

Benton Franklin Council of Governments

2017

# Comprehensive Economic Development Strategy Update

(CEDS)

This document was prepared by the Benton-Franklin Economic Development District (BFEDD) and CEDS Committee

- Bob Koch, BFEDD President
- Carl Adrian, CEDS Committee Chair
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**RESOLUTION 01-17**

**ADOPTING THE 2017 BENTON-FRANKLIN**

**COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs) ANNUAL UPDATE**

**WHEREAS;** the Benton-Franklin Economic Development District is the duly constituted and recognized Economic Planning Organization for the Richland-Kennewick-Pasco Metropolitan Area (Benton and Franklin Counties); and

**WHEREAS;** in 2014 the Benton-Franklin Economic Development District completed a five-year Comprehensive Economic Development Strategy that was submitted to and approved by the Economic Development Administration (EDA); and

**WHEREAS;** the Benton-Franklin Economic Development District has reviewed and considered the economic development issues pertinent to this metropolitan area; and

**WHEREAS;** the support and assistance of the EDA is essential to facilitate improvements in the economic circumstances of this metropolitan area; and

**WHEREAS;** the Benton-Franklin Economic Development District has developed a 2017 Comprehensive Economic Development Strategy Annual Update, pursuant to the Economic Development Administration's Comprehensive Economic Development Strategy Update Guidelines;  
NOW THEREFOR

**BE IT RESOLVED** that the Benton-Franklin Economic Development District has formally adopted the 2017 Benton-Franklin Comprehensive Economic Development Strategy Annual Update as an update to the 2014 Comprehensive Economic Development Strategy; and

**BE IT FURTHER RESOLVED** that the 2017 Benton-Franklin Comprehensive Economic Development Strategy Annual Update be attached to this resolution and by reference be made part thereof.

**PASSED AND APPROVED** this 21<sup>st</sup> day of April, 2017.

President, Bob Koch

Attest

Date

## ***CEDS Committee Strategic Vision***

*The participants of the Benton Franklin Economic Development District  
will strive to:*

- *Encourage healthy growth of a resilient and diverse economy by providing family wage jobs through new business attraction and retention and development of the infrastructure necessary to encourage and achieve this;*
- *Nurture a thriving environment for entrepreneurial business creation through greater collaboration, innovation, and access to capital;*
- *Support and protect the current industry clusters and their related natural and financial resources; and*
- *Expand educational and training opportunities and community amenities to attract, uplift, and retain families and youth.*

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This document can be viewed online at <http://bfcog.us/community-development/community-economic-development-strategy-ceds/> . For copies, questions, or comments please contact the Benton-Franklin Council of Governments at (509) 943-9185.

## Acknowledgements

This document was prepared through information provided by the following agencies and individuals. Their participation and contributions are greatly appreciated.

- Washington State Employment Security Department
- TRIDEC
- Visit Tri-Cities
- Cities of Richland, Kennewick, Pasco, West Richland, Prosser, Connell, Benton City, Mesa and Kahlotus
- Ports of Benton, Pasco and Kennewick
- Washington State Office of Financial Management
- Washington State Departments' of Commerce and Agriculture
- U.S. Economic Development Administration
- National Association of Development Organizations

The Comprehensive Economic Development Strategy (CEDS) Committee Members listed below met with BFCG staff to review the regional strategic efforts to ensure that representation of the various projects throughout the region are being represented by both the private and public sector.

### CEDS Strategy Committee Members

- Amanda Jones, Baker Boyer Bank, Member
- Andrew Klein, A S Klein Engineering PLLC, Member
- Matt Boehnke, City of Kennewick, Member
- Brad Peck, Franklin County, Member
- Brent Gerry, City of West Richland, Member
- Carl Adrian, TRIDEC, Chair
- Carol Woo, Baker and Giles, Member
- Deb Heintz, Prosser EDA, Member
- Jim Beaver, Benton County, Member
- Kim Shugart/Kris Watkins, Visit Tri-Cities, Member
- Matt Watkins, City of Pasco, Member
- Thomas Fisher, US Bank, Member
- Trini Garibay, Elite Construction and Development, Member
- Skip Novakovich, Port of Kennewick, Member



## Preface

The Comprehensive Economic Development Strategy (CEDS) is a local planning process designed to create employment opportunities, improve local conditions, foster more stable and diversified local economies, and provide a mechanism for guiding and coordinating the efforts of local organizations and individuals concerned with the economic development of this area.

The publication is a requirement of the U.S. Economic Development Administration (EDA). Pursuant to 13 C.F.R §303.7 the EDA requires this document be prepared and approval of this document by EDA is one the prerequisites for the official designation of the area as a re-development area. This designation is, in some cases, a necessary step for funding of public works and business development projects.



## SECTION I – THE AREA AND ITS ECONOMY

### GEOGRAPHIC CHARACTERISTICS

The Counties of Benton and Franklin which make up the Benton-Franklin Economic Development District (BFEDD) are located in the South Central portion of the State of Washington. Benton and Franklin Counties combined occupy a total of 2975 square miles. Benton County covers 1,772 square miles and ranks 22<sup>nd</sup>. Its county seat is at Prosser. Franklin County covers 1,244 square miles and ranks 27<sup>th</sup>. Its county seat is Pasco.

Benton and Franklin Counties are located east of the Cascade Range of mountains and average six to ten inches of rainfall per year, with 280 days of sunshine per year, an attractive feature of the region. The region is void of most natural disaster risks associated with other areas of the country. The terrain is generally basin and bottomland interspersed with upland plateaus with elevations of 300 to 3000 feet above sea level.

Three major rivers dominate the geography of the region: the Columbia, Snake and Yakima. The cities of Kennewick, Richland and Pasco are located on the banks of Lake Wallula, created after the construction of the McNary Dam, at the confluence of these three rivers. The bi-county area has excellent air quality meeting all national air quality standards for the six major air pollutants of national concern.

### DEMOGRAPHIC CHARACTERISTICS

The 2017 Comprehensive Economic Development Strategy Annual Update (CEDS Update) includes statistical information from the Employment Security Department, the Benton-Franklin Trends website, as well as various project and regional updates provided by municipal, port and other agency staff that play an integral role in the region's economic development efforts. Much of this information is based off of the Census 2010, 2013 ACS 5-year Estimate. The next Census is scheduled for 2020.

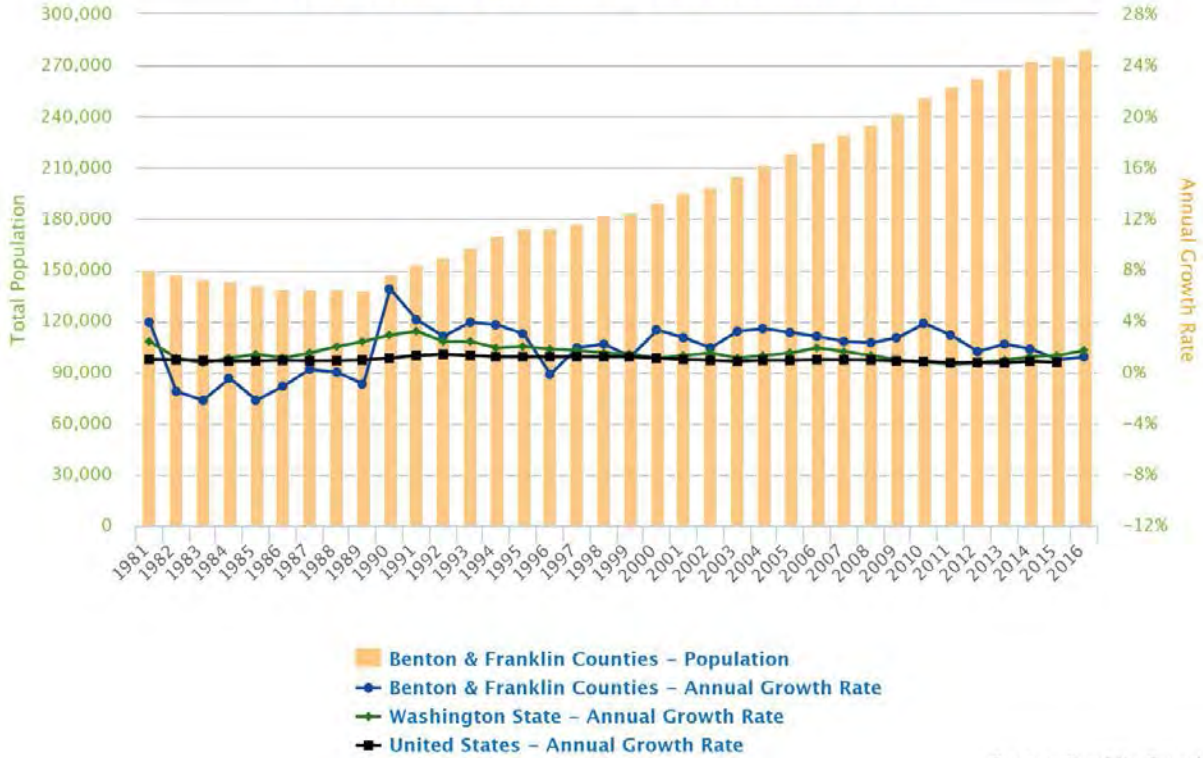
Local population growth continues to drive demand for more educational services as well as healthcare. The trends seen overall in the education and healthcare industries can largely be attributed to the national, state and local budget cuts and re-allocations, but the BFEDD has recently seen many new education and health care projects in 2016 with more planned for 2017 and beyond.

