS

Introduction	1
Strategy Anchors	2
▪ Anchor 1: Van Giesen Renaissance	2
▪ Anchor 2: Ava Niche Services Cluster	7
▪ Anchor 3: I-82 Interchange / UGA Expansion	16
▪ Anchor 4: In-Fill Development Initiative	19
▪ Anchor 5: Micro-Enterprise Services and Support	22

Appendices

A. Data Profile (Separate Document)

Note: Stakeholder interviews, community plans review and a data profile tasks were completed as part of the original planning effort. Those summary documents can be obtained upon request. Key findings have been incorporated into the revised plan. A new data profile is under development and will be used to facilitate several of the strategies outlined in this Plan.

INTRODUCTION

The City of West Richland is a thriving small town located in the “Tri-City” region of Washington State. Strong residential growth and home sales have kept the City financially solid for a number of years. Residents have generally been willing to pay fee increases to support high quality services just, as some have said, “for the privilege of living here.” It has a highly educated workforce, and household incomes exceed all other cities in the region.

While there are many positive things to be said about West Richland, there are also some potentially serious concerns from an economic standpoint. While the City is a “place of choice” for those seeking homes, it has a relatively weak economic base. Most of the work force commutes out of town for employment, and it has developed only a small base of businesses from which to draw revenue. As a result, West Richland has one of the highest sales leakage rates (essentially money available in a community, but spent outside) of any city in Washington State.

If residential growth were to slow significantly, or home sales to stagnate, West Richland could be confronted with a need to cut services or raise rates substantially at best. At worst, it could face economic collapse or even annexation by one of its neighbors. Fortunately, the City has two very important factors working in its favor.

First, many have come to realize the vulnerability of the City in the event of an economic downturn, based on a lack of revenue-generating diversity, and city leaders have begun taking steps to address this issue.

Second, West Richland has a collection of assets and opportunities that would make any city envious. Chief among them are Yakima River waterfront, an existing but underdeveloped commercial corridor and a location at the foot of one of the best wine growing areas in the world. In West Richland, the sky is truly the limit.

But city leaders understand their residents won't accept “just any kind of economic development” and are working hard to find prosperity that fits community values and character. This Economic Development Plan is presented as a framework for accomplishing just that. It begins with a series of five “Anchor Concepts” designed to bring focus around key economic initiatives. These anchor concepts are the proposed “answers” which, in turn, are supported by the “math” provided in subsequent sections.

All proposed strategies and actions are based on community input and supporting data. In effect, these are community-generated strategies for creating economic opportunity without sacrificing quality of life. In fact, as a whole, these strategies have been developed to either sustain or improve quality of life in West Richland – which, in the end, is the purpose of having an economic development program.

ANCHOR CONCEPTS

In developing the “anchor concepts” outlined below, the project team has sought to accomplish a mix of the following objectives:

1. Respond to data realities, projected fiscal situation

2. Incorporate community input and priorities
3. Build on City's primary strengths
4. Focus on most meaningful opportunities

In short, the five anchor concepts presented below suggest economic investments that suit West Richland's character, and play to its particular advantages.

Each anchor concept is presented as an integrated package that, when viewed and implemented as a whole, will create or set the stage for meaningful economic prosperity in West Richland. At the same time, each concept consists of various components that will need to be carried out sequentially over some period of time.

ANCHOR 1: VAN GIESEN RENAISSANCE

Why It Matters

Whether the Van Giesen Corridor remains the primary gateway into or out of West Richland forever, or is someday supplanted by access from I-82, it will always be the original heart of the City and it will always be the "road over the river on the way to the mountain."

To a large degree, the extent to which many of the other anchor strategies outlined here succeed, is tied directly to the community's ability to execute a Van Giesen renaissance. First, executing the renaissance will require the greater community to agree on a path forward. Second, it will require city leadership to take a risk and hold to a long-term plan. Third, it will prove to other local and external investors that West Richland is capable of accomplishing big things. In addition to these outcomes, and perhaps more importantly, a Van Giesen renaissance will improve the overall community image, create expanded economic opportunity and stimulate community pride. It might even result in the creation of a regional destination.

Signature Features

While the eventual nature and scope of the renaissance will only be known over time, there are several core components to the renaissance, as outlined below.

1. A Bridge to Remember

The current state-built and –maintained bridge is quite functional, but uninspiring. As the literal gateway to West Richland, Yakima River crossing and multi-modal passageway, the bridge should be a community icon. A formal design-process, assuming WDOT collaboration and incorporating user/resident input, could help define practical but significant ways to move the bridge from ordinary to extraordinary. Priority design considerations to consider:

- Enhanced lighting/fixtures to match adopted Van Giesen corridor design standards
- Safe, clearly-identified pedestrian access from the bridge to the river shore and Tapteal Greenway site



- View-friendly barricades to replace existing jersey barricade
- Minimal, elegant signage or artwork announcing entrance to a proud, vibrant community

2. A Grand Entrance

Having a nice bridge to cross is one thing; knowing you've arrived "somewhere special" once you reach the other side is quite another. To generate new commercial/retail opportunities, and establish itself as a regional destination (necessary to generate adequate revenue), West Richland will need to create unique, desirable and appropriately zoned and configured land and structures. Although not without its share of complications and challenges, the area located immediately across the bridge is perhaps the single greatest opportunity to achieve these goals.

