



City Council Meeting Schedule February 2023

The City broadcasts City Council meetings on the City's website

<https://www.go2kennewick.com/CouncilMeetingBroadcasts>.

February 7, 2023

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

February 14, 2023

Tuesday, 6:30 p.m.

WORKSHOP MEETING

1. CourseCo & Columbia Park Tri-Plex Update
2. Behavioral Health and Recovery Center Update
3. Public Employee Benefits

February 21, 2023

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

February 28, 2023

Tuesday, 6:30 p.m.

WORKSHOP MEETING

1. Economic Development Strategic Plan

To assure disabled persons the opportunity to participate in or benefit from City services, please provide twenty-four (24) hour advance notice for additional arrangements to reasonably accommodate special needs.

Please be advised that all Kennewick City Council Meetings are Audio and Video Taped

Council Workshop Coversheet



Agenda Item Number	1.	Meeting Date	02/28/2023
Agenda Item Type	Presentation		
Subject	Economic Development Strategic Plan		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	Finance		

Info Only	<input checked="" type="checkbox"/>
Policy Review	<input type="checkbox"/>
Policy DevMnt	<input type="checkbox"/>
Other	<input type="checkbox"/>

Summary

The City of Kennewick has contracted with Community Attributes Inc. (CAI), to develop an Economic Development Strategic Plan (EDSP). CAI will be providing a presentation to Council on the scope and elements in developing the EDSP. CAI will also discuss draft goals for the EDSP with City Council and gain feedback on Council's priorities and vision. Draft goals for the EDSP will be modified in accordance with Council feedback.

Through	Evelyn Lusignan Feb 24, 10:58:38 GMT-0800 2023	Attachments: <input type="text" value="Presentation"/>
Dept Head Approval	Dan Legard Feb 24, 11:15:47 GMT-0800 2023	
City Mgr Approval	Dan Legard Feb 24, 11:42:43 GMT-0800 2023	

KENNEWICK ECONOMIC DEVELOPMENT STRATEGIC PLAN

CITY COUNCIL MEETING
WORKING DRAFT

Phase II – Engagement and Strategy Development



February 28, 2023



Agenda

1. Introductions
2. Project Background & Context
3. Key Findings from Phase I
4. Phase II Scope and Schedule
5. Working Draft SWOT Analysis
6. Your Thoughts on a Vision
7. Draft Engagement Plan: Focus Groups and Survey

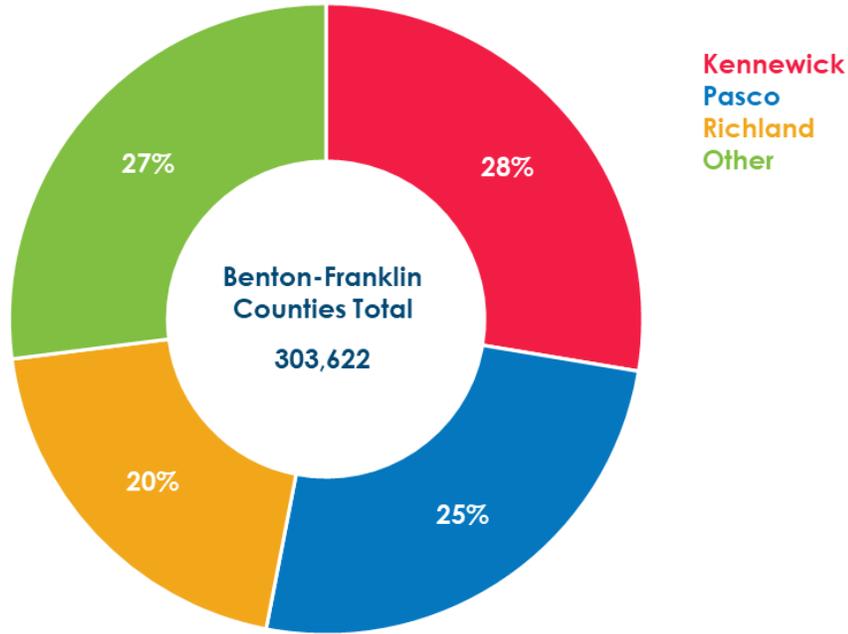
Project Background & Context

- **The City of Kennewick is creating an Economic Development Strategic Plan (EDSP)** - to consolidate past plans, industrial land assessments, and marketing plans into a holistic economic development framework, building upon previous strategies, the City's capabilities, and current economic considerations.
- **Phase I - 2022**
 - **Employment Lands Inventory:** Analysis of key conditions for development opportunities in the City of Kennewick
 - **Landscape Assessment:** Inventory and analysis of the current planning, socioeconomic, and development conditions in the City of Kennewick.
- **Phase II - 2023**
 - **Economic Development Strategic Plan:** Implementation framework for Strategies and Actions organized into a shared Vision and Goal set for economic development in Kennewick