Additional Demographic information is included in the Appendix that further explains the differences in the two counties, with Benton County being more service and retail oriented and Franklin County being more agricultural and industrially oriented, primarily food processing.



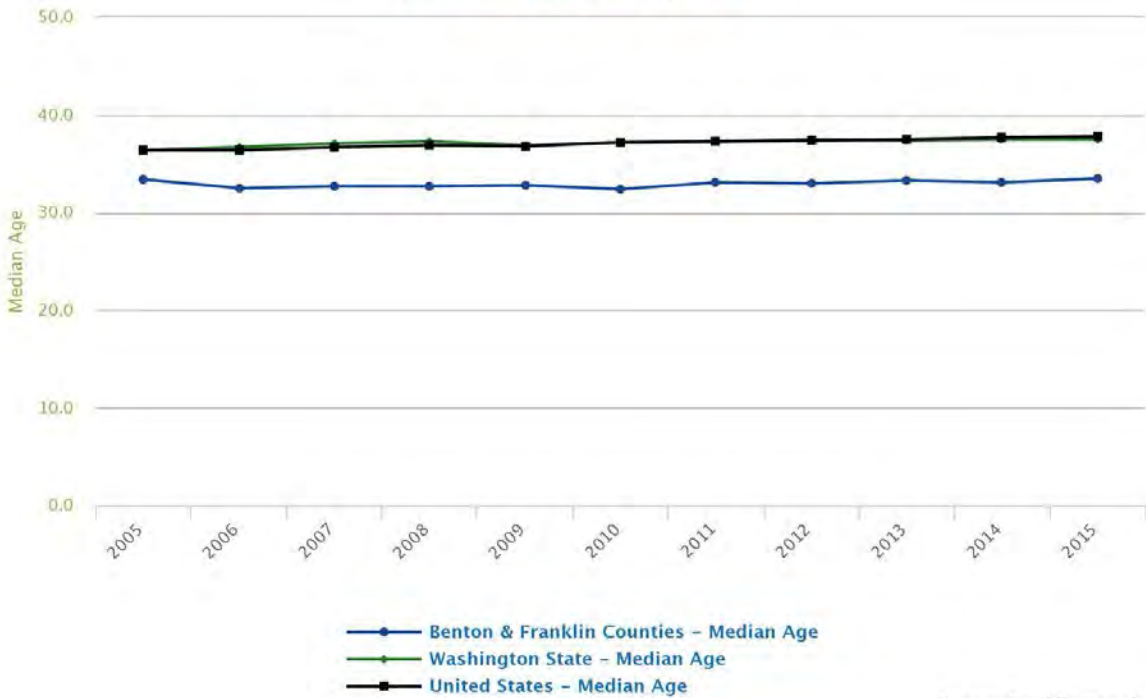


### 0.1.1 Total Population & Annual Growth Rate



Benton-Franklin Trends

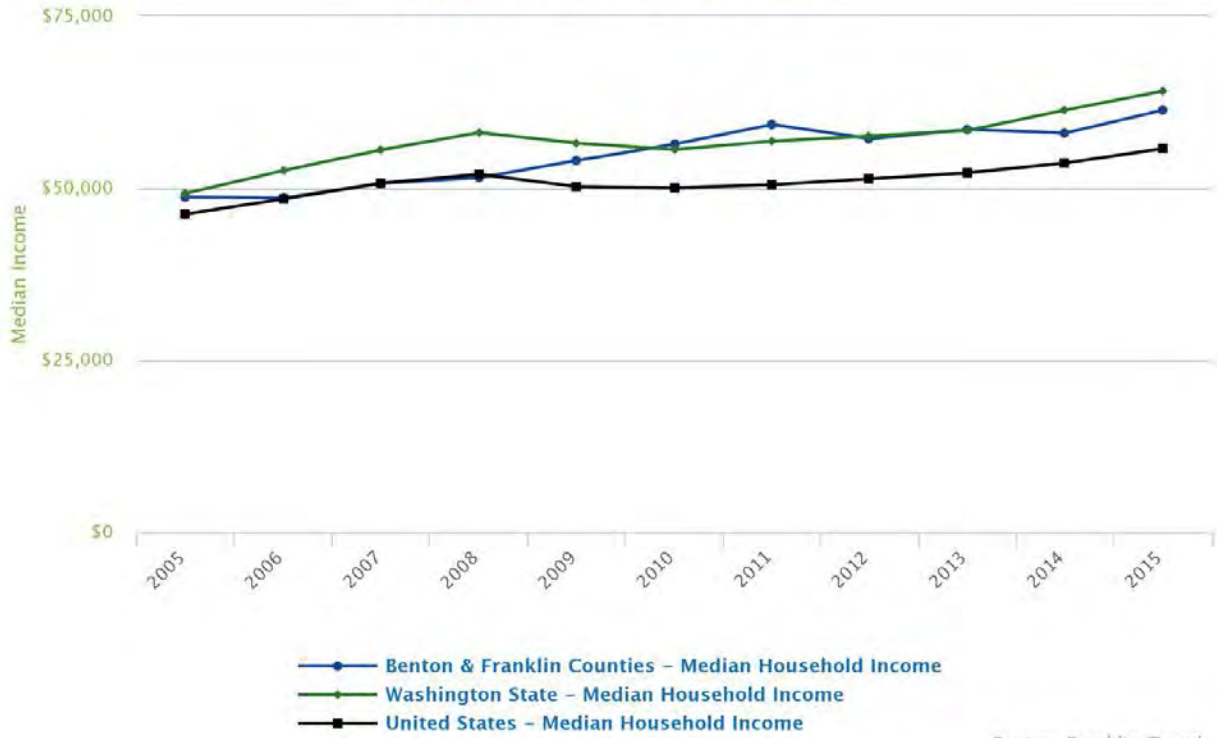
### 0.1.3 Median Age of the Population



Benton-Franklin Trends



### 3.1.2 Median Household Income



Benton-Franklin Trends

The housing market is stable with growing housing inventories and affordable prices. The following housing statistics were provided by the Tri-City Association of Realtors’ Housing Statistics website at <http://tricityaor.com/housing-statistics/>. As shown below the number of homes sold has seen continued growth and is expected to increase with continued housing starts and developments in the region.

Year	Homes Sold	Increase Over Prior Year	
		Units	%
2016	4423	270	6.50%
2015	4153	647	18.45%
2014	3506	210	6.37%



### 3.4.1 Assessed Value of Total Taxable Property and Annual Growth Rate



The following demographic information including workforce supply was provided by Washington State Department of Employment Security.

The District has experienced many consecutive months of jobs growth. According to Washington state nonfarm projections, the Tri-Cities (which include both Benton and Franklin Counties) are expected to be the fastest growing area in the state through 2022 at 1.3 percent a year. Manufacturing and construction sectors are expected to have an annual growth at 1.0 percent and 1.4 percent through 2022. In response to growth in manufacturing and agriculture, wholesale trade along with transportation and warehousing industries are expected to expand as well at the rate of 1.1 and 0.7 percent a year, respectively. As the economy stabilizes and moves forward with new markets, new products and technology in research and development, manufacturing and wine production and utilization are expected to play a big role in the region's future prosperity.