Currently, properties west of the bridge, on both sides, are a mix of underutilized commercial areas and single-family residential. The structure formerly known as "Mel's Grocery" is presently being used for warehousing purposes and is separated from the river by a large paved parking lot. As the first thing people see when arriving in West Richland from the east, this property could be an "icon," providing a destination location (e.g. mixed use retail/eatery) providing views and/or access to the river shore. Redevelopment of the Van Giesen Corridor could begin at this "cornerstone" and extend west down Van Giesen and north along the river toward the golf course. Ideas for redeveloping this key gateway include:

- Using municipal funds, or through a private partner/investor, secure as many properties as possible starting west of the bridge and moving north along the river toward the golf course. As a second priority, move west along Van Giesen, on both sides of the road.
- Define "performance measures" or priority uses/business icons and revenue goals for these properties, and issue a mixed-use development Request for Proposals (RFP) to pre-screened development partners. Identify appropriate sources of funding, and commit public dollars to public purposes associated with the mixed use (e.g. open space, public plaza, sidewalks, environmental enhancements, etc.) to offset developer costs and incentivize interest.
- Above all, seek to create developments that draw and connect people to the river; this is West Richland's strongest competitive advantage.



- Link developments along river to walkways or bike paths that integrate with the golf course, Taptal greenway and other, future Van Giesen Corridor attractions.



3. Pleasantville

In the movie, *Pleasantville*, residents of a small town are first seen in standard black and white film. Over time, as each becomes “enlightened,” the characters are depicted in color. This sequence is repeated until, eventually, all characters are shown in full, vivid color. In much the same way, the Van Giesen corridor renaissance should be a phased project, with improvements made in carefully-planned segments beginning at the Yakima River and terminating at the point nearest the base of Red Mountain. This approach allows the City and participating property owners to spread costs over time, but ensures each phase is completed in a comprehensive, high-quality manner to build momentum and support for future phases.

Property owner and broad public involvement in a series of design charrettes are essential to creating a plan that is supported and implementable. City leadership and commitment are equally imperative for successful implementation. The public design/visioning process will ultimately determine key elements to be included in the Van Giesen Corridor Renaissance Plan. However, the following “guiding principles” are recommended for consideration:

- Early-on, eliminate card rooms, casinos and similar uses from the list of future uses. These uses have proven unsupported by the community in the past, and should not distract from the urgent need to discuss and agree on a redevelopment plan.
- Create a streetscape plan that sets Van Giesen apart from any other corridor or destination in the Tri-City (soon to be Quad-City) region. Long-term success is more likely if the corridor can attract business and customers from the greater region. To do that, it must have a unique identity. Extend lighting and other streetscape motifs from bridge gateway. Consider, also, incorporating unique amenities or art work that help Van Giesen – and West Richland – stand out from other surrounding municipalities.

- Create a variety of “spaces” to accommodate different retail and commercial size and configuration needs.
- Consider “building up” to allow more density, with retail on the ground level, and service in upper floors.
- Consider consolidating City offices at the current site, in one building, or relocating them to free up valuable commercial and retail space on the south side of the Van Giesen entrance.
- Incorporate a plaza or some other type of “community gathering place” into the renovated Van Giesen corridor, to create a vibrant, people-friendly destination.
- Prioritize recruitment or development of “people-stores”, anchor tenants that will draw regional customers and stimulate additional retail investment.
- Take a holistic approach to corridor design, providing for physical, esthetic linkages starting at the bridge and continuing up to Flat Top and on toward Red Mountain. Red Mountain visitors should be coming for the wineries AND for the charm of West Richland.
- Protect existing West Richland icons where feasible (e.g. School Bus Shop)



What It Means

The Van Giesen Renaissance will accomplish three key things. First, it will help to build community pride and create a special sense of place. Second, it will stimulate investment in an existing commercial area. Third, it will position the City to take advantage of other revenue opportunities associated with a large regional market and the growing wine industry (discussed elsewhere).



What It's Going To Take

The Renaissance is going to require considerable time and money. The latter will come from a variety of sources, including grants and loans, City funds and private investment.

It will also take commitment from City Council and current and prospective investors. The City will likely need to make the initial investment which includes developing a specific plan and acquiring control of one or more key properties to get things started.