Key Findings from Phase I – Landscape Assessment

Kennewick is the largest of the Tri-Cities and is projected to exceed 100,000 residents by 2030 and add more than 12,000 jobs by 2040.

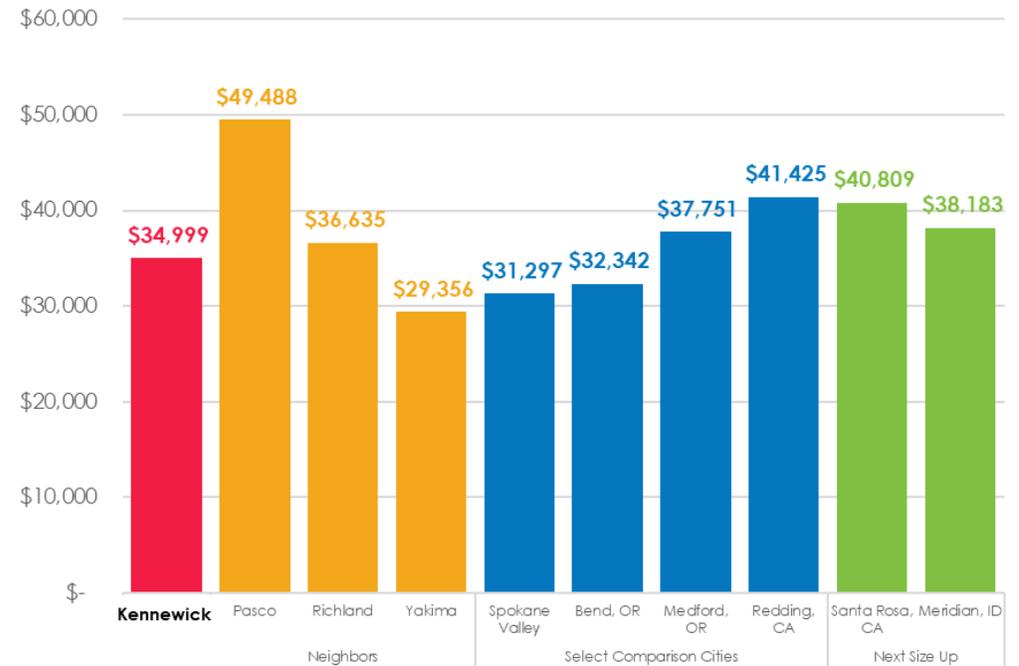
Exhibit 3. Population Share of Benton-Franklin Counties, Tri Cities, 2020



Sources: LEHD, 2019; ESD, 2022; Community Attributes Inc., 2022.

Kennewick's median income is lower than the region, and the city has a higher share of low-income households compared to the Tri-Cities as a whole.

Exhibit 5. Median Resident Income, Kennewick and Comparison Cities, 2020



Sources: ACS, 2020; CAI, 2022.

Key Findings from Phase I – Landscape Assessment

One-third of all Kennewick jobs are in professional, technical, accommodations, and food services.

Kennewick will add more than 12,000 jobs by 2040 with most of its jobs in health, education, government, and professional services