#### LABOR FORCE

In 2015, the Benton County labor force was estimated to be 91,650. The Benton County unemployment rate was 6.5 percent in August of 2016, which is 0.5 percent more than August of 2015.



For Franklin County, in 2015, the county labor force was estimated at 38,953, about 2.5 percent higher than in 2014. Franklin County unemployment rate was at 7.5 percent in 2015 which was 0.8 percent lower than in 2014.

## INDUSTRY EMPLOYMENT

As employment and income is analyzed for the bi-county Economic Development District (EDD) it becomes readily apparent that there are significant differences between the two counties. Benton County is the home of the Hanford Nuclear Reservation which is in the process of being cleaned up and closed. Hanford and Benton County benefitted from the federal ARRA program but as those funds are spent, activities at Hanford are being curtailed. See additional information in the Appendix

## TRANSPORTATION, RESOURCES, ENVIRONMENT

### *PUBLIC UTILITIES*

Each of the Cities in the bi-county area provides municipal; water and sewage treatment for their communities. Municipal water rates vary from a flat charge or special rate, to established rates based on the volume of water used and the size of the meter installed. The State of Washington Department of Health requires organic and inorganic chemical analysis of all municipal water supplies to be performed periodically to assure compliance with state water standards for municipal systems. Municipal sewer rates are typically a flat or special rate. Each of the cities within the bi-county area monitors their utility's capabilities and press to upgrade water and sewer capacity to serve additional industrial and commercial businesses to help promote economic resiliency.

### *PUBLIC SCHOOLS*

Seven public school districts and several private and vocational schools serve the nine municipalities and the unincorporated areas of Benton and Franklin Counties. Columbia Basin College at Pasco offers associate of arts and science programs and limited four year programs and Washington State University, Tri-Cities (WSU-TC) at Richland offers baccalaureate, graduate and professional programs in the arts and sciences.

A new high school based on science, technology, mathematics and engineering (STEM) has recently been developed in association with the three Tri-Cities school Districts with capacity of four hundred students.

WSU-TC also received approximately \$2,060,000 grant from the Economic Development Administration at the end of 2012 for the WSU Wine Science Center. This new facility has uniquely positioned the campus to offer research and teaching wine-producing courses.

### *HOSPITALS and CLINICS*

Four hospitals serve the bi-county area. Kadlec Hospital, Our Lady of Lourdes, Kennewick General Hospital (TRIOS) and Prosser Memorial Hospital. There has been significant growth at all of the hospitals and plans have either been completed or are underway to expand services into the underserved rural areas of Benton and Franklin Counties. The Tri-Cities Cancer Center,



Tri-Cities Community Health and numerous medical clinics additionally serve the bi-county area.

### *FIRE PROTECTION*

There are four municipal fire departments in the bi-county region (Richland, Kennewick, Pasco and Connell). The remainder of the bi-county area is protected by a number of county fire protection districts.

### *CULTURAL AND REGIONAL FACILITIES*

Four season cultural and recreational opportunities are offered throughout the Tri-Cities MSA for resident and tourist interests. Visit Tri-Cities located in Kennewick provides a list of scheduled events and the location of cultural and recreational features or attractions. Some of these events are held at local venues, such as the Three Rivers Convention Center, TRAC Center, the REACH Interpretive Center, LIGO, and the WSU Wine Science Center. Other events are held at the many wineries in the region, libraries, restaurants and galleries.

A significant achievement in the region that will continue to impact the area is the approval in 2015 of a National Park recognizing the Manhattan Project, which includes the B Reactor at Hanford as well as facilities at other Manhattan Project sites. For more than a decade, local leaders have been working with federal agencies to pursue the project. The B Reactor tours draws over 10,000 visitors a year, and with the designation of the National Park, there is expected to be very significant economic impact over the foreseeable future as the Park development moves forward and visitation is expected to multiply. This is a prime example of the community's forethought and utilization of opportunities to capture economic benefit and diversify to become more resilient for future generations.

### *TELECOMMUNICATIONS*

The bi-county area enjoys a state-of-the-art telecommunications infrastructure, which exists in all but a small number of rural areas in the region. This infrastructure includes a vast network of fiber optics and integrated services digital network (ISDN) as well as digital technology. Through grants from the federal government the area has been able to extend and is continuing to extend broadband throughout the bi-county area.

### *TRANSPORTATION*

Surveys focusing on the locational decisions of new firms in Eastern Washington both manufacturing and non-manufacturing demonstrates a high dependence on the transportation system. Over seventy-five percent of manufacturing firms in the region rely on motor freight to deliver or receive products. The BFEDD is at the junction of many land, air and rail transportation connections.

The major airport in the Tri-Cities is owned and operated by the Port of Pasco, which is classified as a "primary" airport by the National Plan Airport Integration Systems (NPAIS). The Port of Pasco along with TRIDEC, are working together to court more direct flights (daily routes as well) to be serviced out of the Tri-Cities region. This would help with the recruitment and expansion of businesses to the region. The Port of Pasco just completed a \$42 million



expansion to double the size of the terminal and position the airport for the next 20 years, which will allow for additional economic resiliency as needs change.

The region has recently also undertaken a significant effort of investing in a Wayfinding Master Plan to help further the effort of getting people aware of and familiar with the available amenities of the region. Proper wayfinding systems are expected to increase retail sales as much as 18%, which can generate a significant economic impact for the area. Visit Tri-Cities is managing this effort with all of the cities, counties and ports working in conjunction.

#### *POWER GENERATION*

The Bonneville Power Administration (BPA) is a not-for-profit federal agency, under the U.S. Department of Energy, that markets wholesale power and operates and markets transmission services to the Pacific Northwest. The power is produced by 31 federal dams and one non-federal nuclear plant and sold to over 140 Northwest utilities. Within the Tri-Cities MSA, hydroelectric power is produced at McNary dam on the Columbia River and Ice Harbor dam on the Snake River. Energy Northwest operates the Columbia Generating Station, a thermonuclear power production reactor north of Richland on the Columbia River. There are three additional hydroelectric dams within fifty miles of the Tri-Cities. Benton and Franklin PUD's are looking at renewable and conservation projects to keep power demand satisfied and affordable and to provide additional sustainability and resiliency.

#### *NATURAL GAS AND REFINED PETROLEUM*

Two interstate natural gas supply lines, of the Pacific Gas and Transmission Company and the Northwest Pipeline Company cross the Tri-Cities MSA. The Chevron Pipeline is a common carrier pipeline that transports refined petroleum products such as diesel and gasoline from Salt Lake City to Pasco and Spokane. Barging additional product occurs as well.



## SECTION II – ANALYSIS OF ECONOMIC DEVELOPMENT PROBLEMS AND OPPORTUNITIES

### SWOT ANALYSIS

The CEDS Committee developed the following SWOT Analysis for the region:

		<i>Helpful</i>	<i>Harmful</i>
<i>Internal</i>	<b>Strengths</b>		<b>Weaknesses</b>
		Transportation (Highway, Rail, Air, Barge)	Transportation (Inland Ports, Intermodal) (Opportunity)
		Real Estate (Available Sites and Office Buildings)	Real Estate (Few Available Industrial Buildings)
		Infrastructure and Utilities	Large Parcels Without Utilities
		Human Capital (Labor Pool, Costs/Productivity, Training)	IT Infrastructure Needs Improvement
		Educational System Supporting Training	Diversification Sustainability
		Supportive Business Climate	Higher Education Attainment Below State Average
		High Production Agriculture	Innovation Conversion and Retention
		STEM Educational Systems Developing	Lack of Public Facilities - Arts/Entertainment
		High STEM Employment (Hanford, PNNL, A&E, Medical)	
		Growing Logistics/Refrigeration/Warehousing Presence	
		Intellectual Infrastructure Supports Innovation	
		Entrepreneurial Activity	
		University R&D expenditures (\$23 MM at WSU Tri-Cities)	
	Wine Industry Development and Support		
	New Manhattan Project National Park Designation		
<i>External</i>	<b>Opportunities</b>		<b>Threats</b>
		Transportation (Inland Ports, Intermodal)	Sustainability
		Attraction of Additional Value-added Manufacturing	Federal Funding Cutbacks
		Attraction of New Energy Companies/Projects	Community Assets Controlled Outside Community (Hospitals, Higher Education, PNNL, Hanford)
		Smart Grid Development	Environmental Regulations (Wastewater Management for Food Processing Sector)
		Attraction of New Industries (Per TadZo )	Land Use Planning and Development Regulations
		Tourism Attraction (New National Park Designation)	Coastal Port Labor Issues Affects on Exports
		Tourism Attraction (Wine Industry/Hospitality)	Fuel Price Volatility
		Community Branding for Recruiting Efforts	Drought, Water Utilization
		Export/Import Opportunities (U.S. Customs Presence)	Aging Workforce
		Gathering Centers/Downtown Development	Retention of Entrepreneurs/Businesses
	Attraction of Venture Capitalists		



## INVESTMENT STRATEGIES

In 2013, TRIDEC, Tri-City Economic Development Council, hired a team of consultants led by TadZo Consulting to perform a New Economy Target Industry Analysis of the area. The study is being incorporated into TRIDEC's workplan and the industries they are working to recruit. The CEDS Committee incorporated some of these items into their SWOT analysis.