The City will also need to work closely, and openly, with current property owners to gain their trust and cooperation. The City recently passed an ordinance to address “clean-up” issues in the corridor. However, previous efforts to renovate Van Giesen have been met with some resistance. In particular, discussion of “improvements” can be threatening to existing property owners. For

that reason, it is critical that these individual be included in a discussion regarding solutions. Real change will only be possible through agreement and collaboration.

First Steps

The first step in the Renaissance is getting a plan in place. Specifically, the City should complete a Van Giesen Development Prototype Market Feasibility Study and Design Concept. The study will provide both a financial context for the amount of investment required, and a physical context, so that key stakeholders and property owners can better understand the vision, and how the changes will or will not impact them.

Ideally, this initial study would provide an assessment of 2-3 development prototypes along the Van Giesen Corridor. Specific sites and development concepts to evaluate would be determined in consultation with the City of West Richland and other key stakeholders. For each of the development prototypes, the study would consider:

- A. Construction and development budget (based on building and site concepts as determined with the City's project team).
- B. Projection of property income and expense upon project build-out (utilizing information provided to us by the project team regarding current sales values and rents in West Richland for the uses being considered).
- C. Assessment of development feasibility including comparison of value to cost, rate of return and feasibility gap (if any) between current cost and project value.
- D. Options for improved feasibility (as required) possibly including evaluation of rents/sales values required for project feasibility and public development incentives.

Once the development prototypes are in place, architects can produce a series of renderings capturing the way the Corridor will look, feel and function if key developments can be implemented.

ANCHOR 2: AVA NICHE SERVICES CLUSTER

Why It Matters

West Richland sits at the foot of Red Mountain and is part and parcel of the surrounding Red Mountain American Viticultural Area (AVA). The nature and success of the AVA and its star wineries is covered in great detail in other studies and documentation. However, several key facts are worth calling out here, for their relevance to proposed strategies.

First, since 2001, the Red Mountain AVA has grown from 600 acres of vineyards to more than 4,500 acres of federally recognized grape-growing and wine-making lands. The combination of unique soils, climate and setting have made the area a top destination for producers. In time, as Red Mountain wines continue to receive accolades and gain recognition in national and international media markets, the location will also become a destination for visitors.

A study commissioned by Benton County outlined a number of key opportunities for the area as it matures and develops. However, the Red Mountain AVA Master Site Plan appears to be geared toward wine-related economic growth on the Benton City side of the mountain. While there is sufficient revenue-generating opportunity for the wider region associated with Red Mountain, some of the most important activities could, and perhaps should, be sited in West Richland. Without a plan of action, West Richland may not realize its full potential as a wine destination.

Fortunately, the State of Washington has shown a great commitment to supporting the wine industry in this state, and may be a good partner in future efforts. The Washington State Wine Commission, for example, is developing a plan to help increase Washington wine sales by 5% annually for at least the next several years. Washington is already the nation's second largest wine producer, behind California.

Although a relatively young wine industry, Washington State is the nation's second largest wine producer and is ranked among the world's top wine regions. Washington wines are found nationally in all 50 states and internationally in more than 40 countries.

Grapes are also the state's 4th largest agricultural crop and wine-making and –tasting operations are well known for attracting visitor investment.

As the state's fourth largest fruit crop, the Washington wine industry is an important contributor to the long term preservation of Washington agriculture. The industry is committed to sustainable agricultural practices and conservation of water resources. Washington is also home to wineries that are certified organic and biodynamic.

The level of local economic impact from wine industry growth is largely dependent on how well it is harnessed. West Richland is in a strong position to capture its “share” of the spoils by acting now.

Signature Features

Over time, new opportunities are certain to present themselves. However, in looking five to ten years out, several core “niche services and functions” stand out for West Richland.

1. At Your Service

Several stakeholders quite adroitly point out that, as more wineries locate on or around Red Mountain, land-related issues and conflicts are likely to increase. One manifestation of this is already occurring, and one of the possible solutions may offer a “win” for West Richland. As new wineries locate in the Red Mountain AVA, they are required to treat their wine waste. The trend at present is for wineries to build their own individual lagoon systems. This results in the wineries taking some of the best wine-growing land in the world out of production for treatment purposes. What if West Richland were to offer a central, off-site treatment option? This is one of several interconnected questions that should be addressed through an engineering and feasibility study as soon as possible. Other questions include:

- Could wine waste be transferred out of the AVA and treated by the City?
- Would such a process result in cost and process efficiencies for the producers?
- Would the City generate sufficient revenue to offset expenses?
- Would Washington State be willing to fund such an endeavor to preserve the value of this valuable AVA?

Similar “service opportunities” may also be possible for water, irrigation water, employee training, employee housing and other services. A formal “roundtable” with wine producers and growers would help identify possibilities now and into the future.

