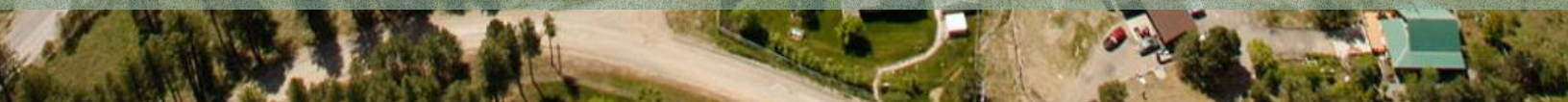




Tri County Economic Development District

2022 - 2026 Comprehensive
Economic Development Strategy



Contents

Resolution of Approval	1
Executive Summary	2
Background and Purpose	3
TEDD Vision and Mission	4
About the Tri-County Region	5
County Characteristics	5
Stevens County	5
Pend Oreille County	6
Ferry County	6
Population Characteristics	7
Economic and Industry Trends	8
Commuting Patterns	11
Educational Attainment	12
Tourism and Visitation	12
Housing	13
COVID-19 Pandemic Impacts	13
Stakeholder Engagement	14
Business Survey	14
Long-Term Tracking	19
Goals, Objectives, and Milestones	20
Appendix A: TEDD Board, Staff, and Membership	31
Appendix B: Landscape Assessment	33
Appendix C: Business Survey	42
Appendix D: Glossary of Terms	44
Appendix E: Broadband Study (forthcoming)	46
Appendix F: Recovery and Resiliency Plan (forthcoming)	46
Appendix G: WTA Destination Scan (forthcoming)	46
Appendix H: WTA Visitor Opportunity Study (forthcoming)	46



BEFORE THE BOARD OF DIRECTORS
TRI COUNTY ECONOMIC DEVELOPMENT DISTRICT /
REGIONAL TRANSPORTATION PLANNING ORGANIZATION

IN THE MATTER OF ADOPTING AND APPROVING THE FFY 2022-2026 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)) RESOLUTION 2022-004

WHEREAS, the Economic Development Administration (EDA) has designated the Tri County Economic Development District (TEDD) as the Economic Development District representing Ferry, Pend Oreille, and Stevens counties in the State of Washington; and

WHEREAS, the TEDD Comprehensive Economic Development Strategy (CEDs) Committee is educated and experienced with the planning and coordination of economic development activities to simulate private and public investments in order to provide employment and growth opportunities; and

WHEREAS, the Committee is organized in accordance with Federal requirements of the EDA to broadly represent the tri-county region including representation of local government, business, and other community interests; and

WHEREAS, the last complete rewrite of the Comprehensive Economic Development Strategy was completed and approved in 2017 and the last update was completed and approved in 2020; and

WHEREAS, the Committee has coordinated and incorporated the abovementioned economic development activities into a FFY 2022-2026 Comprehensive Economic Development Strategy (CEDs) for the Tri County Economic Development District.

NOW THEREFORE, IT IS RESOLVED that the Board of Directors does hereby approve and adopt the FFY 2022-2026 Comprehensive Economic Development Strategy (CEDs).

APPROVED and ADOPTED in Colville, Washington on this 26th day of January, 2022.

Handwritten signature of TEDD Board Chairman

ATTEST:

Handwritten signature of TEDD Board Secretary

BUSINESS & FINANCE ASSISTANCE

Executive Summary

The Tri-County Economic Development District's (TEDD) 2022-2026 Comprehensive Economic Development Strategy (CEDS) is the culmination of stakeholder engagement within the tri-county region, analysis of demographic and industry data, and an update of actions included in the 2018-2022 CEDS. Unlike previous versions of the CEDS, the 2022-2026 edition accounts for the impacts of the COVID-19 pandemic, ongoing challenges, and opportunities for recovery.

The region's population is aging, and growth is projected to slow through 2040. The historically and culturally significant industries of mining, timber, and agriculture are shrinking. However, there is potential for growth and innovation within other existing and emerging sectors, including within tourism and recreation industries.

TEDD's programs and services were particularly important as businesses worked to adapt to and survive the pandemic. TEDD expanded its assistance to facilitate remote and digital services and connect businesses with financial aid, technology, and education fundamental to adapting to pandemic restrictions and innovation. However, some impacts of the pandemic may be long-lasting and may challenge the region's businesses and residents for years to come.

Given this context, this CEDS update focuses on remaining adaptive to evolving economic conditions and creating a resilient regional economy while maintaining and growing its foundational services, programs, and leadership within the region. The 2022-2026 CEDS includes the following goals:

1	Maintain a collaborative and high-functioning regional economic development ecosystem.
2	Cultivate a community where small-town authenticity and quality of place make Northeast Washington the region of choice for businesses and families.
3	Enhance and expand TEDD programs and services.
4	Create and sustain an environment that fosters entrepreneurship and growth within key industry and economic sectors.
5	Provide leadership and support on economic recovery and to create a resilient economy and business ecosystem.

The objectives and milestones contained within each goal include updated goals, objectives and milestones from the previous CEDS. Revisions and additions from the previous version were identified through a demographic and industry assessment, business survey, and a review of pandemic data and business impacts. They build on the region's legacy and emerging assets and provide strategic interventions and support where businesses, industries, or other considerations are challenged or struggling.

The appendices include additional data and information gathered over the course of the CEDS update.

Background and Purpose

This is the 2022-2027 5-Year Comprehensive Economic Development Strategy (CEDS) for the Tri-County Economic Development District (TEDD). TEDD is the federally recognized Economic Development District representing Ferry, Pend Oreille, and Stevens Counties in Northeast Washington. TEDD is a public, local governmental entity, formed under the laws of the State of Washington and recognized by the Internal Revenue Service as a 501(c)(3) non-profit.

TEDD is contracted by the Economic Development Administration (EDA), a division of the U.S. Department of Commerce, to create and update a CEDS for the region. This is a regional planning process focused on economic development within the tri-county area. The final CEDS is submitted to the EDA for review and acceptance, upon which TEDD and other regional partners may apply for and receive funding and assistance for public works and planning projects related to the CEDS.

TEDD intends to work with local businesses, communities, and other organizations in Ferry, Pend Oreille, and Stevens Counties to help develop a stable and diverse economy. In addition to updating and maintaining the CEDS, TEDD's primary functions include:

- Administering the Rural Opportunities Loan Fund (ROLF) program which provides term debt financing for start-up and existing businesses in the tri-counties, as well as seven other eastern Washington counties.
- Serving as the designated Associated Development Organization (ADO) for Ferry and Stevens Counties. As the ADO, TEDD administers the Associated Development program through the Washington Department of Commerce. This program includes business recruitment, expansion, and retention efforts and assisting start-up businesses.
- Serving as the lead agency for the Northeast Washington Regional Transportation Planning Organization (NEW RTPO), the long-range

multi-modal transportation planning entity for the tri-counties.

- Applying for grant and other funding opportunities for the region's planning and public works efforts through TEDD's non-profit corporation, the Tri-County Economic Development Corporation (TC EDC).
- Functioning as a relending agency for the U.S. Department of Agriculture Rural Development Intermediary Relending Program, operating a more than \$3 million loan fund over a ten-county area.
- Assisting existing businesses to retain their employees, expand their businesses, as well as encourage new businesses to locate in the region.
- Coordinating regional and local economic development activities with other organizations and government units within the tri-counties.
- Managing two buildings: a small business incubator in the Colville Business Park and a space in the Southtown Business Plaza.

Formed in 1969, TEDD was one of the first economic development districts in the State of Washington. The purpose of its formation was to encourage economic development in the region and to seek resources for planning and funding infrastructure improvements for the communities within the region. Congress provides funds to economic development districts throughout the United States under the direction of the EDA and Department of Commerce. These funds support economic development projects that create jobs and improve regional diversification.

Designation as an economic development district gives the region access to federal funding targeted for investment in business and industrial site infrastructure. An economic development district also provides public agencies, non-profit agencies, citizens, and the private sector with a means to coordinate and link business development, infrastructure planning and construction activities

TEDD Vision and Mission

The following are a vision and mission for TEDD as an organization. Each describes TEDD's overarching goal and anticipated role in supporting the region.

Vision Statement

Building a regional ecosystem that enhances economic vitality and quality of life for the residents of Ferry, Stevens and Pend Oreille counties.

Mission Statement

The mission of TEDD is to promote a sustainable and resilient regional economy through community development, marketing, and targeted business support, while recognizing the culture and environment of the region.



About the Tri-County Region

As a region, Northeast Washington is known for several factors, including its abundance of public and tribal lands and predominantly rural and small-town character. The Colville National Forest covers 1.5 million acres of mountain ranges, rivers, and forests, largely in Ferry County. The Colville Confederated Tribes Reservation and Spokane Indian Reservation manage 1.4 million acres in southern Ferry County and 154,000 acres in Stevens County, respectively. The Kalispel Tribe of Indians manage 4,6000 acres of land in Pend Oreille County.