This study focused on basic industries- those industries that bring new wealth into the local economy in the form of investment, jobs, payroll and local purchasing. The recommendations were thorough and were meant to generate a robust pipeline of leads and strengthen site selection factors in order to convert these leads into wins for our region. In all, the recommendations are helping the region enhance competitiveness, providing us competitive positioning, and with the implementation of most of these recommendations, the region now knows how to adjust the prioritization of projects to more efficiently allocate resources of time and budget to accommodate new and more competitive economic development practices for our region.

According to the TadZo Study, the region has a number of strengths as well as some significant weaknesses as it relates to the economy of the region.

The major strengths that came out of the study were ample highways, rails and air services, available real estate sites, infrastructure and utilities to real estate sites, human capital with labor pool, costs and productivity, and training resources and business climate. The major weaknesses included global location access, ports and intermodal transportation, available industrial buildings, business resources related to entrepreneurship and financing, and sustainability and mitigated risks for the region.

The consultants were asked to identify between four to six industry sectors that offered the best opportunity for success in new business recruitment. The six primary industry sector, each of which included up to nine subsectors included: Energy, Logistics, Food Processing, Machinery Manufacturing, Carbon Fiber Manufacturing, and Training.

Moving forward, CBC and WSU Tri-Cities have worked with the community in the past year to add, modify or enhance various programs to meet the needs of the changing community. CBC currently offers bachelor of applied science degrees in applied management, project management and cybersecurity. They recently also received accreditation for a four year nursing program.

WSU Tri-Cities recently finished the WSU Wine Science Center and added a viticulture and enology program to the Tri-Cities campus. In March 2015, the Washington State University Faculty Senate also voted to extend the Bachelor of Arts degree in hospitality business management (HBM) to the Carson College of Business on the Tri-Cities campus. The degree will offer two majors: HBM and wine business management. In fall 2016, WSU Tri-Cities will allow





up to 200 high school Running Start students into its inaugural program, though officials at the university and CBC said their programs won't be in competition.

The Economic Development District (EDD) has a small cities group that meets monthly. The purpose of the group is multi-faceted and is designed to provide the small cities with the same kind of information and activities that large cities have staff to accomplish. The small cities has met consistently to discuss and share concerns, ideas and resolutions to solve various problems related to being a "small city".

The EDD also conducts a Lender's Roundtable, which incorporates lenders, economic development professionals and private industry on a quarterly basis, which also addresses the cohesiveness issue. These meetings are a chance to network and also learn together.

Several years ago, TRIDEC's Board of Directors recognized that community identity has been and as a constraint to attracting new businesses and capital investment. The "Tri-Cities" are not universally known in the Pacific Northwest. TRIDEC, Visit Tri-Cities, Tri-City Regional Chamber of Commerce, and Tri-Cities Port Districts conducted a brand effort and have all implemented complementary logos and branding messages within their organizations.

## IDENTIFY PAST, PRESENT, AND PROJECTED ECONOMIC DEVELOPMENT INVESTMENTS

With the formation of the Benton-Franklin Counties as an Economic Development District (BFEDD) in 1980, and with the subsequent EDA funding, the Benton-Franklin Council of Governments (BFCG) has provided a professional staff to assist local jurisdictions with economic development and planning functions. The provision of staff capacity to coordinate and implement regional planning activities is a critical resource for the District. Many of the activities are ongoing technical assistance programs; other activities are specific one-time functions, such as preparation of a capital facilities plan, growth management plan or ordinance or packaging of a specific loan deal. The 2014 CEDS has described the investments that have been made in the BFEDD over the past several years.

## IDENTIFY AND ANALYZE ECONOMIC CLUSTERS WITHIN THE REGION

The top clusters as identified in the New Economy Target Industry Analysis in the Benton-Franklin region are; Small Modular Nuclear Reactors (Energy); Smart Grid (Energy); Agriculture, processed foods, wine and craft beer (Logistics); Frozen fruit and vegetable manufacturing, frozen specialty food manufacturing, dried and dehydrated food manufacturing, perishable prepared food manufacturing (Food Processing); Food processing equipment, winery equipment (Machinery Manufacturing); and hazardous material handling, emergency response, and security (Training).

TRIDEC and its team of consultants led by TadZo, identified strategic industry clusters as strategic based on a number of characteristics, including their location coefficient (a measure of the regional concentration of the industry compared to the national average), size, growth, and wages. TRIDEC has incorporated recruiting of these industries into its workplan.



## THE OTHER IDENTIFIED CLUSTERS

For the purpose of this CEDS document some of the clusters identified in the Washington State's Strategic Plan for Workforce Development which have been successfully been implemented and are growth clusters in our region are discussed briefly below. The three major successful clusters as identified in previous CEDS are Hanford related activities including waste management, healthcare, and innovation.

Another growing cluster is agriculture. There are really two tracks for this cluster. The first is the production and processing of fruits and vegetables and the second is the wine industry which has seen explosive growth over the last twenty years. Once again location is a key factor where the raw products are readily available for processing. Additionally, the area benefits from the WSU Agricultural Experiment station located in Prosser. Because it is also situated in the center of an excellent transportation system and close to west coast ports it also enjoys a location advantage to other areas which may not have the attributes of the bi-county area. An example of the vitality of the agricultural cluster is the Pasco Processing Center. Fifteen years ago the area to the north of Pasco consisted of one processing plant and a collection of transportation oriented businesses. In the 90's the City of Pasco supported by the EDD made a strategic decision to expand based upon the increasing availability of agricultural raw product being produced in the Columbia Basin. The investment by EDA, the City of Pasco, the Port of Pasco and HAEIF to provide an industrial waste treatment system spurred the addition of four more processing plants (both potatoes and vegetables) with a resultant creation of approximately 2000 new jobs. Private investment, as a result of the public investment, is in the millions of dollars. Not only that but Franklin County and the City of Pasco experienced a population growth rate from 2001 to 2011 of 59.72% primarily due to the location of the agricultural processing facilities.

In reviewing the external and internal influences on the region's economy the Federal Government is by far the most dominant. As discussed previously one of the major clusters in our region is waste management and the clean-up activities at Hanford. This cluster which provides the region with its highest paying jobs is continuously subject to the Federal Budget. TRIDEC provides leadership in the form of an annual budget request.

## THE PRESENT AND OUR EFFORTS TOWARD THE FUTURE

The top clusters as identified in the New Economy Target Industry Analysis in the Benton-Franklin region are; Small Modular Nuclear Reactors (Energy); Smart Grid (Energy); Agriculture, processed foods, wine and craft beer (Logistics); Frozen fruit and vegetable manufacturing, frozen specialty food manufacturing, dried and dehydrated food manufacturing, perishable prepared food manufacturing (Food Processing); Food processing equipment, winery equipment (Machinery Manufacturing); and hazardous material handling, emergency response, and security (Training).



## SECTION III – GOALS AND OBJECTIVES

The Goals and Objectives as enumerated in this section include the potential activities of the District’s member organizations. The major goal as it relates directly to CEDS would be diversification. After that the major goals and objectives would be job creation, private investment, which directly contributes to diversification, collaboration with local, regional and state organizations and other activities that address diversification.