2. Maximized Use of Incubator Site

The City should continue to work with the Port of Kennewick and surrounding land owners to fill and maximize the employment and revenue potential of the existing wine incubator site. Whenever feasible, production-related issues should be given preference over warehousing uses, which do not necessarily generate significant amounts of municipal revenue.



3. From Wine Village to Wine Town, USA

To evolve from a wine village to a wine town – with the corresponding economic benefits, the City will, at a minimum, need to:

- A. Complete the Van Giesen Corridor Renaissance (see Anchor 1). Image is critical – and the initiative to consider changing West Richland’s name to “Red Mountain” and the resulting resistance from wineries, is instructive. An updated corridor would go a long way in linking the City to the mountain, and creating new commercial and retail opportunities to support overflow from the AVA.
- B. Pre-identify development sites and zone for appropriate wine-industry related uses. In addition, the City may want to investigate special permitting tracks for those uses it deems most desirable for future revenue generation.
- C. Over time, the City and its public and private sector partners may also want to add other wine-based features and attractions. The Walter Core Wine and Culinary Center in Prosser is one such example. Wine festivals or other events that draw visitors to West Richland will also be helpful, but only once a critical mass of businesses is in place.

4. Market a Unique Opportunity

As West Richland hits its stride, the City will be well positioned to market future opportunities, based on a record of success. Marketing opportunities to future investors will help expedite success. A few steps toward that goal:

- A. Develop an investor network, by collaborating with existing wine growers and producers, following trade journals and attending industry events.
- B. Develop marketing materials that highlight local success stories, investment opportunities (land, buildings, etc.), competitive advantages (e.g. land prices, adjacency to Red Mountain and larger growing region, fast-track permitting) and other community features and attractions.
- C. Create incentives “no one else has” to set the City of West Richland out in front of its competitors (see network list for ideas).

What It Means

The AVA niche services anchor provides a means for achieving long-term prosperity. West Richland’s economy can expand on pace with the wine producers and growers. The cluster is also consistent with community goals and characteristics. It requires agricultural production, bring in external investment and offers a mix of business development opportunities – from production, to retail, to light manufacturing and even tourism.

What It’s Going To Take

To reach its full potential as a wine-destination, West Richland will have to make some strategic investments in planning and asset development. It will need to collaborate with regional partners, including existing and future wine industry representatives. The City will also need to complete the other anchor strategies proposed here, to provide a continuum of opportunities and experiences for visitors and future residents – whether additional destination retail shopping, recreational activities or other key services.

First Steps

Among the multiple recommendations outlined above, the following are suggested for early action:

- Work with State and regional partners to secure a grant and conduct financial and engineering analysis to determine the feasibility of a centralized wine-waste treatment facility.
- Develop a marketing strategy, in conjunction with the Tri-Cities Visitor and Convention Bureau, focused on short- and long-range branding and outreach opportunities.
- Establish a wine industry network and begin identifying potential partnership opportunities and recruitment priorities. The network can be grown over time.