Nearly 80% of the region's population live in unincorporated areas. Republic in Ferry County, Newport in Pend Oreille County, and Colville in Stevens County are the county seats and account for 14%, 16%, and 10% of the county populations, respectively. The region's population of about 68,000 has grown slower than the state. The region's population is aging rapidly; the number of residents aged 60 to 74 years has more than doubled since 2000.

Historically, mining, ranching, and timber have been viewed as critical sectors for the local and regional economy. However, the prospects for these industries are uncertain, with mines in the area recently closing, and ranching and timber jobs steadily declining since the 2008 economic recession. At the same time, manufacturing, health care, and tourism are emerging as viable new opportunities for growth.

U.S. Highway 395 runs north and south through Stevens County, linking the Spokane metropolitan area to the south with British Columbia to the north, and passing through Chewelah, Colville and Kettle Falls before reaching the Canadian border at Laurier. Highway 2 runs through Pend Oreille County and passes through Newport before reaching the popular tourism destination of Sandpoint, Idaho. Highway 20 bisects all three counties on an east-west axis and passes through Republic, Kettle Falls, and Colville. The Columbia River, designated as the Lake Roosevelt National Recreation Area above the Grand Coulee Dam, and Colville National Forest, which includes both the Kettle River and Selkirk mountain ranges, are defining features of the region and Northeast Washington's preeminent natural and recreational attractions.

County Characteristics

Stevens County

Stevens County is the most populous county of the tri-county region with 45,940 residents as of 2020; it is the fifth largest and 11th least populous county in Washington State. The Spokane Indian Reservation accounts for nearly 10% of the land area and approximately 6% of the population within the county. Most of the population is concentrated in unincorporated areas. The largest cities in the tri-county region, Colville and Chewelah, are in Stevens County but together account for only 16% of the county's population. The County is the region's employment center, with nearly 70% of all tri-county jobs. According to population and employment forecasts, Stevens County is expected to accommodate the majority of the region's growth through 2040.

Pend Oreille County

Pend Oreille is the smallest of the three counties and accounts for approximately 20% of both the region's residents and jobs. Though the region's population is aging rapidly as a whole, the population in Pend Oreille is aging more quickly than in Stevens or Ferry Counties; the median age in 2019 was 51, more than 13 years older than the median age of the state of Washington. Pend Oreille County has the largest share of workers leaving the County for work, with many workers commuting to Priest River, Idaho, Spokane, and Spokane Valley. The Kalispel Reservation is also located within Pend Oreille County.

Ferry County

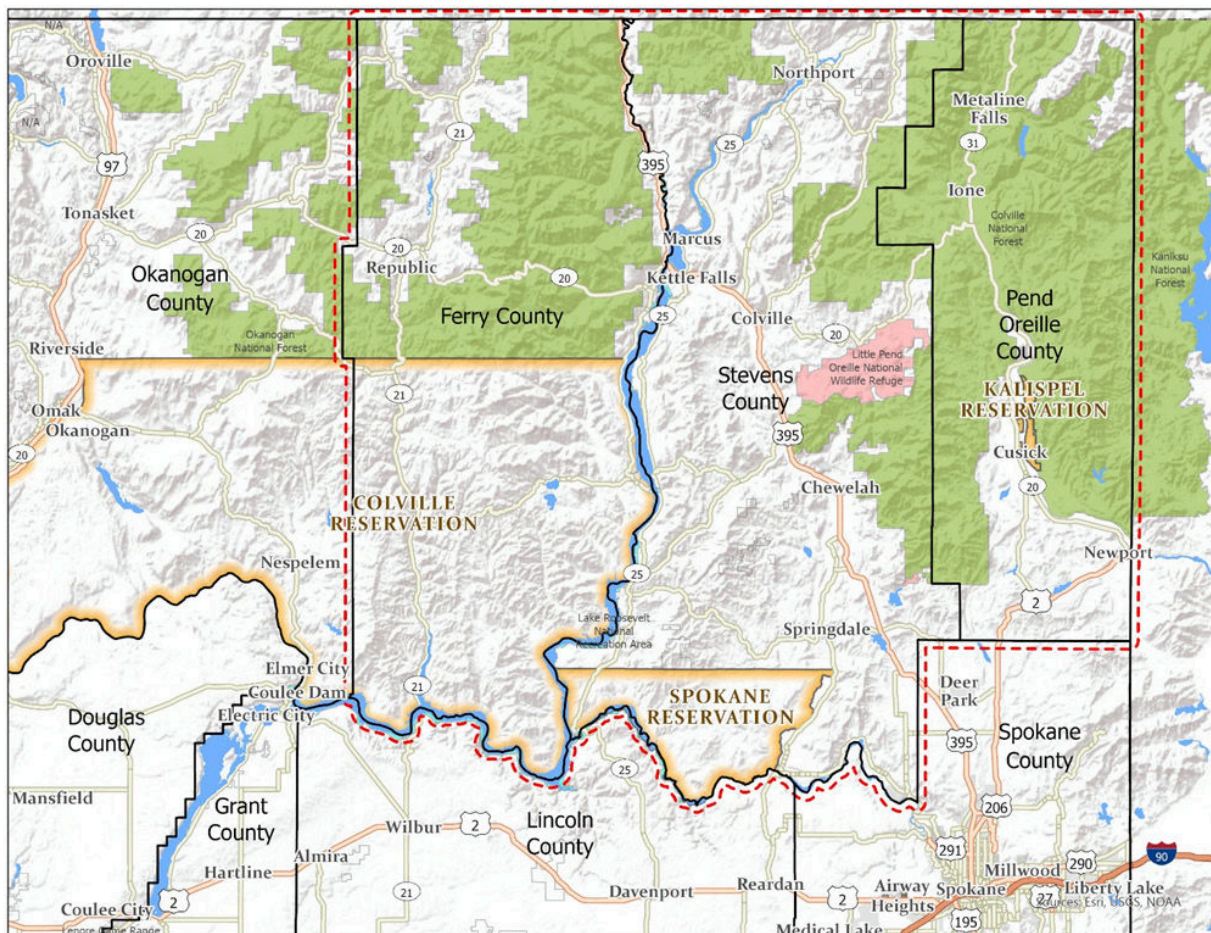
Ferry County's land is dominated by the Colville National Forest and Colville Confederated Tribes Reservation. The only incorporated entity is Re-

public and only 18% of the County's land is taxable.

Ferry County is also the most geographically isolated of the three counties. The County is economically insular, with a smaller share of Ferry County workers leaving the County for work. Ferry County is also the most economically challenged, with the highest rates of poverty and unemployment and lowest median household income. With few large businesses and a small share of trad-ed sector employment, the economy is largely service-providing and is more reliant on tourism and visitor spending than Stevens or Pend Oreille counties.

A map of the tri-county region, including important natural features and the boundaries of public and tribal jurisdictions, is given in **Exhibit 1**.

Exhibit 1. Map of the Tri-county Region, Northeast Washington

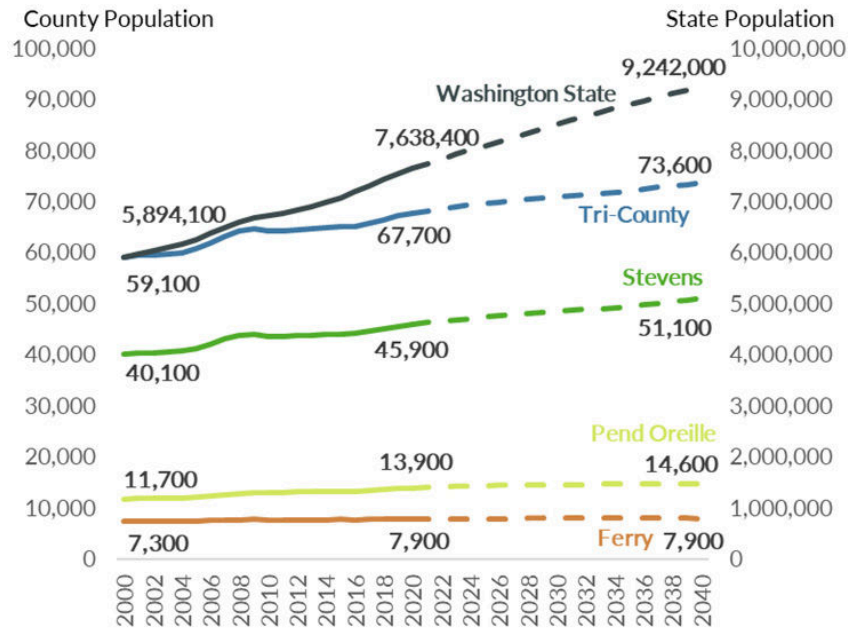


Source: Community Attributes Inc., 2021

Population Characteristics

The tri-county region is rural, and its population is dispersed across its unincorporated land, rather than in towns or cities. As of 2020, the region's population is 67,700 and is projected to grow by nearly 9% (to 73,600) by 2040 (**Exhibit 2**). This is a slower growth rate than the state as a whole. Stevens County houses approximately two-thirds of the region's population and projected growth is largely expected to occur within this County. Pend Oreille and Ferry Counties grew modestly between 2000 and 2020, and this rate is expected to slow through 2040. Ferry County's population is projected to remain at its current amount of 7,900 through 2040.