The 2017 Goals reflect the priorities of the participating jurisdictions including Benton County, Franklin County, Prosser, Benton City, West Richland, Richland, Pasco, Kennewick, Connell, Mesa, Kahlotus, Benton PUD, Kennewick Irrigation District, and the Ports. Those entities have the direct responsibility for implementing their economic development goals. Objectives to meet these goals are found in earlier CEDS versions.

- GOAL I: SUPPORT THE DIVERSIFICATION OF THE AREA ECONOMY**
- GOAL II: IMPROVE THE VIABILITY OF EXISTING INDUSTRIES & SUPPORTIVE ECONOMIC SECTORS**
- GOAL III: SUPPORT AND ENHANCE THE RECREATIONAL AND TOURISM POTENTIALS OF THE AREA**
- GOAL IV: PLAN AND IMPROVE THE MULTI-MODAL TRANSPORTATION SYSTEM IN SUPPORT OF REGIONAL DEVELOPMENT NEEDS**
- GOAL V: SUPPORT THE DEVELOPMENT OF ADEQUATE REGIONAL INDUSTRIAL AND COMMERCIAL INFRASTRUCTURE**
- GOAL VI: UTILIZE THE NATURAL RESOURCES OF THE AREA TO EXPAND ITS ECONOMIC BASE WHILE MAINTAINING ENVIRONMENTAL QUALITY**
- GOAL VII: DEVELOP THE REGION'S ASSETS CONTRIBUTING TO ITS QUALITY OF LIFE**
- GOAL VIII: SUPPORT WORKFORCE EDUCATION & TRAINING**



## **STRATEGIC PROJECTS, PROGRAMS AND ACTIVITIES**

The following project list reflects projects designed to implement the goals and objectives of the CEDS. These projects have been carefully vetted by the CEDS Committee and reviewed and approved by the Economic Development District. All of the projects submitted meet the criteria adopted by EDA which requires that the process look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy to build resiliency. These are projects that will provide an investment that is part of an overarching, long-term comprehensive economic development strategy that will enhance the region's success in achieving a rising standard of living by supporting existing industry clusters, developing new clusters, and attracting new regional economic drivers.



## STRATEGIC PROJECTS

Jurisdiction	Project Name	Total Project Cost	Available Local Match	Percent Match Identified	Project Type	Completion Year
City of Connell	South Side Water Mains Improvements	1,363,300	340,000	25%	Infrastructure	2020
City of Connell	Connell Rail Interchange Project	23,500,000	10,100,000	43%	Capital Structure/Infrastructure	2020
City of Kennewick	Columbia Gardens Infrastructure	543,000	271,500	50%	Infrastructure	2017
City of Prosser	Industrial Waste Water Plant	4,000,000	2,800,000	70%	Capital Structure/Infrastructure	2019
City of Prosser	Interstate 82 Utility Crossing	2,250,000	450,000	20%	Infrastructure	2019
City of Richland	Batelle Boulevard Extension	750,000	100,000	13%	Infrastructure	2017
City of Richland	Henderson Loop Extension	900,000	90,000	10%	Infrastructure	2017
Port of Benton	Land Transfer Master Planning & Rail Options	18,370,000	Unknown	0%	Infrastructure	2018
Port of Benton	North Richland Development Building	2,500,000	500,000	20%	Capital Structure	2018
Port of Benton	Spengler Road Extension	900,000	200,000	22%	Capital Structure	2019
Port of Kennewick	Columbia Gardens Wine & Artisan Village	8,000,000	Unknown	0%	Infrastructure	Open
Port of Kennewick	Vista Field Redevelopment	14,000,000	Unknown	0%	Infrastructure	Open
Port of Kennewick	Clover Island Revitalization	2,000,000	Unknown	0%	Infrastructure	2020
Port of Kennewick	West Richland Wine & Business Park Infrastructure	2,000,000	Unknown	0%	Infrastructure	Open
Port of Pasco	Villa Artesana de Pasco	3,000,000	2,075,000	69%	Capital Structure/Infrastructure	2018
Port of Pasco	Specialty Food Manufacturing - Multi Tenant	3,000,000	2,075,000	69%	Capital Structure/Infrastructure	2018



## SECTION IV – EVALUATION

The Benton-Franklin Economic Development District uses the following primary metrics to measure its yearly progress in carrying out the intent of the CEDS:

1. Number of jobs created/or retained
2. Number, types and amounts of major investments undertaken in the region
3. Funds in both the private and public sectors leveraged by federal, state and local grant investments.

Additional positive outcomes include many other benefits to the District’s region, including:

1. Reduction in unemployment rates
2. Private investment leveraged by the District’s loan programs
3. Number of loans made in all District loan programs per year
4. Number of group business training sessions
5. Participation in the Washington Economic Development District Association
6. Increases in personal income

### COMMUNITY AND PRIVATE PARTICIPATION

The Benton Franklin Comprehensive Economic Development Strategy Committee is made up of a mixture of public and private sector individuals that represent Benton and Franklin Counties, two large city chairs, one small city chair, one port chair and eight Economic Development District members. Those eight represent the private sector as well as chambers of commerce, regional economic development council, work source development, college, banking industry, small business and regional tourism. This group meets to develop and review the strategies and projects that are submitted to them from eligible applicants.

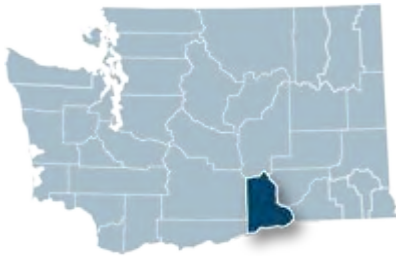
In addition, the Economic Development District staff participates in a number of other venues including the Tri-Cities Development Council (TRIDEC) monthly meetings of the Economic Professionals and other regional meetings, which are taken into consideration during development of the CEDS update.

## APPENDICES

### Employment Analysis In conjunction with Washington Employment Security Department

**This analysis examines existing and emerging in-demand industry sectors and occupations, and their employment needs. A story of two counties:**

## Benton County profile



by Ajsa Suljic, Regional Labor Economist - *updated October 2015*

### Overview

#### *Regional context*

Benton County, named after Missouri Senator Thomas Hart Benton, was created from eastern Yakima and Klickitat counties in 1905. The county is located in southeastern Washington at the confluence of the Columbia, Snake and Yakima rivers. The Columbia River defines the north, south and east boundaries, making the county part of the semi-arid river basin in the rain shadow of the Cascade, Blue, Wallowa and Rocky mountains. Ranching and dry-land farming made up the bulk of its economy in the 1800s. Today, it is the ninth most densely populated county in the state with 103 persons per square mile due to its nuclear-related and other research and development industries. Agriculture is still a large producer in the area.

#### *Local economy*

Deer and elk, along with fishing, seeds, roots and berries provided food for the indigenous people in the area even though there was little rainfall. Migrations of white settlers into the area in the 19th century disrupted this tribal world and the Indian Wars of the 1850s resulted in tribes being moved to reservations.

The gold rush of 1858 in British Columbia brought the first large group of whites through the area. By the 1870s, cattle and horse ranchers occupied the majority of land in the area. In the 1880s, major settlements along the Columbia River were connected by steamboats and railroads, allowing farmers



and ranchers to get products to market. Farming included corn, wheat, alfalfa, potatoes and fruit, especially apples. Many farmers were successful in dry-land farming. However in the 1890s, the Yakima Irrigation and Improvement Company built the first irrigation canals. With irrigation, railroad and electricity development, there were accompanying expansions of orchards, vineyards, farming and ranching.

World War II brought the Hanford Project into the county to develop the plutonium used in the first nuclear bomb. Continued federal investment has led to scientific diversification and nuclear and chemical cleanup, with skilled engineers and scientists following the jobs. In the late 1980s, Washington State University expanded into the area, offering advanced degrees. The well-educated, trained workforce has made many contributions in agricultural production, processing and research. Over time, the county has attracted a variety of manufacturers, including production of chemicals, fertilizer and zirconium tubing and titanium, along with supporting storage and distribution centers.