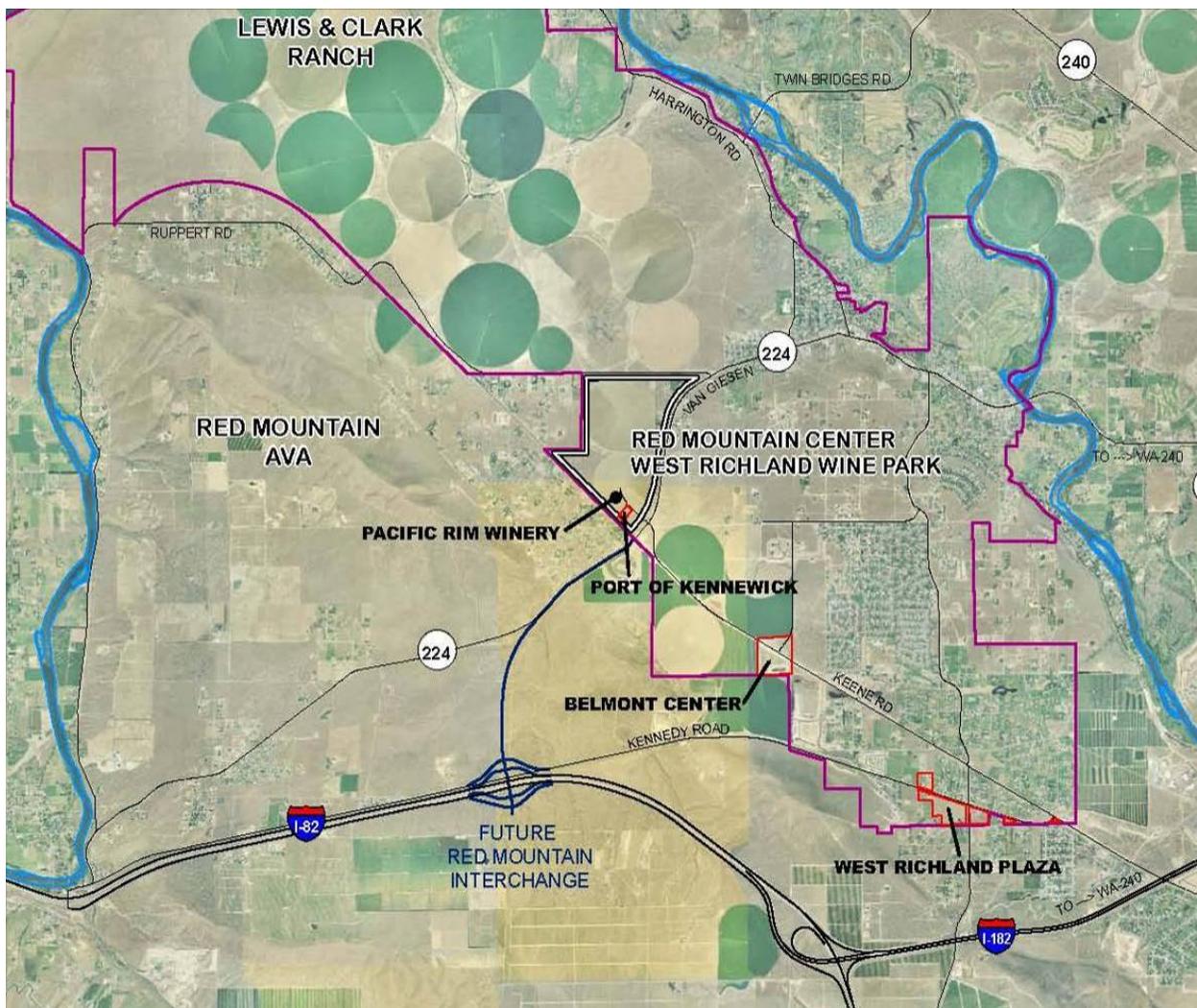


ANCHOR 3: I-82 INTERCHANGE / UGA EXPANSION

Why It Matters

The I-82, or “Red Mountain” Interchange is another long-term, but potentially game-changing economic opportunity. West Richland is presently one of very few Washington State cities without a formal connection to an interstate highway. Beyond creating direct access to the interstate, the I-82 interchange, as currently proposed, would open up a considerable amount of currently undeveloped land. If properly zoned, new sites could be created for commercial, retail or even research/business park uses. Of course, before any of this can happen, the City will have to successfully annex land outside its current city limits.

Proposed Red Mountain Interchange Shown Near Bottom of Graphic



Signature Features

Proponents of the Interchange – and there are many – make a number of key arguments in support of building it. Among the strongest are:

- An estimated 50% faster response time to emergency calls
- Expanded economic opportunity for West Richland, Benton City and Red Mountain AVA
- Enhanced tourism, by providing direct access to the AVA
- New parcels created for commercial and industrial use

From an economic development perspective, there are two prime opportunities for West Richland as relate to the proposed interchange.

1. Increased visibility for West Richland. Unless they have a specific reason for going to West Richland, the typical I-82 traveler is not likely to exit east or west of the city, and then navigate northward to use services. Providing easier, more direct access to the Red Mountain AVA is also important given anticipated traffic volumes in the years ahead.
2. Expedited development of revenue-generating land uses. With direct access to the Interstate, the land between I-82 and State Route 224 and adjacent to the connector road, becomes a major opportunity for business development. Specific uses to consider, include:
 - a. Business Park – to draw “daytime workers” back to West Richland. Tenants, or owners, would likely be similar to the industries located in and around the Hanford area.
 - b. Light Manufacturing – to provide family wage jobs through businesses that require easy interstate access.
 - c. Wine or ag-related destination retail – to draw visitors. This could be one or a cluster of businesses that consolidate products and goods produced at the many local wineries and other agricultural operations.

What It Means

The Red Mountain AVA, if it is to become “all it can be,” may actually necessitate an interchange to meet traffic demand. Although those traffic volumes will not be seen for some time, an interchange will, itself, take a considerable amount of time to get built, even if approved tomorrow. One study forecasts nearly a quarter million visitors to the Red Mountain AVA per year by 2025.

From a different perspective, it is possible that Red Mountain AVA-generated traffic will not materialize as envisioned, or do much more slowly. In such a scenario, it may be difficult to justify installation of a new interchange, unless some other traffic-generating development comes on line.

What It's Going To Take

A decision regarding the merits and viability of adding an interchange sooner, later or never will require continued discussion and collaboration among the many partners already at the table. It

may also require the City to make “hard decisions” on how to finance additional infrastructure expansion, whether to consider land trades and other issues.