Exhibit 2. Population, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2000-2040



Source: Washington Office of Financial Management, 2020.

As shown in **Exhibit 3**, the vast majority of tri-county residents live in unincorporated areas, ranging from 76% of residents in Pend Oreille County to 86% of residents in Ferry County. Unincorporated areas also generally experience higher growth rates than cities within the region. The two largest cities

Exhibit 3. Population, Tri-county, Ferry, Pend Oreille, And Stevens Counties, Cities, 2000-2020

Place	2000	2010	2020	2010-2020 CAGR	Share of County Total
Republic	954	1,073	1,105	0.00	14%
Unincorporated Ferry County	6,306	6,478	6,805	0.00	86%
Ferry County	7,300	7,551	7,910	0.00	100%
Cusick	212	207	220	0.01	2%
Ione	479	447	450	0.00	3%
Metaline	162	173	170	(0.00)	1%
Metaline Falls	223	238	245	0.00	2%
Newport	1,921	2,126	2,215	0.00	16%
Unincorporated Pend Oreille County	8,735	9,810	10,550	0.01	76%
Pend Oreille County	11,700	13,001	13,900	0.01	100%
Chewelah	2,186	2,607	2,715	0.00	6%
Colville	4,988	4,673	4,750	0.00	10%
Kettle Falls	1,527	1,595	1,635	0.00	4%
Marcus	161	183	175	(0.00)	0%
Northport	336	295	295	-	1%
Springdale	283	285	320	0.01	1%
Unincorporated Stevens County	30,585	33,893	36,030	0.01	78%
Stevens County	40,100	43,531	45,920	0.01	100%
Tri-County	59,100	64,083	67,700	0.01	

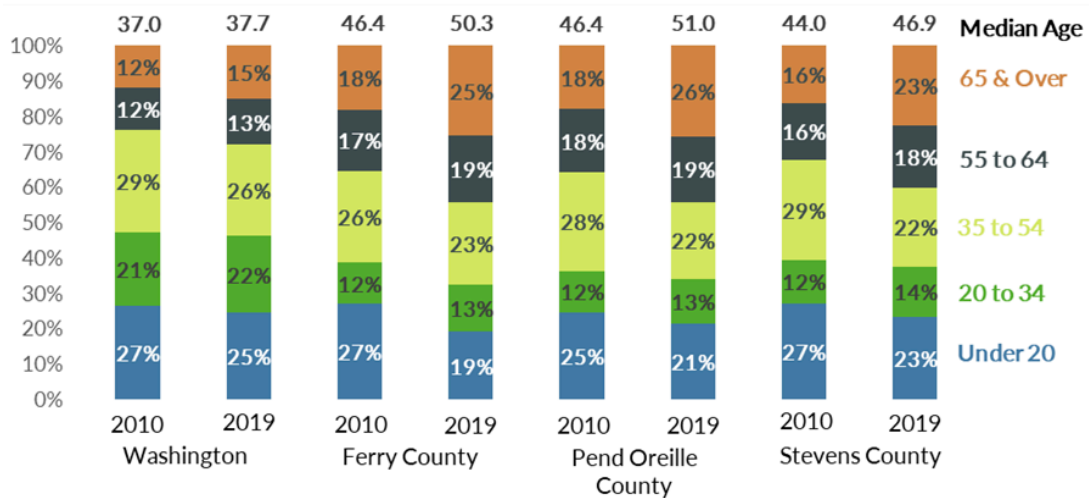
Source: Washington Office of Financial Management, 2020.

in the tri-counties, Colville and Chewelah, are both located in Stevens County and together account for a mere 16% of its population.

The region has grown slowly compared to the state, with a compound annual growth rate (CAGR) of 0.6% from 2010 to 2020. During this period, the tri-county region added about 3,600 residents.

The population is aging more rapidly in the tri-counties than the state as a whole (**Exhibit 4**). The segment aged 55 and older has grown since 2010, now accounting for 44%, 45% and 41% of all residents in Ferry, Pend Oreille and Stevens Counties, respectively. Comparatively, the 55 and older segment accounts for just 28% of the population statewide. The portion of the population under 20 years old has also shrunk, suggesting that the region is increasingly comprised of older adults without children or whose children no longer live with them or in the region.

Exhibit 4. Age Distribution, Washington, Ferry, Pend Oreille, Stevens Counties, 2019

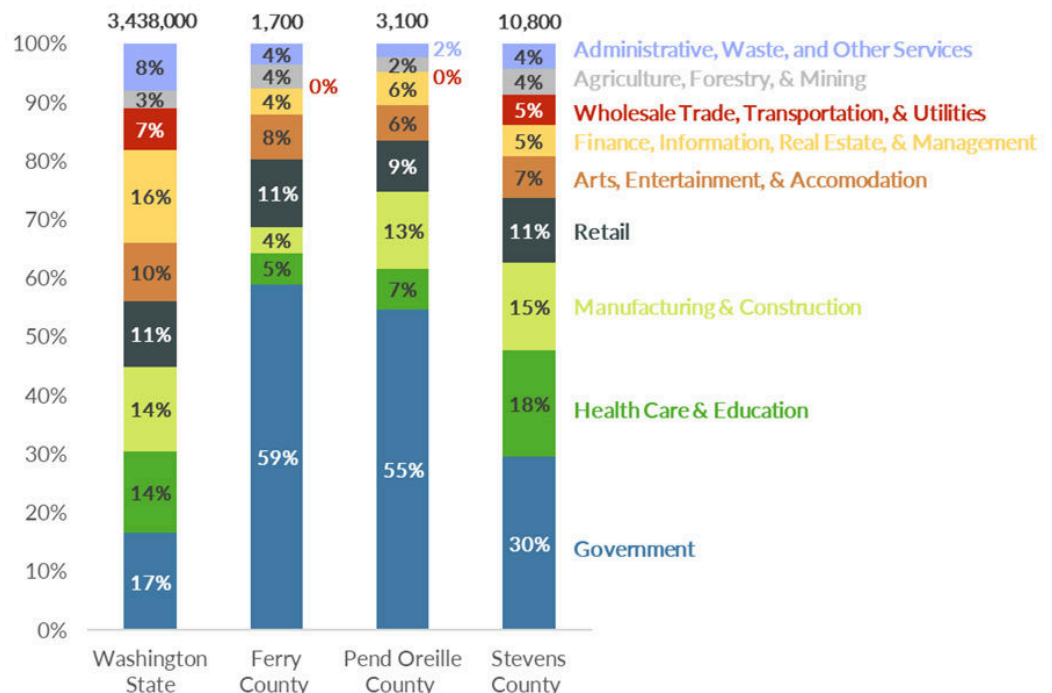


Source: US Census Bureau American Community Survey, 2019

Economic and Industry Trends

Government is the largest industry sector and accounts for a much larger share of total tri-county employment than statewide (**Exhibit 5**), likely due to tribal governance and jobs related to public land management. Stevens County has a large Health Care and Educational Services sector, anchored by the Community Colleges of Spokane and Providence Medical Group. Manufacturing and Construction are the second and third largest industry sectors in Pend Oreille and Stevens County, respectively, and the retail sector accounts for about 10% of total employment across all three counties.

Exhibit 5. Employment by Industry, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2019



Source: Washington State Employment Security Department, 2019

Note: County totals include unclassified jobs.

Though historically and culturally significant, the mining, ranching, and timber industries have declined in employment since 2001 (**Exhibit 6**). As a result of recent mine closures in Ferry and Pend Oreille Counties, in 2019 these sectors accounted for only 4%, 2%, and 4% of jobs in Ferry, Pend Oreille, and Stevens County, respectively. Employment in forestry, logging, and related support activities, while down from a peak in 2001, have increased since 2010 and now account for the majority of the jobs within the Agriculture, Forestry, and Mining sector.