Growth and prosperity have continued with population growth and development centering in Kennewick, Richland and Prosser. Recreational industries and tourist attractions are developing along with the popularity of the wine industry. The economy is tied to agriculture, food processing, medical equipment manufacturing, energy production, nuclear-fuel fabrication, wine production and wine tourism.

### Geographic facts

(Source: U.S. Census Bureau QuickFacts)

	Benton County	Rank in state
Land area, 2010 (square miles)	1,700.38	22
Persons per square mile, 2010	103	9

### Outlook

The Benton County economic picture looks quiet promising. Recovery of local jobs following the Hanford Nuclear Reservation 2011 layoffs is well underway. It has taken two years to start recovering lost jobs in the county, with 2,225 new jobs added just over the year. Industry growth in 2015 occurred in agriculture, construction, manufacturing, educational services, healthcare, accommodation and food services and government. Local population growth continues to drive demand for more educational services as well as healthcare.

As the economy becomes more stable and moves forward with new markets, new products and technology in research and development, manufacturing and wine production and utilization are expected to play a big role in Benton County’s future prosperity. Education and healthcare is marching forward with growth to accommodate ever growing demand at the local and regional level. Benton and Franklin Counties are expected to grow nonfarm employment at the rate of 1.94 percent a year through 2019.





## Labor force and unemployment

(Source: Employment Security Department)

Current labor force and unemployment statistics are available on the [Labor area summaries page](#).

Benton County resident labor force was estimated at 91,650 in 2015, with an increase of 1.9 percent from 2014. Counties unemployment rate was at 6.6 percent, which was 0.9 percent lower than in 2014. Total resident employment increased by 2.9 percent or 2,391 over the year, while resident unemployment decreased by 658 individuals.

The most recent numbers released for August 2016, the unemployment rate was 6.5 percent, which is 0.5 percent more than that in August 2015. Benton County resident labor force was 94,588, employment was 88,405 and unemployment was 6,183. Counties resident labor force is expanding and more workers are participating in the workforce activities, while at the same time resident employment is increasing as the residents are finding jobs in expanding economy.

## Industry employment

(Source: Employment Security Department)

Current industry employment statistics are available on the [Labor area summaries page](#).

Benton County total covered employment was 82,291 in 2015, an increase of 2.8 percent or 2,225 jobs since 2014. Counties total covered payroll was at \$4.3 billion, with an increase of 6.7 percent in 2015. As the result, covered average annual wage in Benton County was \$51,700 in 2015, an increase of 3.8 percent from the average annual wage of \$49,799 in 2014. In 2015, according to the BLS' Quarterly Census of Employment and Wages, there were 5,688 total establishments in the county.



## Top 10 Industries in Benton County

(Source: Employment Security Department, QCEW)

Rank	Industry	% of Total
1	Government	15.2%
2	Health care and social assistance	12.7%
3	Professional and technical services	11.6%
4	Administrative and waste services	11.4%
5	Retail trade	11.4%
6	Accommodation and food services (tourism)	8.0%
7	Agriculture	7.3%
8	Construction	5.6%
9	Manufacturing	4.9%
10	Finance and insurance	2.1%

Goods-producing industries, which include natural resources, mining, construction and manufacturing, decreased in employment from 2014 to 2015 by 2.1 percent, or 299 jobs. Average monthly employment in 2015 was 14,553 workers and annual wages totaled \$632.9 million, which translates to a \$43,488 average annual wage for goods-producing workers.

- The manufacturing industry declined in employment over the year by 5.6 percent. The averaged employment was at 4,006 jobs in 2015, with average annual pay of \$53,500. Manufacturing represented 4.9 percent of total covered employment in Benton County.
- Construction accounted for 5.6 percent of the total average annual employment in the county with 4,604 jobs.
  - The average annual wage in construction was \$58,131 in 2015 up by 4.7 percent from year before.
  - Construction employment in the county increased for the third year in a row, with a 9.2 percent change over the year. Construction employment is recovering after the 2012 decline due to large layoffs from Hanford Nuclear Reservation.
- Agriculture is one of the base industries in the area, representing 7.3 percent of total employment. It is, however, highly seasonal and volatile from year to year.
  - Average annual employment in agriculture in 2015 was 6,021, up by 2.6 percent from 2014. Nonetheless, agriculture has shown a 5.1 percent average annual growth rate over the past five years.
  - The average annual wage in agriculture was \$26,136, mainly due to the seasonality of agricultural activities. Average annual wage has increased by percent over the year.



Service-providing industries are a major share (82.3 percent) of the county's economy. There was an average of 67,738 jobs, with increase of 3.1 percent, or by 2,005 jobs. Service-providing industries paid an average annual wage of \$53,464 in 2015, up by 3.6 percent over the year.

- Healthcare and social assistance employment in the private sector was 10,483 jobs, which represented about 12.7 percent of total employment in 2015 and the second largest industry cluster in the county. Healthcare and social assistance increased by 2.5 percent from 2014, with increases in different segments including hospitals and ambulatory health care services. Healthcare and social assistance industry is the fourth largest payroll in the county with \$472.7 million. The average annual wage in this industry was \$45,096.
- Accommodations and food services increased by 5.2 percent over the year, with total employment at 6,586. Total payrolls are at \$113.4 million with average annual wage at \$17,214. Major contribution of growth comes from the accommodation services as new hotels raise from the grounds and offer their services. This industry continues to expand at the rate of 2.7 percent a year since 2010.
- Government employment, which includes both public education and health care totaled at 12,548 in 2015, which is the largest industry in the area with an increase of 2.0 percent from 2014.
  - Over 83.4 percent of total employment in government was in local government, 10.3 percent in state government and 6.3 percent in federal government.
  - Second largest payroll in the county at \$750.8 million, with an average annual wage at \$59,841.
- The administrative and support and waste management and remediation industry sector in Benton County represent 11.4 percent of total employment. The average annual employment in this sector was at 9,350 in 2015 with an increase of 3.3 percent from 2014. Total covered payrolls were at \$733.7 million in 2015, with an increase over the year of 8.8 percent. Average annual wages for this sector was at \$78,466.
- The retail trade is the fifth largest employing industry in Benton County, representing 11.4 percent of total employment.
  - In 2015, this industry had an average of 9,341 jobs, with \$257.3 million in payroll with average annual wage of \$27,549.
  - The largest contributors of growth were electronics and appliance stores with an increase over the year by 10.8 percent, followed by motor vehicles and parts dealers' increase of 9.5 percent and building material and garden supply stores increased by 8.2 percent.
- The professional, scientific and technical services industry is the largest private industry in Benton County with an 11.6 percent share of total employment.
  - This industry had an average annual employment of 9,578, with an increase of 2.0 percent since 2014.
  - Total payroll for this industry was at \$883.3 million, with over the year increase of 4.9 percent. Average annual wages were at \$92,218 for the industry workers
- The fastest growing industry over the year has been transportation and warehousing at 14.5 percent increase from 2014. This industry makes up only 1.1 percent of total, but it is expanding rapidly. Total payrolls in this industry are at \$37.5 million, with an average annual wage at \$43,238



### *Industry employment by age and gender*

(Source: The Local Employment Dynamics)

The Local Employment Dynamics (LED) database, a joint project of state employment departments and the U.S. Census Bureau, matches state employment data with federal administrative data. Among the products is industry employment by age and gender. All workers covered by state unemployment insurance data are included; federal workers and non-covered workers, such as the self-employed, are not. Data are presented by place of work, not place of residence. Some highlights:

In 2014, the largest share of employment was held by 25 to 34 year-olds at 21.7 percent, which is close to the state's figure of 21.8 percent. The age group of 45 to 54 year-olds had a 21.5 percent share of employment, followed by those 35 to 44 years-old at 20.9 percent.

- The county's employment showed male workers at 51.2 percent and females at 48.8 percent.
- Male-dominated industries included construction (80.8 percent), utilities (76.2 percent), wholesale trade (74.9 percent), transportation and warehousing (72.6 percent) and administrative and waste management (69.6 percent).
- Female-dominated industries included healthcare and social assistance (80.2 percent), educational services (72.9 percent), finance and insurance (68.7 percent) and accommodation and food services (55.5 percent).