First Steps

- Work with the state to identify a “definitive set of factors and requirements” to better understand next steps.
- Identify City priorities and preferred alternatives for securing the interchange. Consider, for example:
 - The possibilities of annexing parcels of land, one by one or in small groups, to expand the UGA and ensure progress while growth catches up with demand for the interchange. The Port of Kennewick-owned “racetrack” site would be a logical first start.
 - What level of development would be required to offset City costs for infrastructure expansion to new UGA lands, after subtracting any state or federal financial assistance.
- Assuming installation of the interchange depends on in-fill business to support it, collaborate with TRI-DEC to identify potential business investors aligned with identified target clusters. From among the five identified TRI-DEC regional clusters, those that appear to be the best fit for West Richland are:
 - Research and Development (e.g. computation, energy, environmental, biotech)
 - Technology Manufacturing (assuming new space is created along I-82 interchange)
 - Food/Agriculture (e.g. wine, food processing, ag products)
- The City of Kennewick has identified another target cluster: Retail. This is an equally important cluster for West Richland, assuming the regional retail and shopping opportunities, tourism offerings and housing targets pursued are distinct from Kennewick. Retail is key in West Richland because the primary economic concern is revenue generation as opposed to employment.



ANCHOR 4: IN-FILL DEVELOPMENT INITIATIVE

Why It Matters

The in-fill development initiative is important because it can begin today. It focuses resources and efforts on existing land and buildings, and provides the prospect of revenue generating potential “sooner rather than later.” It is also the quintessential strategy of “working with what you have.”

The in-fill development initiative is focused on smaller scale retail, supported primarily by the local market, with supplemental revenue drawn from the region (generally characterized as the 18,000 households residing within a 10-minute drive radius). Some early, clearly successful manifestations of an in-fill type approach are the KADLEC Center and Yokes Grocery. Both businesses provide a key service desired by local demographics and household incomes.

Signature Features

The in-fill development initiative might be organized under the following three fronts:

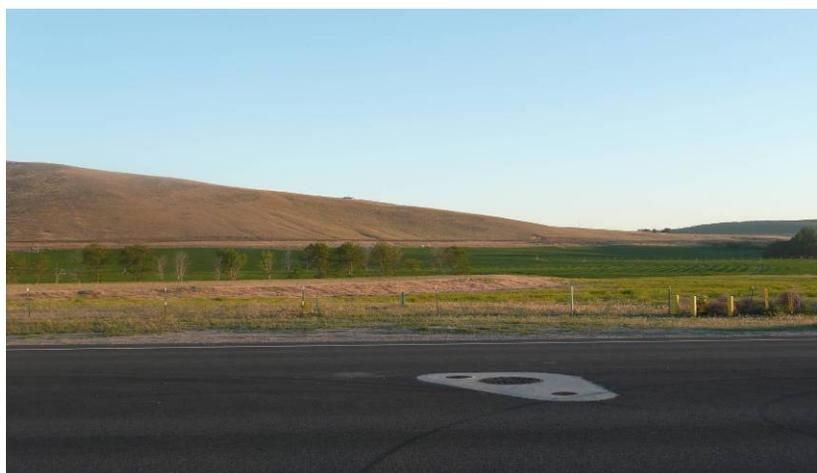
1. Target Tenants

The first step to successful recruitment is identifying who you want. In West Richland, this means commercial and retail interests that generate tax revenue while also blending with community character. In short, identification of target tenants can be accomplished by:

- Analyzing realistic recruitment possibilities based on updated market data and the City’s recently-completed industry cluster analysis.
- Testing the range of target possibilities with the general public through strategic questions on the community economic development questionnaire (see appendix).
- Conducting primary research. This would include contacting representatives or municipal hosts of the preferred targets to learn what specific market conditions are currently most critical to the target, what types of land/space needs they have, what – if any – incentives they require, along with other factors, to move forward with site selection.
- Evaluating the above requirements with community and City Council thresholds (of traffic, public investment caps, etc.).

2. Fill Empty Spaces

A first priority should be to secure tenants for existing buildings and vacant commercial and/or retail sites. This will build momentum and stimulate additional investment. Specific properties and strategies are outlined in “First Steps” below.



3. Create New Neighborhood Commercial Areas

There may be opportunity to rezone specific areas to commercial/retail within various city “neighborhoods.” Similarly, some limited size parcels could be merged, or assembled to form larger, more versatile land holdings which are more conducive to developers – especially for mixed-use projects. The emphasis of these new commercial / retail areas would be to host stores or services supported by the local population.



What It Means

In-fill development will provide the most immediate revenue generating opportunity, at a scale probably in-line with current market demographics. Yokes is a prime example of this type of development, and probably on the large end of the scale. While this type of development may not have a significant impact in terms of drawing revenue from the greater region, it will be an important step to reducing the revenue that leaks out of West Richland.