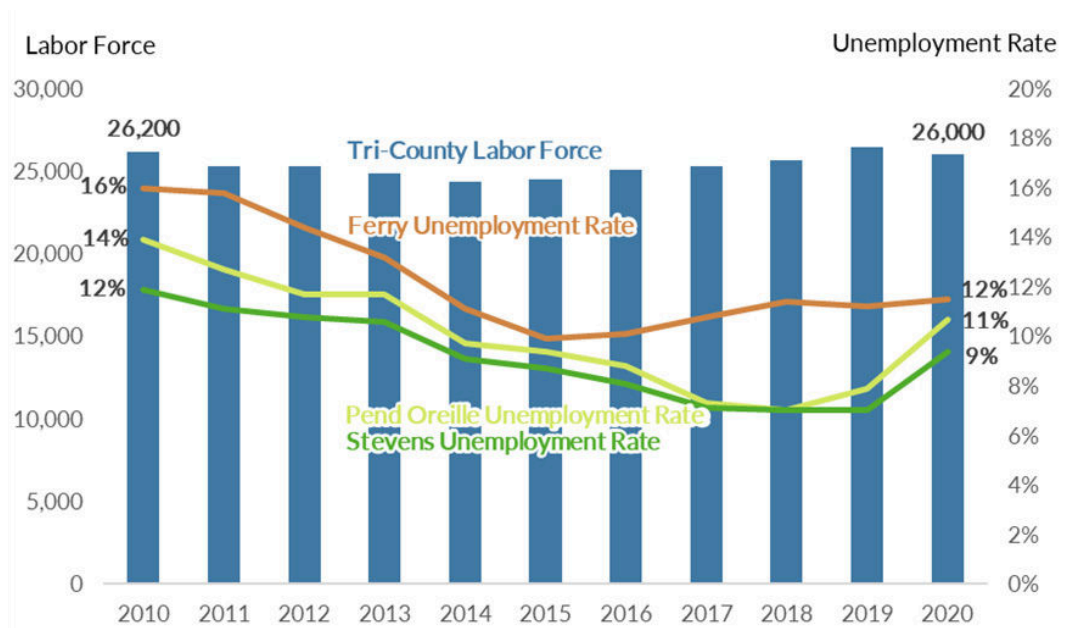
Exhibit 6. Tri-county Employment in Mining, Timber, and Ranching, 2001-2019

Industry	2001	2010	2019
Animal Production & Aquaculture	20	0	10
Forestry and Logging	370	160	240
Agriculture and Forestry Support Activities	40	60	40
Mining, Except Oil and Gas	70	70	0
Support Activities for Mining	0	0	0
Total	500	290	290

Source: Bureau of Labor Statistics, 2019

As in other parts of the state and the country, the COVID-19 pandemic forced temporary business closures in northeast Washington and continues to impact businesses and economic activity. Unemployment rates increased in each county after steadily decreasing from 2010 to 2018 (**Exhibit 7**). Unemployment was increasing in Ferry and Pend Oreille Counties prior to the pandemic and are higher than the statewide average.

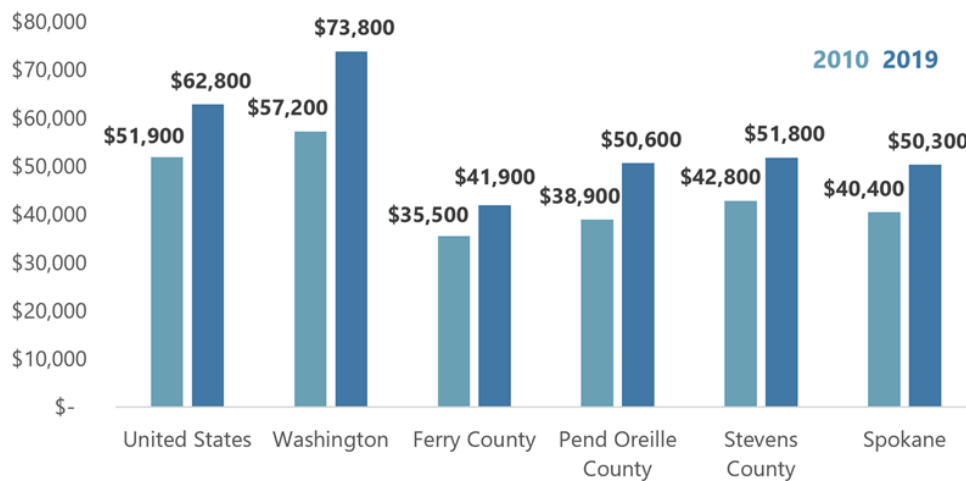
Exhibit 7. Labor Force and Participation Rate, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2010-2020



Source: Bureau of Labor Statistics, 2020

The median household income in the tri-county area is lower than the state but is generally similar to the median household income in Spokane, the largest city in Eastern Washington (**Exhibit 8**). Within the region, household income lags in Ferry County (\$41,900) compared to both Pend Oreille (\$50,600) and Stevens (\$51,800) Counties. The median household income has increased from 2010 to 2019 in all three counties, as it has statewide.

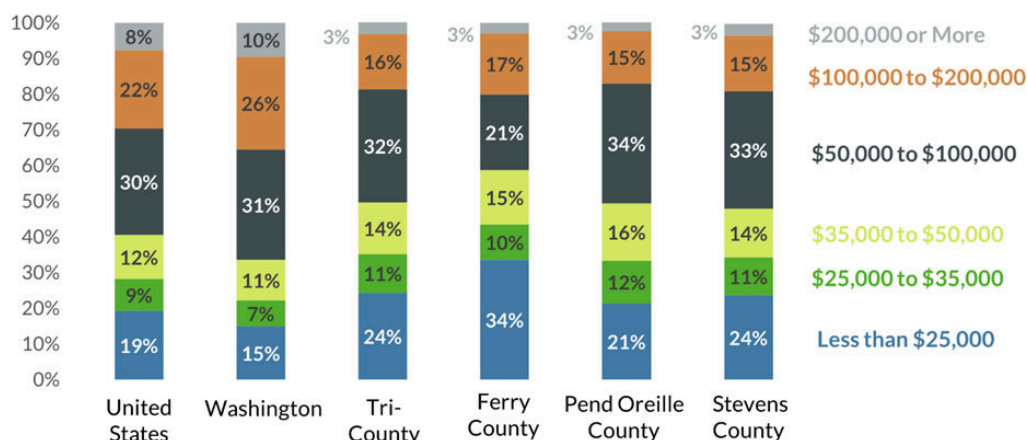
Exhibit 8. Median Household Income, United States, Washington, Ferry, Pend Oreille, and Stevens Counties, and the City of Spokane, 2010-2019



Source: US Census Bureau American Community Survey, 2019

As implied by the comparatively low median household income, the tri-county region has fewer households in higher household income brackets and more households in lower household income brackets (**Exhibit 9**). In the region, 35% of households earn less than \$35,000, compared to 22% statewide; in Ferry County, nearly half (44%) of all households earn less than this amount. At the other end of the spectrum, about 19% of tri-county households earn more than \$100,000 annually, compared to 36% statewide.

Exhibit 9. Household Income, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2019



Source: US Census Bureau American Community Survey, 2019

Commuting Patterns

Many tri-county residents commute elsewhere for work. Exhibits 10-12 summarize these commuting patterns. The nearby Spokane area supplies jobs for many residents of the tri-county region, and Stevens County residents in particular are likely to commute to cities in Spokane County for work; 25% of Stevens County residents commute to Spokane or Spokane Valley. Ferry County has the highest rate of residents who work within the region, with 26% of residents working in Republic and Colville and 9% commuting to Spokane and Spokane Valley. Ferry County also has the fewest workers commuting in from outside the tri-counties.

Exhibit 10. Where Ferry County Workers Live and Residents are Employed, 2018

Where Workers Live	Count	Share	Where Residents are Employed	Count	Share
Republic	140	9%	Republic	410	19%
Colville	100	7%	Colville	150	7%
Curlew Lake	60	4%	Spokane	130	6%
Spokane	40	2%	Spokane Valley	60	3%
Kettle Falls	30	2%	Seattle	60	3%
Other	1,120	76%	Other	1,350	63%
Total	1,490	100%	Total	2,160	100%

Source: U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD), 2018

Exhibit 11. Where Pend Oreille Workers Live and Residents are Employed, 2018

Where Workers Live	Count	Share	Where Residents are Employed	Count	Share
Newport	230	8%	Spokane	580	13%
Spokane	200	7%	Newport	510	12%
Priest River, ID	80	3%	Spokane Valley	230	5%
lone	70	2%	Metaline Falls	100	2%
Spokane Valley	40	1%	Seattle	90	2%
Other	2,260	78%	Other	2,830	65%
Total	2,880	100%	Total	4,340	100%