### **Wages and income**

(Source: Employment Security Department; Bureau of Labor Statistics; Bureau of Economic Analysis; U.S. Census Bureau; U.S. Census Bureau, American Community Survey)

In 2015, there were 82,291 jobs in Benton County covered by unemployment insurance, with a total payroll of over \$4.3 billion.

The average annual wage was \$51,700 in 2015 for Benton County while for the state was at \$56,650 and the state less King County at \$45,760. Benton County average annual wage is third highest in the state. The median hourly wage in 2015 was \$22.53, below the state's median hourly wage of \$23.15.

### *Personal Income*

Personal income includes earned income, investment income, and government payments such as Social Security and Veterans Benefits. Investment income includes income imputed from pension funds and from owning a home. Per capita personal income equals total personal income divided by the resident population.

In 2014, Benton County's personal income totaled at \$7.6 million and per capita personal income was \$40,956, less than the state (\$49,610) and the nation (\$46,049).



According to the U.S. Census Bureau QuickFacts, the median household income was \$60,589 in 2010-2014. The county’s median was slightly more than that of the state (\$60,294) during the same period.

Benton County’s poverty rate of 14.6 percent is above Washington State’s rate of 12.2 percent and the nation’s rate of 13.5 percent in 2014, according to U.S Census Bureau QuickFacts.

## Population

(Source: U.S. Census Bureau)

In 2015, Benton County’s population was 190,309 with an 8.6 percent growth from 2010 to 2015 compared to the state’s growth rate of 6.6 percent over the same time period.

The largest city in Benton County is Kennewick with a population of 79,120 in 2015. Second largest city is Richland with population at 53,410. Third largest is West Richland with population of 14,340.

### *Population facts*

(Source: U.S. Census Bureau QuickFacts)

	Benton County	Washington state
Population 2015	190,309	7,170,351
Population 2010	175,177	6,724,540
Percent change, 2010 to 2015	8.6%	6.6%

### *Age, gender and ethnicity*

(Source: U.S. Census Bureau QuickFacts)

Benton County has a younger population than does the state.

- Benton County’s largest population was under 18 years of age (26.7 percent) compared to the state (22.5 percent) in 2015.
- Residents under the age of 5 years old made up 7.2 percent of the total population compared to 6.2 percent in the state in 2015.
- In 2015, Benton County’s population 65 years and older made up 13.8 percent of the total compared to 14.4 percent of the state’s population.

The gender split in the county was 49.8 percent female compared to 50.2 percent in the state in 2015.

Benton County is not as racially or ethnically diverse as the state except in its Hispanic or Latino residents, who can be any race. Hispanics or Latinos were 21.0 percent of the population compared with 12.4 percent in the state.



## Demographics

(Source: U.S. Census Bureau QuickFacts)

	Benton County	Washington state
<b>Population by age, 2015</b>		
Under 5 years old	7.2%	6.2%
Under 18 years old	26.7%	22.5%
65 years and older	13.8%	14.4%
<b>Females, 2015</b>	49.8%	50.0%
<b>Race/ethnicity, 2015</b>		
White	90.8%	80.3%
Black	1.7%	4.1%
American Indian, Alaskan Native	1.2%	1.9%
Asian, Native Hawaiian, other Pacific Islander	3.3%	9.1%
Hispanic or Latino, any race	21.0%	12.4%

## Educational attainment

(Source: U.S. Census Bureau QuickFacts)

About 88.7 percent of Benton County's population 25 years and older were high school graduates, 2010-2014. This graduation rate compares to that of the state's rate of 90.2 percent.

Those holding a bachelor's degree or higher made up 29.2 percent of Benton County residents age 25 and older compared to 32.3 percent of state residents.



# Franklin County profile



by Ajsa Suljic, Regional Labor Economist - *updated October 2016*

## Overview

### *Regional context*

Franklin County, named for Benjamin Franklin, was created from Whitman County in 1883. The county is located in southeastern Washington at the convergence of the Snake and Columbia rivers. The Columbia River forms its western border and the Snake River forms its southern and eastern borders. Adams County is to its north. The railroads secured the county's future as towns grew up around its railroad stations. Ranching and farming have continued to be the economic mainstay of Franklin County. It ranked 27th in the state in terms of land area and 15th in the state in persons per square mile (62.9) in 2010.

### *Local economy*

Native Americans were the first people who inhabited this area, hunting game and fishing salmon. In the 1850s, white prospectors traveled through the area to the gold rush in British Columbia. Some stayed to raise sheep and plant orchards. The 1855 treaty agreements resulted in the native people ceding their lands to the United States and moving onto reservations.

In the 1800s, cattle and horse ranches dominated much of the northern county while orchards flourished elsewhere. With the coming of the railroad, settlements started at the mouth of the Snake River. Pasco was connected to Kennewick through ferry-operated services and steamboats, which ended in 1887 when the first railroad bridge connected Pasco to Kennewick. The railroad furthered development throughout the 1900s. There were settlements of Chinese who worked for the railroad. Some of the Chinese panned gold and operated businesses in the rail towns.

There was unremarkable growth until World War II when the U.S. Army-Air Force base moved to Pasco and the Hanford project moved to Richland. In 1948, the first farm received water from the Grand Coulee Dam irrigation system. Manufacturing and storage facilities, including ice houses and fruit-packing facilities, followed.

The 1990s and 2000s brought increasing industrial diversity with continued agriculture and food manufacturing as its economic base. The economic downturn, however, did not spare Franklin County. The county's rate of unemployment has risen and the length of joblessness has increased. Construction, real estate and rental and leasing were the industries that lost the most employment



during the recession. Industries that are creating stability in the area include food manufacturing, agriculture and private and public educational and healthcare services.

Franklin County became the first Hispanic-majority county in the Pacific Northwest. It is also one of the region's fastest growing counties.

### Geographic facts

(Source: U.S. Census Bureau QuickFacts)

	Franklin County	Rank in state
Land area, 2010 (square miles)	1,242.17	27
Persons per square mile, 2010	62.9	15

### Outlook

Local population growth continues to drive demand for more educational services as well as healthcare. The good news is that the housing market in the county is stable with growing housing inventories and affordable prices. Over the past year there have been many industries that have contributed to the job growth in Franklin County including manufacturing, wholesale trade, and construction industry. Benton and Franklin Counties are expected to grow nonfarm employment at the rate of 1.94 percent a year through 2019.

In the short run, education and health services are expected to lead the way in annual growth. In response to increasing manufacturing in the area, agriculture, wholesale trade, along with transportation and warehousing industries will be expanding as well. The leisure and hospitality industry in the county is expecting to add jobs as well.

### Labor force and unemployment

(Source: Employment Security Department)

Current labor force and unemployment statistics are available on the [Labor area summaries](#) page.

The Franklin County total resident labor force was estimated at 38,953 in 2015, which was 2.5 percent higher than in 2014. The Franklin County unemployment rate was 7.5 percent in 2015, which was 0.8 percent lower than in 2014. The resident labor force employment increased by 1,169 jobs over the year to 36,037, while number of unemployed residents decreased by 231 to 2,915 in 2015. The labor force picture is starting to improve after a slight decline in 2013. The labor force participation rate in Franklin County was around 64.9 percent as of 2015, with a slight increase from 2014. The labor force participation rate is little bit more volatile year to year in Franklin County than that in the state (64.1 percent) because of its core agricultural industries.

The most current data show that the Franklin County August 2016 preliminary unemployment rate was 6.6 percent, up by five-tenths of a percent from the 6.1 percent reading in August 2015.





Preliminary August 2016 estimates for the Franklin County show that the total civilian labor force was up by 3.6 percent, from 39,948 in August 2015 to 41,401 in August 2016. The number of employed residents was 38,686 in August 2016, up by 3.1 percent from 37,515 in August 2015. At the same time the number of unemployed workers increased by 282 from 2,433 in August 2015 to 2,715 in August 2016.

### Industry employment

(Source: Employment Security Department)

Current industry employment statistics are available on the [Labor area summaries](#) page.

Total covered employment in Franklin County was 33,187 in 2015, which has grown by 4.2 percent or 1,345 jobs since 2014. The five-year average annual growth rate of Franklin County covered employment was 2.8 percent. The average annual wage for covered employment in Franklin County was \$36,903 in 2015, an increase of 2.9 percent over the year. Franklin County total covered annual payroll in 2015 was at \$1.2 billion which is 7.3 percent higher than in 2014.