What It's Going To Take

The scope and pace of the in-fill development initiative will be shaped to some degree by external market forces, developer interests and availability of City resources. It will also necessarily include – in the case of creating new commercial / retail parcels – a front-end public outreach process to mitigate resident concerns. Ultimately, it will also require support from the Planning Commission and City Council.

Unlike the Van Giesen Renaissance, no city purchase of property is assumed here. The City's role would be one of facilitation – making it easier for the private sector to fill vacancies and create new resident-supported commercial / retail opportunities.

First Steps

The following are offered as early steps to take in moving this initiative forward on all fronts:

- Define priority business services, goods and qualities desired by community, from among options identified in sales leakage summary provided in the appendix (e.g. outdoor and recreation/sporting goods, auto parts, home and garden, etc.). Consider, specifically, retail opportunities that fit with community character and are not readily available or fully-represented within the Tri City region (e.g. equestrian apparel and services). Priorities can be identified, in part, by executing the community questionnaire attached in the appendix.
- According to City marketing materials, West Richland has over 55,000 sf of retail space. Approximately 30% is currently vacant. This franchise-ready space includes:
 - Kennedy Center (10,000 sf)
 - Paradise Plazas (16,726 sf)
 - Plaza 1 and 2 (13,250 sf)
 - West Richland Plaza (15,441 sf)

The City should work with property owners to develop and distribute individual marketing packages for each of these properties, and others as they come on-line. For the most part, these are small or compartmentalized properties suitable for local retail (as opposed to destination regional retail which will need to be developed on larger or redeveloped properties).

- Larger commercial parcels, including the “Belmont Center” (32 acres) and “Red Mountain Center” (17 acres) are either in development or addressed elsewhere in this report. However, it may also be possible to “assemble” new medium to large size parcels by combining adjacent vacant and underutilized sites.
- Conduct a comprehensive zoning code / development services process review to:
 - Identify additional permit streamlining opportunities
 - Ensure local developer impact fees (all types) are competitive and equitable relative to regional standards.
 - Identify “opportunity sites” for future neighborhood commercial development or retail/commercial land assemblage
 - Evaluate location and realistic expansion capacity for all critical infrastructure and services to identify priority development sites
- Set-up a special project team charged with mitigating or eliminating barriers to existing commercial and retail development opportunities. As a first assignment, develop a solution for known access and visibility challenges associated with the vacant Kennedy Center.

Special Considerations

Perhaps as important as maximizing existing land resources, the in-fill strategy can be an effective way to protect “sacred” land resources and icons. In fact, the City’s ability to attract new residents, investment and not only maintain but enhance local sense of place, is dependent on preserving the unique views, attributes and places of West Richland. Priority goals might include:

- Arranging to “buy back” Flat Top Hill. This is perhaps “the” signature spot in West Richland. It would be a more valuable asset as a public viewpoint, restaurant or other public destination – as opposed to a private residence. Future plans for Flat Top may be best addressed during the Van Giesen Renaissance study.
- Securing and preserving Sand Hill. This property is reportedly up for sale, and could some day become the geographic center of the city, pending future UGA adjustments and development patterns. It’s an icon to protect, though perhaps not as high a priority as some other investments given that development at the Lewis & Clark Ranch or elsewhere would require donation of large tracts of open space elsewhere in the City.

ANCHOR 5: MICRO-ENTERPRISE SERVICES AND SUPPORT

Why It Matters

For the purposes of framing this anchor concept, “micro-enterprise” is defined as companies or ventures ranging from 1 to 50 employees, with an emphasis on the smaller sized operators. There are several solid reasons for investing in a support network for micro-enterprise:

- The vast majority of West Richland’s workforce commutes out of town for daytime employment. This means that fewer people are purchasing goods and services locally. It also means the value of whatever they make, produce or otherwise generate is captured by another jurisdiction.
- West Richland has a highly educated workforce, relative to other nearby vicinities. It is possible that some of these individuals may be interested in “spinning-off” into new ventures and working closer to home. This could lead to the development of a “mini-cluster” for West Richland, in research, engineering, biomed or other sectors. Corvallis, Oregon provides a living example of this scenario, where ex-Hewlett Packard employees have spun off literally hundreds of smaller start-up companies. If these start-ups grow, they could transition into larger buildings and spaces, perhaps located along the new Red Mountain Interchange.
- Other individuals may be interested in starting up any number of businesses. A central business support center could go a long way in helping them to get started, succeed and grow over time. By way of example, one West Richland resident currently manufactures world-famous cars – from his home garage. Whether or not this individual wants to expand, the situation provides an example of the sort of opportunity that could be available.
- If the City is successful in opening new commercial and retail opportunities, whether through revitalization of Van Giesen, in association with UGA expansion and the Red Mountain Interchange, or even by way of expanded neighborhood commercial pockets, these spaces will need to be filled. Recruiting targeted business icons had been discussed previously.