Source: U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD), 2018

Exhibit 12. Where Stevens County Workers Live and Residents are Employed, 2018

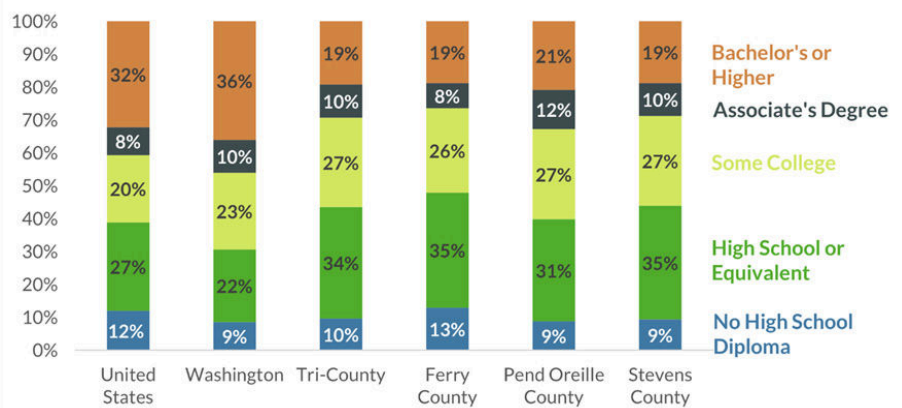
Where Workers Live	Count	Share	Where Residents are Employed	Count	Share
Colville	1,200	13%	Spokane	3,060	19%
Spokane	620	7%	Colville	3,030	19%
Chewelah	460	5%	Spokane Valley	930	6%
Kettle Falls	280	3%	Chewelah	620	4%
Spokane Valley	200	2%	Kettle Falls	360	2%
Other	6,330	70%	Other	8,190	51%
Total	9,090	100%	Total	16,190	100%

Source: U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD), 2018

Educational Attainment

Educational attainment lags in the tri-county region compared to Washington and nationwide (**Exhibit 13**). A larger portion of tri-county residents have not finished high school (10%) and a smaller portion have completed a bachelor's degree or higher (19%). Of the three counties, Pend Oreille has the largest share of college-educated workers, with 33% having completed at least an associate's degree.

Exhibit 13. Educational Attainment, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties 2019



Source: US Census Bureau American Community Survey, 2019

Tourism and Visitation

Outdoor recreation and tourism are important economic drivers for the region. Prior to the pandemic, overnight visits and visitor spending were increasing, in part due to natural assets like the Colville National Forest, which covers nearly 40% of the land in the region.

Total direct spending from tourism and visitation (not limited just to outdoor recreation and public lands) amounted to \$115.7 million across the tri-county region in 2017 (**Exhibit 14**). Moreover, total spending from tourism has increased nearly 42% from 2000 to 2017, with spending increasingly most rapidly in Pend Oreille County. The majority (about 58%) of visitor spending occurs in Stevens County, which also has more businesses and several lodging options.

Exhibit 14. Total Direct Travel Spending (Millions), Ferry, Pend Oreille, and Stevens Counties, Tri-county, 2000-2017

County	2000	2005	2010	2015	2017	2000 - 2017 CAGR
Ferry	\$14.2	\$14.8	\$16.9	\$19.0	\$19.5	1.9%
Pend Oreille	\$19.9	\$23.6	\$26.5	\$26.1	\$29.6	2.4%
Stevens	\$47.6	\$56.8	\$59.4	\$63.8	\$66.6	2.0%
Tri-Counties	\$81.7	\$95.2	\$102.8	\$108.9	\$115.7	2.1%

Source: Dean Runyan, 2017

Housing

Stevens County contains more than half of all housing units in the region (**Exhibit 15**). The occupancy rate for housing units is also higher in Stevens County than in Ferry and Pend Oreille Counties, but vacancy is more prevalent across the region than statewide. Tri-county residents are more likely to own their home rather than rent; only 24% of residents in the region rent compared to 37% statewide.

Exhibit 15. Housing Occupancy, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties and County Seats, 2019

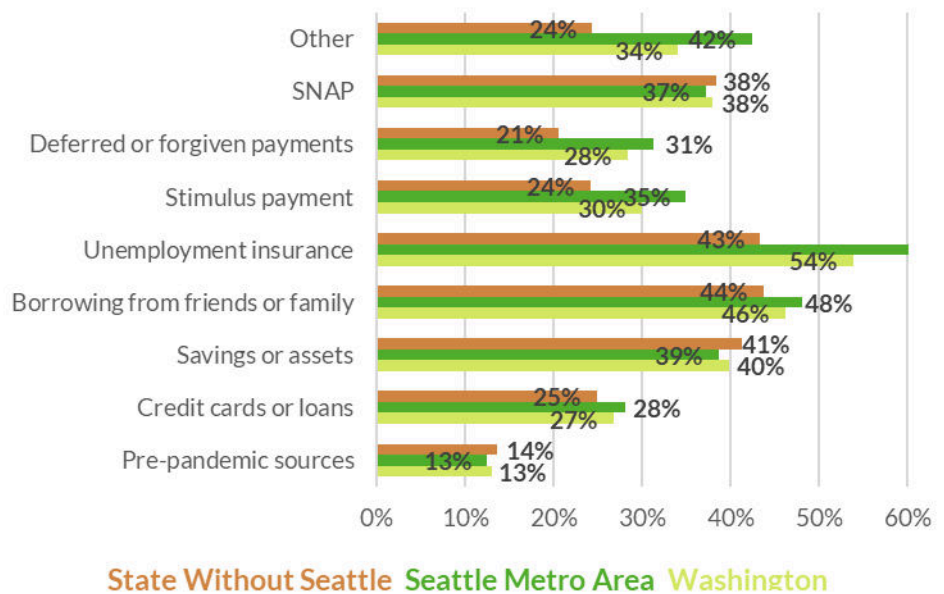
	Washington	Tri-Counties	Ferry County	Pend Oreille County	Stevens County
Total Housing Units	3,106,528	34,532	4,526	8,260	21,746
Occupied Housing Units	91.7%	72.6%	67.6%	69.3%	80.7%
Vacant Housing Units	8.3%	27.4%	32.4%	30.7%	19.3%
Owner-Occupied Units	63.0%	76.0%	72.0%	77.9%	78.1%
Renter-Occupied Units	37.0%	24.0%	28.0%	22.1%	21.9%

Source: US Census Bureau American Community Survey, 2019

COVID-19 Pandemic Impacts

The U.S. Census Bureau began collecting pandemic-related data in April 2020 using the Household Pulse Survey (HPS). This data is not available at the county level but can grant insight into statewide issues and trends that affect community and economic development. Due to the methodological differences between the HPS and other U.S. Census Bureau products, the data in this section are not directly comparable to similar data presented in previous sections.

Exhibit 16. Sources Used in the Last 7 Days as of June 7, 2021 to Meet Spending Needs, Washington, Seattle Metro Area, State Without Seattle, 2021



Source: US Census Bureau Household Pulse Survey, 2021; Community Attributes Inc., 2021

The pandemic forced many individuals and households to find new means of paying for essentials. During the week of June 7, 2021, approximately 54% of the state currently relied on unemployment insurance, 46% borrowed from friends or family, and approximately 40% used Supplemental Nutrition Assistance Program (SNAP) funds or drew on savings to cover their spending needs (Exhibit 16). A higher rate of Seattle residents have relied on unemployment insurance, stimulus payments, or deferred or forgiven payments than those living outside the Seattle metro area.

Stakeholder Engagement

TEDD distributed a business needs survey to local businesses and organizations. Over more than six weeks, 38 respondents provided insight into the impacts of the COVID-19 pandemic, future of the region, and their business's biggest opportunities and challenges. This feedback was integral in crafting strategies and actions for TEDD to build on what works best and identify areas for growth or support. The business survey included inaugural long-term tracking questions on the region's economy. TEDD will recirculate these questions in the future to learn more about the trajectory of the region's economy.

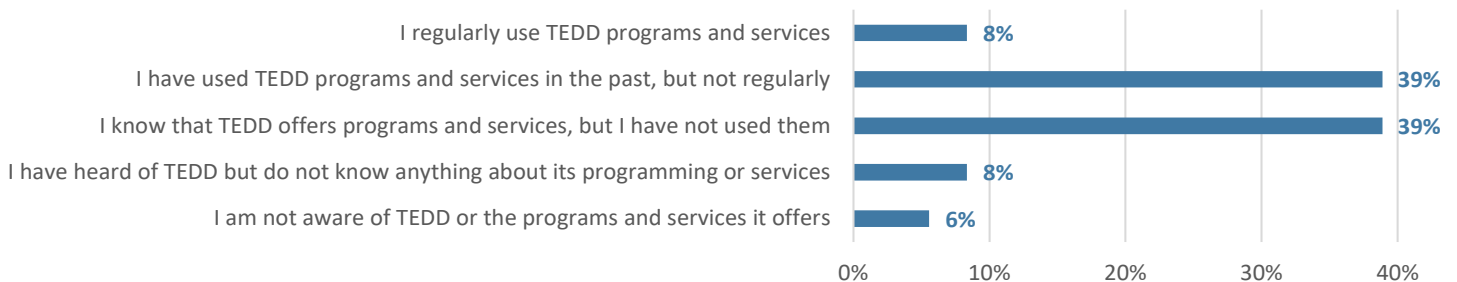
Business Survey

Survey respondents predominantly represent locally owned (nearly 90%) and small businesses (more than 90%). The modest revenues reported by respondents likely represents this high proportion of small businesses; more than one-third of respondents earned less than \$50,000 in both 2019 and 2020 and this income group grew by 7% in the same time frame. Prior to the pandemic, 61% of businesses were stable and 24% were increasing their market share of their respective industry. Since the onset of the pandemic, more

than three-quarters applied for and received financial aid.