In 2015, according to the BLS Quarterly Census of Employment and Wages, there were 2,697 total establishments in Franklin County. Private establishments provided about 27,186 jobs or 81.9 percent of the total in 2015 and public administration provided 6,001 jobs or 18.10 percent of the total employment in 2015.

### Top 10 Industries in Franklin County

(Source: Employment Security Department, QCEW)

Rank	Industry	% of Total
1	Agriculture	20.3%
2	Government	18.1%
3	Manufacturing	11.5%
4	Retail trade	9.4%
5	Health care and social assistance	7.8%
6	Wholesale trade	6.1%
7	Accommodation and food services (tourism)	5.7%
8	Construction	5.3%
9	Transportation and warehousing	4.4%
10	Administrative and waste services	3.5%



Goods-producing industries, which include natural resources, mining, construction and manufacturing, increased in employment from 2014 to 2015 by 2.9 percent, or 328 jobs. Average monthly employment in 2015 was 11,657 workers and annual wages totaled \$405.8 million, with an increase over the year of 9.3 percent. Total payrolls translates to a \$34,814 average annual wage for goods-producing workers, which has increased by 6.2 percent.

- Manufacturing increased employment over the year by 10.7 percent or by 366 jobs to 3,802 in 2015, with average annual pay of \$38,071. Manufacturing represented about 11.5 percent of total covered employment. Food manufacturing subsector increased by 7.2 percent over the year, and this provides over 3,040 jobs with average annual wage at \$36,003.
- Construction accounted for 5.3 percent of the total average annual employment in the county with 1,743 jobs.
  - The average annual wage in construction was \$47,570 in 2015.
  - Over the year the construction sector increased by 0.5 percent. Construction activities are moving forward with new housing developments to accommodate the current demand.
- Agriculture is number one industry Franklin County, representing 20.3 percent of total employment. It is, however, highly seasonal and volatile from year to year.
  - Average annual employment in agriculture in 2015 was 6,727, with an increase over the year of 9.2 percent.
  - The average annual wage in agriculture was at \$27,420, mainly due to the seasonality of agricultural activities.
  - Crop production represents 63.5 percent of total agriculture, which is largely in non-citrus fruit farming, including apple orchards, grape vineyards and other produce.
  - Support activities shared 26.8 percent of employment, which includes post-harvest crop activity.

Service-providing industries in 2015 have a 64.4 percent share of Franklin County's total employment. There was an average of 21,530 jobs in this industry, which paid an average annual wage of \$38,035 in 2015. Over the year, service-providing industries increased by 5.0 percent, or by 1,017 jobs.

- Retail trade is the largest employing private service industry in Franklin County, representing 9.4 percent of total employment and the fourth largest of all industries after agriculture, government and manufacturing. Retail trade is a very stable industry and in 2015 this industry had an average of 3,124 jobs, which paid an average annual wage of \$31,818. Retail trade industry marks 2.4 percent increase over the year, with continuous increases of 3.5 percent a year since 2010.
- Healthcare and social assistance employment in the private sector was 2,586 jobs, which represented about 7.8 percent of total employment in 2015. The average annual wage in this industry was \$36,319. Five year average annual growth rate of this industry has been over 7.4 percent, with continuous growth due to population expansion and demand.
- Public administration is the largest service-providing industry in Franklin County with an 18.1 percent share of total employment. The largest share of employment in this industry is in the local school administration and healthcare services as there is more demand by growing population. This industry had an average annual employment of 6,001 in 2015, and an average annual wage of \$47,402.



### *Industry employment by age and gender*

(Source: The Local Employment Dynamics)

The Local Employment Dynamics (LED) database, a joint project of state employment departments and the U.S. Census Bureau, matches state employment data with federal administrative data. Among the products is industry employment by age and gender. All workers covered by state unemployment insurance data are included; federal workers and non-covered workers, such as the self-employed, are not. Data are presented by place of work, not place of residence. Some highlights:

- In 2015, the largest share of employment was held by those 55 years and older with 22.9 percent share, Second largest share is in 25 to 34 year-olds at 22.1 percent, which is close to the state's figure of 21.9 percent, which is followed by 35 to 44 with 22.0 percent. Also, 45 to 54 years olds had a 20.3 percent share of employment in the Franklin County.
- The county's demographics showed male workers held 55.5 percent and females held 44.5 percent of all jobs.
  - Male-dominated included transportation and warehousing (79.2 percent), construction (78.1 percent), wholesale trade (77.3 percent), utilities (71.5 percent).
  - Female-dominated industries included healthcare and social assistance (79.5 percent), finance and insurance (70.2 percent) and educational services (68.6 percent).

### **Wages and income**

(Source: Employment Security Department; Bureau of Labor Statistics; Bureau of Economic Analysis; U.S. Census Bureau; U.S. Census Bureau, American Community Survey)

In 2015, there were 33,187 jobs in Franklin County covered by unemployment insurance, with a total payroll of over \$1.2 billion.

The average annual wage was \$36,903, well below the state's average annual wage of \$56,937. The median hourly wage in 2015 was at \$16.45, below the state's median hourly wage of \$23.15.

### *Personal Income*

Personal income includes earned income, investment income, and government payments such as Social Security and Veterans Benefits. Investment income includes income imputed from pension funds and from owning a home. Per capita personal income equals total personal income divided by the resident population.

In 2015, Franklin County's personal income totaled \$2.7 million, which translates into a \$31,228 per capita personal income. Franklin County's per capita personal income was 37.0 percent less than the state (\$449,610) and 32.2 percent less than the nation (\$46,049).

According to the U.S. Census Bureau QuickFacts, the median household income was \$56,719 in 2014. The county's median was less than that of the state (\$60,294) during the same period.

Franklin County's poverty rate of 17.3 percent was higher than Washington State's rate of 12.2 percent and the nation's rate of 13.5 percent in 2014, according to U.S Census Bureau QuickFacts.



## Population

(Source: U.S. Census Bureau)

In 2015, Franklin County’s population was 88,807. Since 2010, Franklin County has had a 13.6 percent growth rate. In comparison, the state grew by 6.6 percent from 2010 to 2015.

The largest city in Franklin County is Pasco, the county seat, with a population of 69,451 in 2015.

### *Population facts*

(Source: U.S. Census Bureau QuickFacts)

	Franklin County	Washington state
Population 2015	88,807	7,170,351
Population 2010	78,163	6,724,540
Percent change, 2010 to 2015	13.6%	6.6%

### *Age, gender and ethnicity*

(Source: U.S. Census Bureau QuickFacts)

Franklin County has a much younger population than does the state.

- Over one-third of Franklin County’s population (33.1 percent) was under 18 years of age compared to the state (22.5 percent) in 2015.
- Residents under the age of 5 years old made up 10.6 percent of the county’s total population compared to 6.2 percent in the state in 2015.
- In 2015, Franklin County’s population 65 years and older made up 8.3 percent of the total compared to 14.4 percent of the state’s population.

The county was 48.1 percent female compared to 50.0 percent for the state in 2015.

Franklin County was the first county in the region to have a majority of Hispanics in its population. In 2015, Franklin County was 41.5 percent white alone and not Hispanic compared to 69.8 percent in the state. Hispanics or Latinos were 52.4 percent of the population compared with 12.4 percent in the state.



## Demographics

(Source: U.S. Census Bureau QuickFacts)

	Franklin County	Washington state
<b>Population by age, 2015</b>		
Under 5 years old	9.7%	6.2%
Under 18 years old	33.1%	22.5%
65 years and older	8.3%	14.4%
<b>Females, 2015</b>	48.1%	50.0%
<b>Race/ethnicity, 2015</b>		
White, not Hispanic	41.5%	69.8%
Black	2.7%	4.1%
American Indian, Alaskan Native	1.5%	1.9%
Asian, Native Hawaiian, other Pacific Islander	2.6%	9.1%
Hispanic or Latino, any race	52.4%	12.4%

## Educational attainment

(Source: U.S. Census Bureau QuickFacts)

High school graduates among Franklin County's population 25 years and older totaled 71.9 percent, lower than the state (90.2 percent) in 2015.

Those holding a bachelor's degree or higher made up 15.4 percent of Franklin County residents age 25 and older compared to 32.3 percent of state residents over the same period.