Exhibit 9. Employment by Industry, Kennewick, 2019

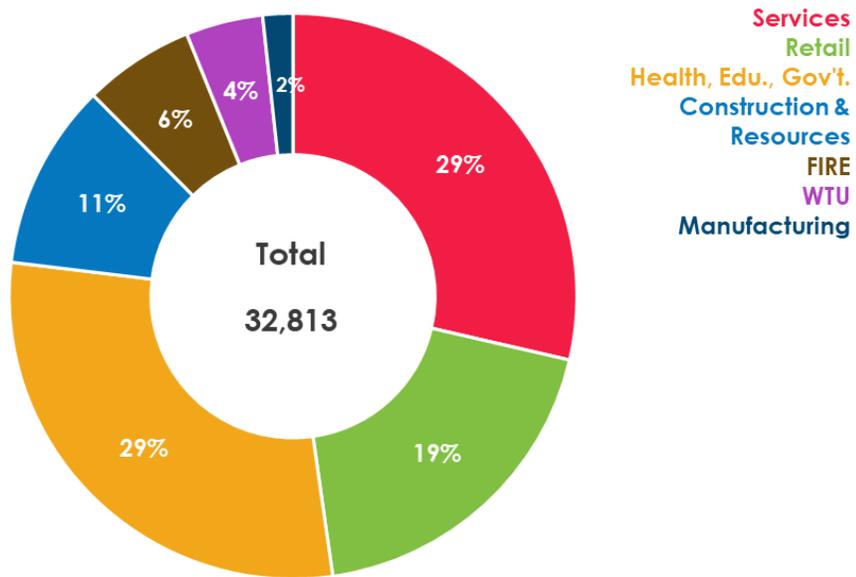
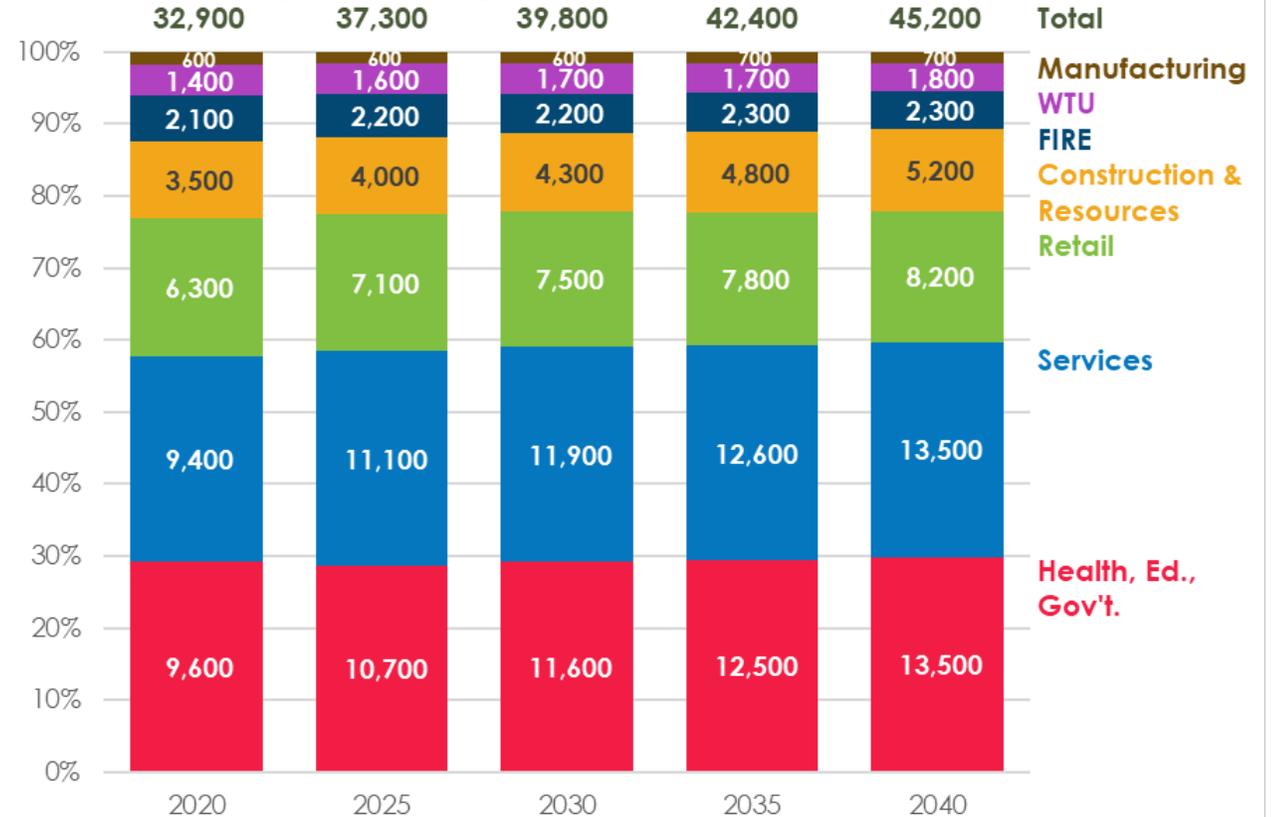


Exhibit 10. Projected Employment, Kennewick, 2020 – 2040



Sources: LEHD, 2019; CAI, 2022..