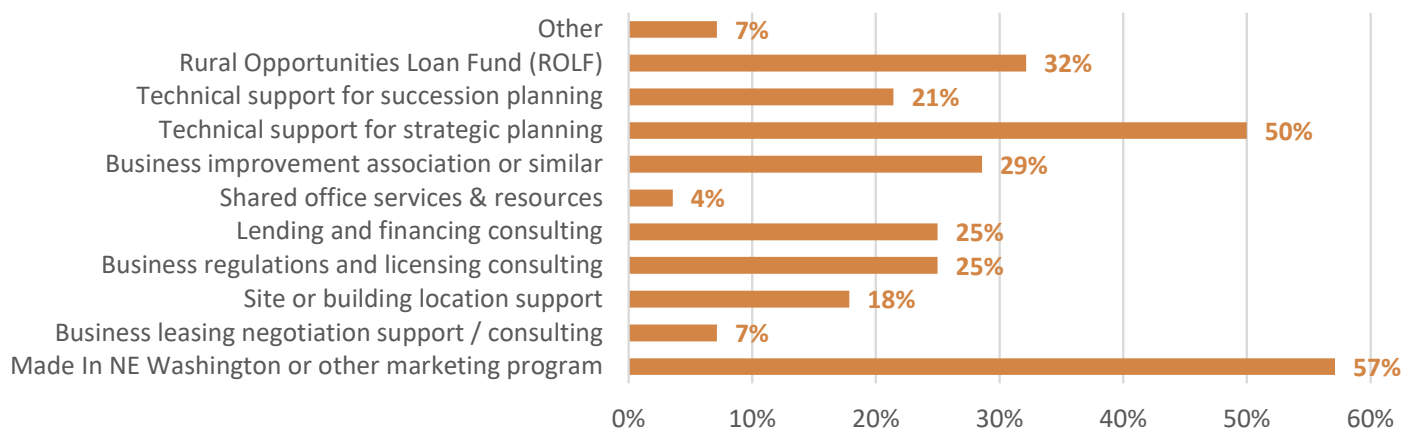
The vast majority of respondents are familiar with TEDD and their work, but only 8% regularly use their services (**Exhibit 17**). A better marketing program, technical support for strategic planning, and more access to grant and loan funding like the Rural Opportunities Loan Fund (ROLF) are the services that would have the greatest positive impact on respondents. (**Exhibit 18**).

Exhibit 17. Which of the following best describes your familiarity with TEDD's programs and services?



Source: Community Attributes Inc., 2021

Exhibit 18. Which of the following business services or programs would have the greatest positive impact on your business, whether offered by TEDD or another organization?



Source: Community Attributes Inc., 2021

Prior to the pandemic, most respondents considered their business to be either stable or growing (**Exhibit 19**). Subsequently, more than three-quarters of respondents applied for and received financial assistance since the outbreak of the pandemic. The COVID-19 pandemic affected all respondents. Nearly 60% experienced decreased sales, and half of all respondents experienced the following:

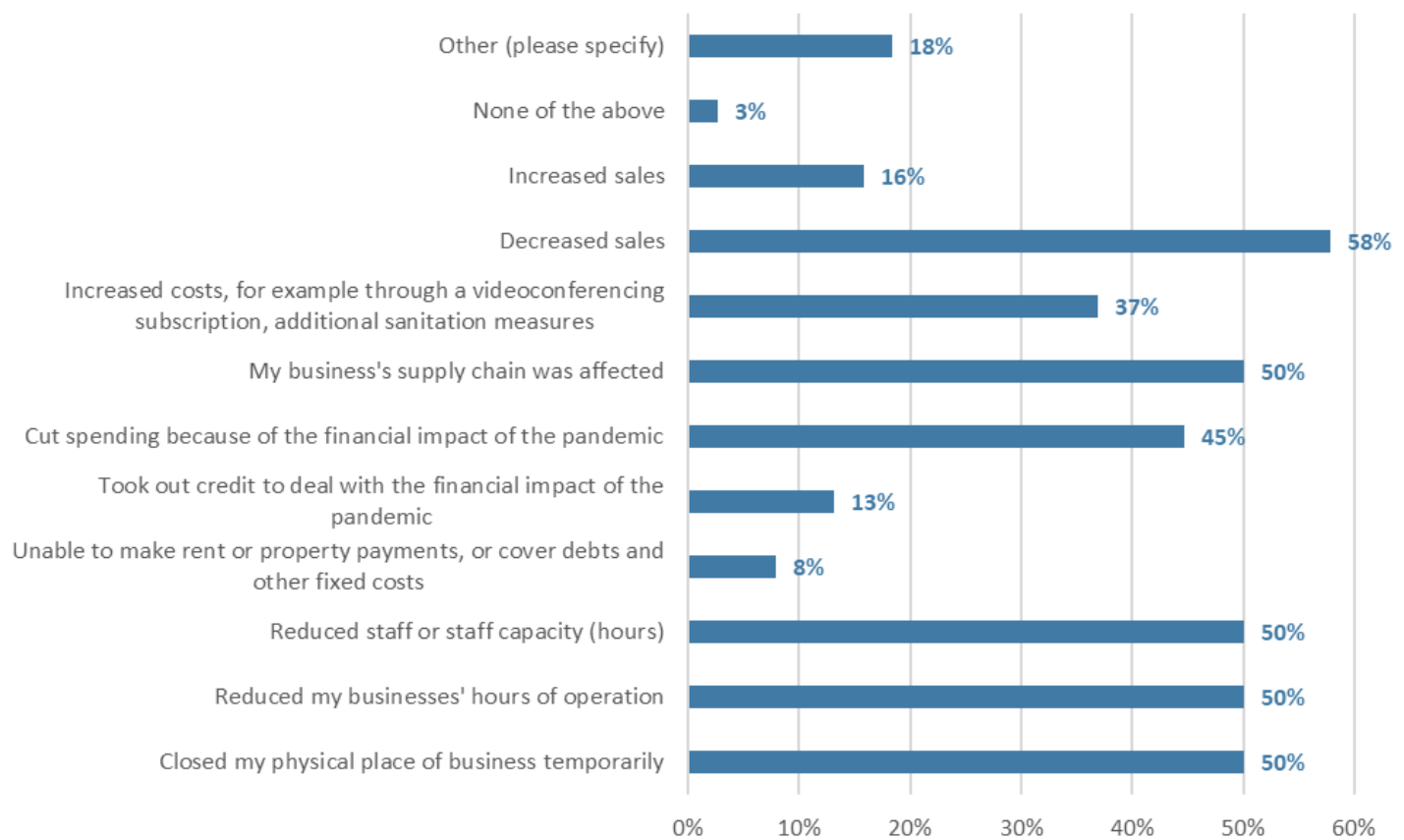
- Supply chain impacts
- Reduced staff or staff capacity
- Reduced hours of operation
- Temporarily closed their business.

Other responses, listed as direct quotes from respondents, include:

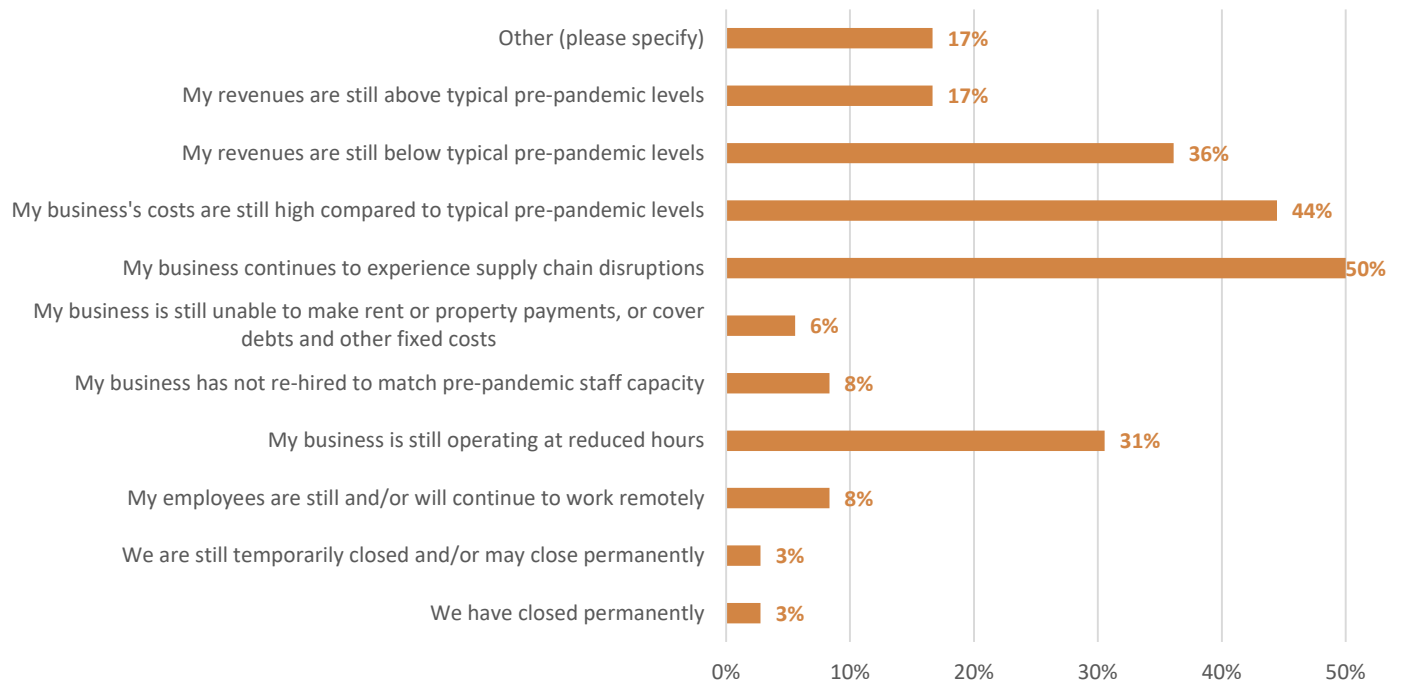
- We are now weeks from closing forever.
- Reduction of clients but made my bills, had to move to a new location that is more expensive.
- Had to temporarily lay off workers.

Of these impacts, the disruptions to supply chains continue to impact businesses the most (**Exhibit 20**). Respondents cite disrupted supply chains (50%), comparatively high business costs (44%), comparatively low revenues (36%), and reduced hours (31%), as shown in Exhibit 20.

Exhibit 19. How was your business affected during the COVID-19 pandemic?



Source: Community Attributes Inc., 2021

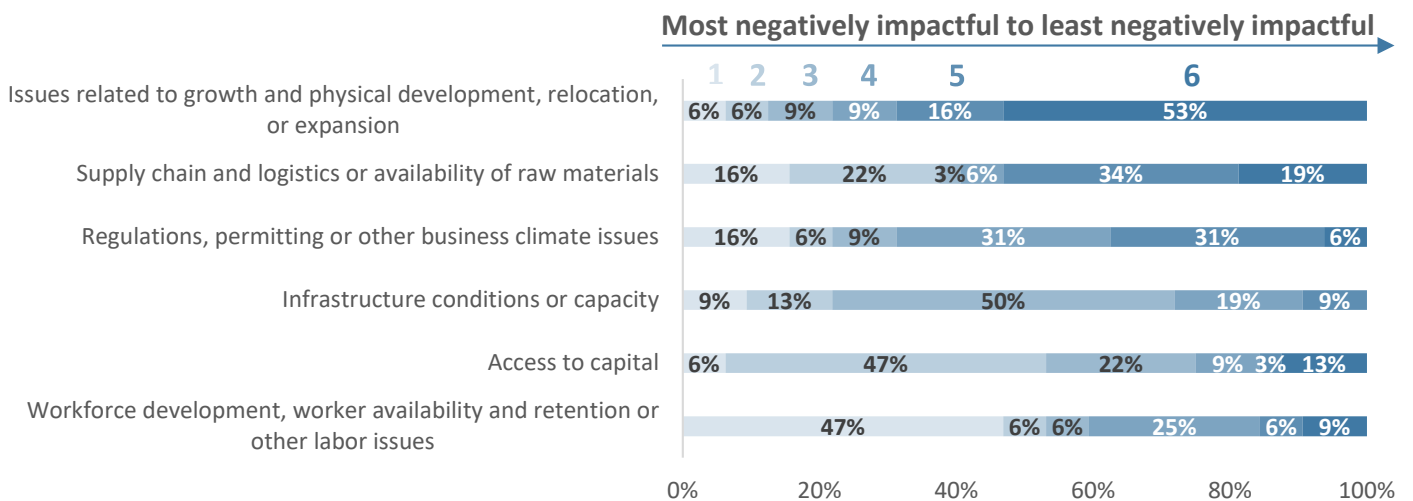
Exhibit 20. Which of the following continue to affect your business in 2021?

Source: Community Attributes Inc., 2021

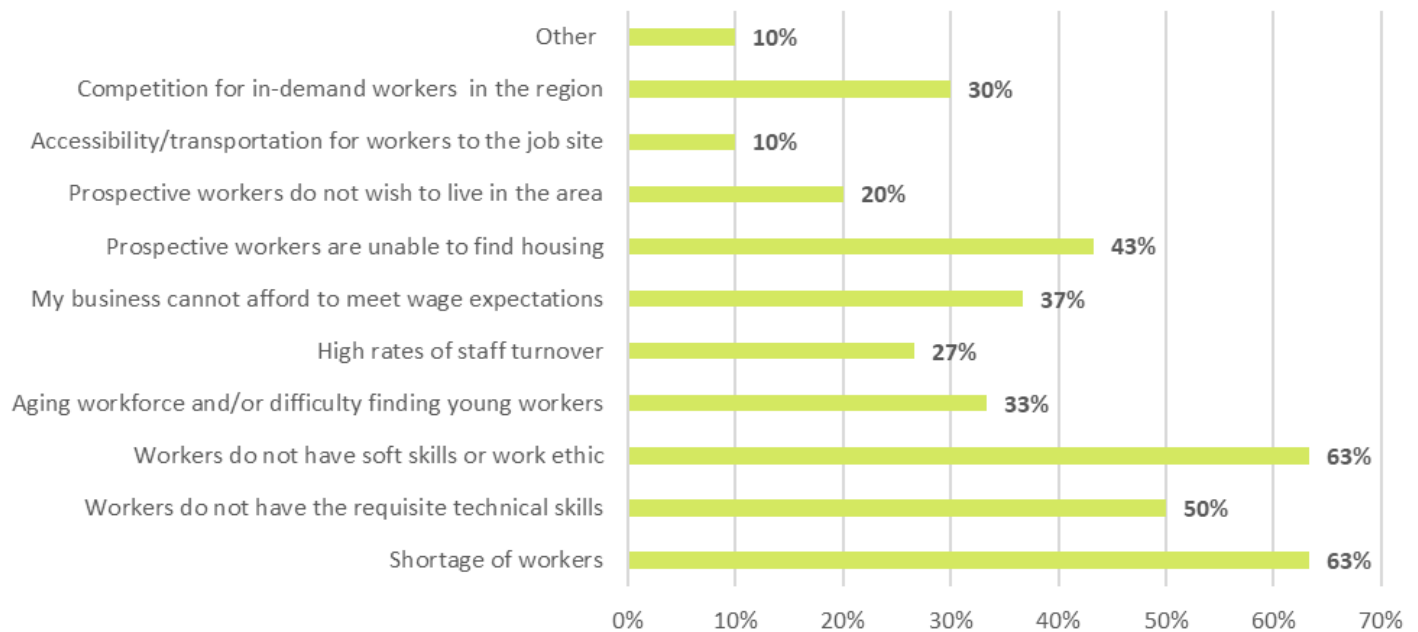
Workforce conditions, including recruiting and retaining a talented workforce and access to housing or affordable housing dominate concerns about the region's economy (**Exhibit 21**). An inability to find housing, meet wage expectations, an aging workforce, and regional competition are all of middling concern, with 30% to 43% of respondents citing these concerns. Supply chain issues are also reflected in survey responses to immediate and

long-term concerns.

Furthermore, respondents cite a shortage of workers, a lack of soft skills or work ethic, and a lack of technical skills as challenges to their businesses (**Exhibit 22**). An inability to find housing, meet wage expectations, an aging workforce, and regional competition are all of middling concern, with 30% to 43% of respondents citing these concerns.

Exhibit 21. Rank the following challenges in terms of the most negatively impactful (1) to least negatively impactful (6).