“Building your own” offers another avenue. Downtown Camas, Washington is an example of this model. After completing a strategic plan for downtown, Camas conducted a city-wide survey and series of Town Hall meetings to identify what types of businesses and services would draw community members downtown more often. Within one year of plan completion, the retail services identified as highest priority by the community were up and running, started by existing residents who seized on an identified market opportunity. The added revenue from retail sales tax – one of the only “elastic” revenue sources in Washington, immediately bolstered City coffers and today, the City no longer struggles with vacancies downtown, but rather finding more space to site interested retailers and services.

Signature Features

The following are presented as strategic investments the City might make, in partnership with other entities, to support micro-enterprise development in West Richland:

1. Small Business Resource Center

A small business resource center could begin small, and grow as appropriate to meet evolving needs. Size, location and configuration will be determined through additional planning. However, some potential components and services might include:

- Business Library – consisting of materials on developing a business plan, marketing plan, doing business on-line, recordkeeping and many other topics. Generally, these types of materials are available through state and regional economic development offices.
- Shared Resources – including teleconferencing or videoconferencing capabilities for small businesses without formal office space, color copier, T-1 or comparable capacity internet, and other key services identified through additional outreach to prospective businesses.
- Business Counseling – whether through dedicated or appointment-only resources. Business counseling services could address legal, tax, business planning, employee training, marketing and other priority topics. Services could be scheduled on a regular basis with regional advisors spending 1-2 days in West Richland. Partners might include TRI-DEC, SBA, SCORE and others.
- Access to Business Funding – the Center could facilitate access to low interest loans, operate a revolving loan fund, manage a main street or façade improvement program, among other financial services.

2. Small Business Incubator

Much like the Port of Kennewick has planned for the “wine incubator,” the City may at some point seek to collaborate with other partners on another kind of incubator facility. The incubator could serve a “general” business audience, or a “target cluster” audience based on some of the fields and economic sectors outlined elsewhere in this report. The incubator would offer subsidized rent and shared-services (e.g. equipment, administrative help) to emerging businesses for a specified period of time, as they get their business model in place and generate sufficient capital to transition into the free market. The incubator concept can be refined through discussion with regional partners and state agencies like CTED. The potential value of an incubator program, however, is strongly tied to the City’s capacity to later house these businesses as they “hatch” from the subsidized facility.

3. “Hatching” Program

Whether a prospective business comes through the incubator or the small business resource center, some are likely to need help finding a site or building to get started or expand. A “hatching” program would help facilitate the transition. The City’s Economic Development Specialist and/or small business resource center staff could maintain an inventory of available land and building space, and provide specific information to meet the individual needs of an emerging business.

What It Means

Promoting the availability of business resources and planning assistance may help stimulate additional business development, and corresponding revenue to help support city services. Growing local businesses is also advantageous in that the proprietors and employees of these businesses are often active in civic affairs which positively impacts local quality of life. In the end, small proprietors are likely to set up shop as close to home as possible, and where they have access to a support network.

What It's Going To Take

To succeed, the micro-enterprise services and support anchor, the City and its partners will need to identify the areas of greatest demand. This can be done through a two-pronged outreach effort targeted the broader community (prospective entrepreneurs) and existing businesses (what types of services and support would help them grow, expand, succeed). Of course, the scale of opportunity and conversion will also depend on implementation of some of the other anchors proposed here, and the creation of new or revitalized commercial and retail space.

First Steps

To better define appropriate investment in micro-enterprise support, the following early actions are recommended:

- Conduct two surveys, to be designed by City staff with input from regional partners and West Richland Economic Development Board members.
 - The first survey could be a slightly modified edition of the general economic development questionnaire provided in the appendix. By adding a question or two at the end, the City could identify community members interested in starting or expanding a business venture in West Richland, and solicit contact information so that City personnel can follow-up. This first survey should be sent to all West Richland households.
 - The second survey should be distributed to all existing West Richland businesses. The focus of this survey would be to identify relative demand for the range of services that can be offered through a small business resource center or similar support system.
- Convene the West Richland Economic Development Board to prioritize micro-business priorities and investments. Once survey results are available, and following “stakeholder interviews” with regional partners (conducted by City’s Economic Development Specialist), invite EDB members to assess findings and recommend short-, middle- and long-range investment priorities to best serve existing and emerging West Richland businesses, while also generating a strong return on investment for the city.
- Visit other incubator programs in communities of similar size and demographics to learn more about “best practices,” “fatal flaws” and the anticipated cost/benefit ratio of operating this type of facility.
 - Meet with representatives from the Port of Kennewick and TRI-DEC, at a minimum, to seek their perspective and advice – and potentially support – for partnering on an incubator program.
- Create an easily-updatable database of land, buildings and other “space” types available for new or expanding business ventures. Provide that information to serious business inquiries, along with other City marketing materials and other key market information.
- Create an inventory of financial resources available to businesses.