Sources: LEHD, 2019; ESD, 2022; Community Attributes Inc., 2022.

Phase II Scope & Schedule

Phase II

- **January**

- Advisory Group #1
- Draft SWOT

- **February**

- Presentation to City Council
- Online Business and Resident Survey
- Draft Vision and Goals

- **March**

- Focus Groups
- Virtual Community Studio
- Draft Implementation Matrix: Strategies & Actions

- **April**

- Draft Economic Development Strategic Plan

- **May**

- Final Economic Development Strategic Plan
- Technical Memo: Comprehensive Plan Economic Development Element

Draft SWOT Analysis

- A Strengths, Weaknesses, Opportunities, and Threats (SWOT analysis) **informs the goals and strategies identified in the Economic Development Strategic Plan.**
- The Draft SWOT **combines information from data and demographic analysis, review of current and past plans and studies, as well as noted competitive advantages and disadvantages** from previous engagement with city leadership.
 - **Strengths** – Existing assets or resources, competitive advantages, capabilities, reputation.
 - **Weaknesses** – Competitive disadvantages, distinct limitations, needed improvements.
 - **Opportunities** – Areas of potential investment, positive trends, new methods to apply strengths.
 - **Threats** – Negative trends, nearby competition, risk management.

Strengths

- **Robust population and employment base:** Kennewick comprises more than one-third of the Tri-Cities population and it houses about one-third of all Benton and Franklin County jobs
- **Two of the Tri-Cities' 15 largest employers are headquartered in Kennewick.** The Kennewick School District employs 3,043 and Trios Health employs 1,100.
- **Significant amount of developable land** – Employment Lands Inventory indicates the city can accommodate anticipated commercial and industrial growth
- **Opportunity sites contain a mixture of commercial and industrial zoning that can accommodate a wide range of industry sectors**
- **Robust local and regional partnerships and policy objectives for economic development**
- **Attractive visitor-serving commercial and recreational activities**
- **Education assets that can be leveraged:** CBC Richland Campus, WSU Extension Community and Economic Development program, expanding K-12 and vocational schools

Weaknesses

- **Household self-sufficiency is constrained** – Low household income and median wages make it difficult for households to remain self-sufficient, trailing both the Tri-Cities and Benton and Franklin Counties.
- **Employees seek employment outside of Kennewick** - largest employers are industries in which Kennewick residents earn less than their Tri-Cities or county peers and residents travel to secure higher wage employment.
- **Limited focus among ED partners on fostering entrepreneurship and generating startups** – high level review indicates there is limited focus on entrepreneurs and startups and more focus on overall business climate, quality of life factors, tourism, target industry attraction, and sites and infrastructure.
- **Talent development not aligned fully with industry needs** – focus of workforce development needs to be built out for key target sectors (Energy, Food Processing, Logistics / Warehouse / Distribution, Construction / Real Estate)
- **Misalignment between available infrastructure and developable land** - Gap in transportation investment proximate to the recent UGA expansion area as well as additional vacant and partially vacant parcels along the river near Oak St. Several vacant and underutilized sites are located further away from major transportation corridors and envisioning development on these sites may require significant transportation and utility investment prior to realizing marketability among prospective developers.

Opportunities

- **Significant anticipated growth** – Kennewick projected to grow to more than 100,000 residents and 45,000 jobs by 2040.
- **COVID-19 Economic Stability** - Unemployment is lower than pre-pandemic levels and businesses are more stable despite fluctuating case counts.
- **Sector-Specific Growth Areas:**
 - Build out agri-tourism and emerging viticulture industry and specialty crop farming and retailing – using technology to support area agricultural production.
 - Land and infrastructure capacities well positioned for business development in e-commerce, supporting supply chain needs in Commodities, Trade, and Transport
 - Building out broader range and alternative uses and activities related to federal investments in Hanford – new energy innovation, nuclear medicine, other industrial applications.
- **Proposed improvements to recreation assets** – Rivershore Enhancement Master Plan and trail facilities in northern border of city
- **Technology companies and remote workers are expanding into more affordable markets**
- **Recent investment in Opportunity Areas:** Southridge/Bob Olson Parkway redevelopment, Recent UGA expansion, Vista Field mixed use urban concept near Toyota Center, and Columbia River waterfront redevelopment
- **Clear identification of transportation improvement projects that support development proposals** in TIP
- **New investments in nearby education facilities** - CBC Richland Campus expansion

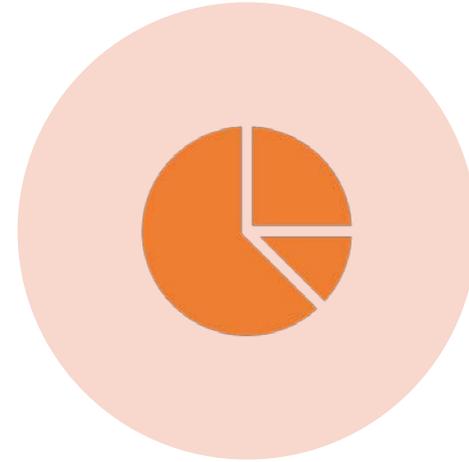
Threats

- **Significant number of jobs are in services and retail** - industries with bookend of very low and very high wages and experiencing significant fluctuation through the COVID-19 pandemic.
- **Childcare costs amount to about one-quarter of all household costs for families with children.**
- **Decreased funding from federal agencies related to Hanford Nuclear Site**
- **Statewide and federal priority for infrastructure investment is not aligned to local needs**
- **Forecasted increase in demand for land, water and energy requires strategic consideration of use and management** - Water access, water quality, and wastewater treatment needs to make industrial areas marketable and agricultural areas viable

Draft Engagement Plan Elements



**VIRTUAL FOCUS
GROUPS (MARCH)**



**ONLINE SURVEY
(MARCH)**

Draft Engagement Plan – Focus Groups

Virtual Focus Groups (Early March) – A set of five topics or industries have been identified to understand the outlook on each industry/topic and identify key priorities and actions the city and its partners can take, as well as any feedback on draft vision/goals for the EDSP.

1. **Medical and Health Care Industry** - health district, major hospitals, health research institutions
2. **Tourism/Visitation and Retail Industry** - Tourism organizations, convention center, key retail and visitation destinations.
3. **Light Industry (Food Processing/Agribusiness & Logistics/Distribution Industries)** – food processing/manufacturing industries, logistics/distribution and e-commerce, other agribusiness companies, and manufacturers.
4. **Scientific Research and Energy Innovation Industry** – Utilities, research organizations, organizations dedicated to scientific education and learning.
5. **Workforce Development and Retention** – How do we get young people to stay and seek economic opportunities in Kennewick, and how do we ensure that companies here are adequately served by talented workers?

Draft Engagement Plan – Online Survey

Online Survey (March)

1. How would you describe Kennewick's economy of the future? _____
2. Please rank these strengths, opportunities and economic assets by level of priority for investment.
 1. *Answer choices forthcoming*
3. Please rank these weaknesses, threats and economic challenges based on how urgently the Kennewick needs to address them.
 1. *Answer choices forthcoming*
4. Which of the following business types or facilities does Kennewick need more of?
 1. *Answer choices forthcoming*
5. Which of the following are the most important quality of life issues for Kennewick businesses and residents?
 1. Access to high-wage jobs
 2. Availability of affordable housing
 3. Availability of affordable childcare
 4. Transportation or transit
 5. Others...
6. What is one 'big idea' you have for Kennewick? _____

Q: How would you describe Kennewick's economy of the future?



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March 7, 2023

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

March 14, 2023

Tuesday, 6:30 p.m.

WORKSHOP MEETING

1. CivicClerk Training
2. Fireworks Regulations
3. Industrial Area Utilities Extensions

March 21, 2023

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

March 28, 2023

Tuesday, 6:00 p.m.*

Please note the time change

WORKSHOP MEETING

1. Tumbleweed Trailer Demo
2. Kennewick Public Facilities District (KPF) Annual Update
3. Council Ethics Policy

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