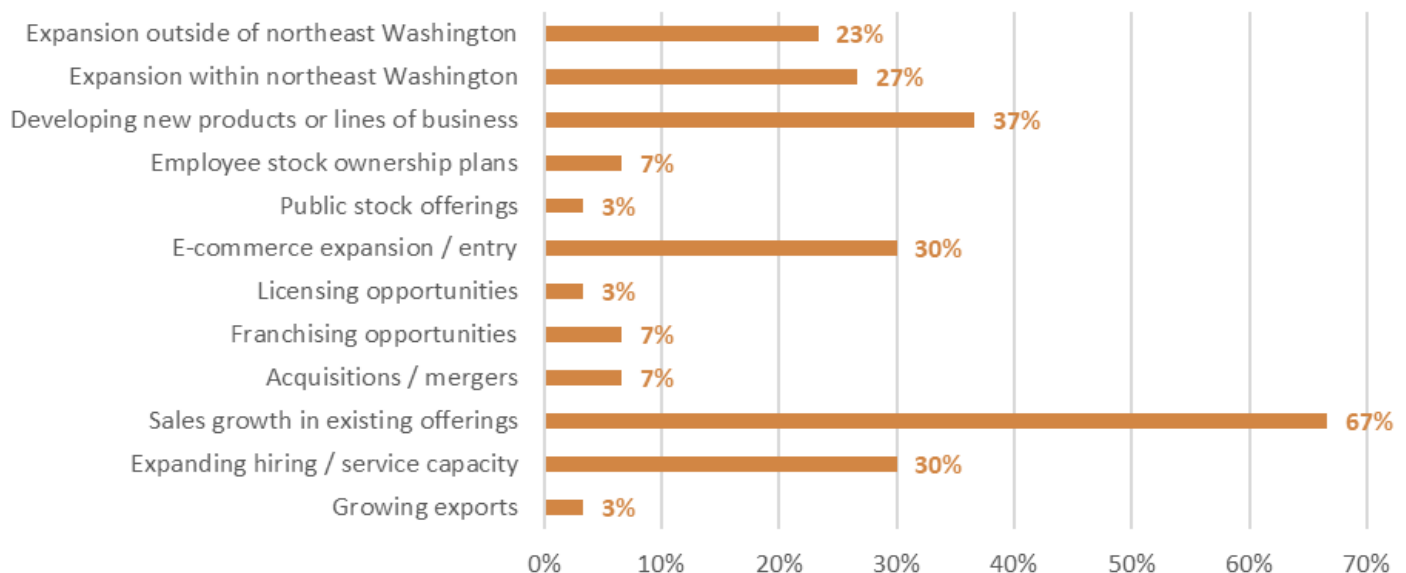
Source: Community Attributes Inc., 2021

Exhibit 22. What specific workforce issues have challenged your business recently?

Source: Community Attributes Inc., 2021

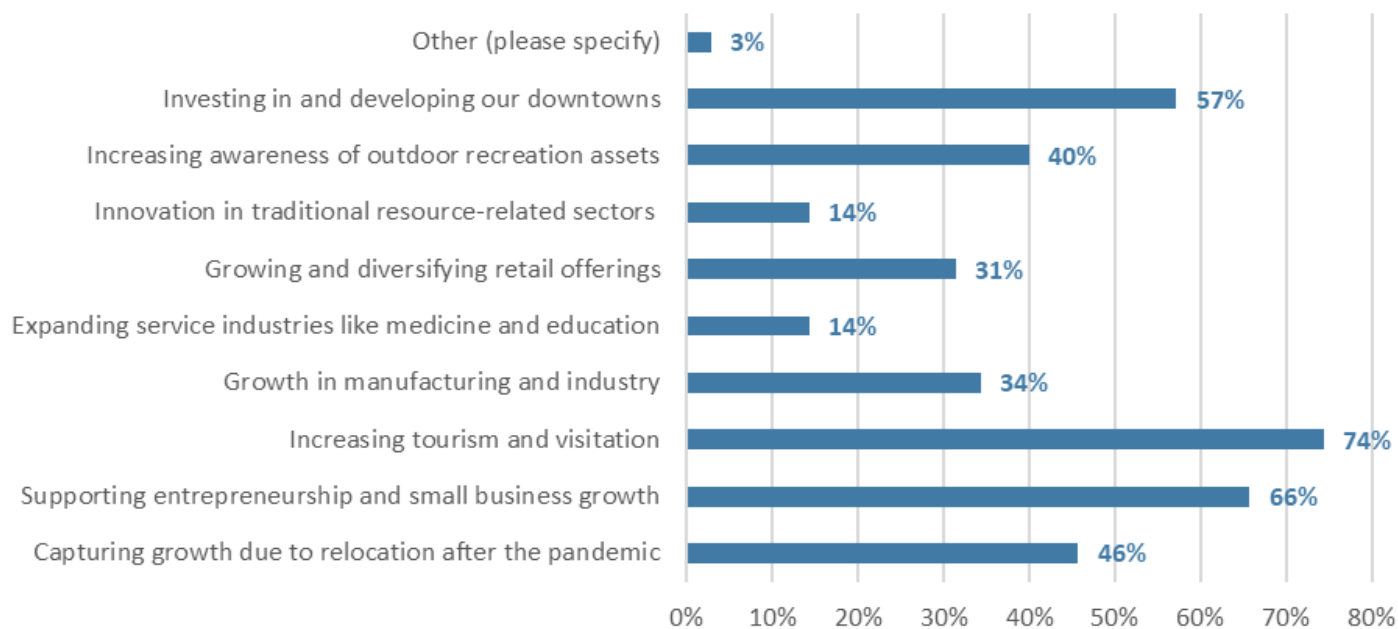
Respondents cite multiple areas of opportunity for the region. Most respondents believe growing their existing offerings as their biggest opportunity (**Exhibit 23**). New products or lines of business (37%), e-commerce (30%), and expanding hiring or service capacity (30%) are also cited as areas

of opportunity. At the regional scale, respondents view tourism and visitation (74%), entrepreneurship and small business (66%), and downtown investment and development (57%) as the biggest areas of opportunity, as shown in **Exhibit 24**.

Exhibit 23. What specific workforce issues have challenged your business recently?

Source: Community Attributes Inc., 2021

Exhibit 24. What do you see as the biggest opportunities for the regional economy in the next three to five years?

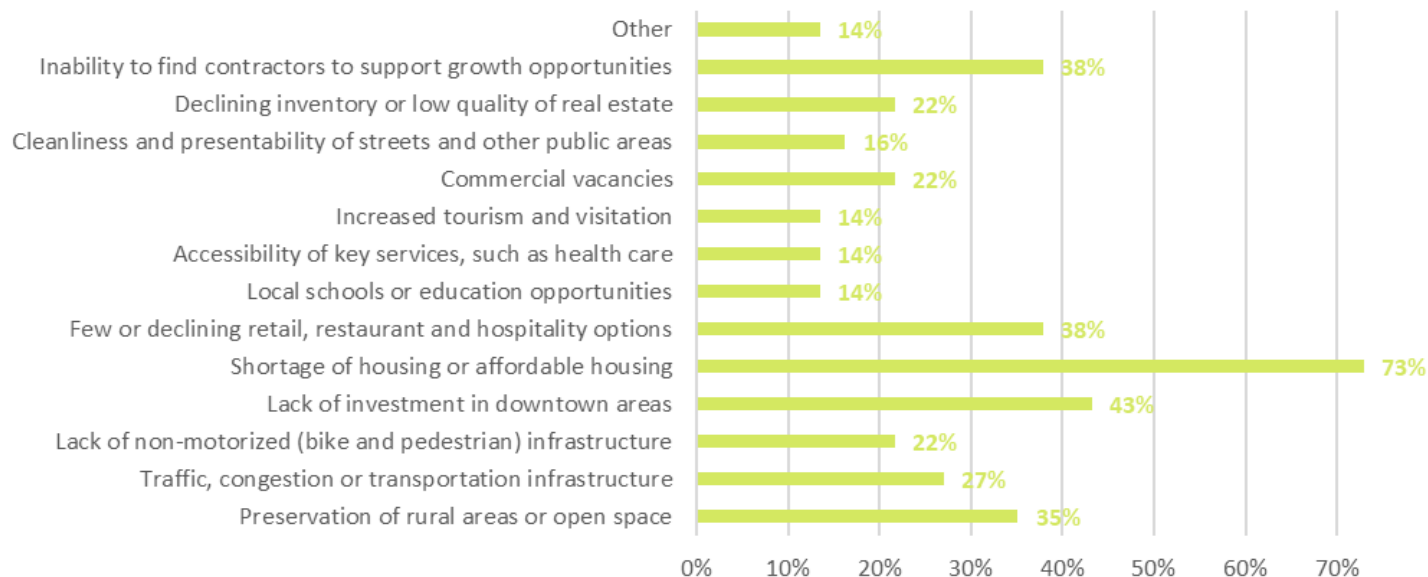


Source: Community Attributes Inc., 2021

Respondents selected from a number of challenging or threatening trends to the tri-county region's growth and development (**Exhibit 25**). Nearly three-quarters believe a shortage of housing or af-

fordable housing is the biggest threat, followed by a lack of investment in downtown areas (43%), a shortage of contractors (38%), and a lack of retail, restaurant, and hospitality options (38%).

Exhibit 25. What trends in growth and development do you see as most challenging or threatening to the region's prosperity?



Source: Community Attributes Inc., 2021

Long-Term Tracking

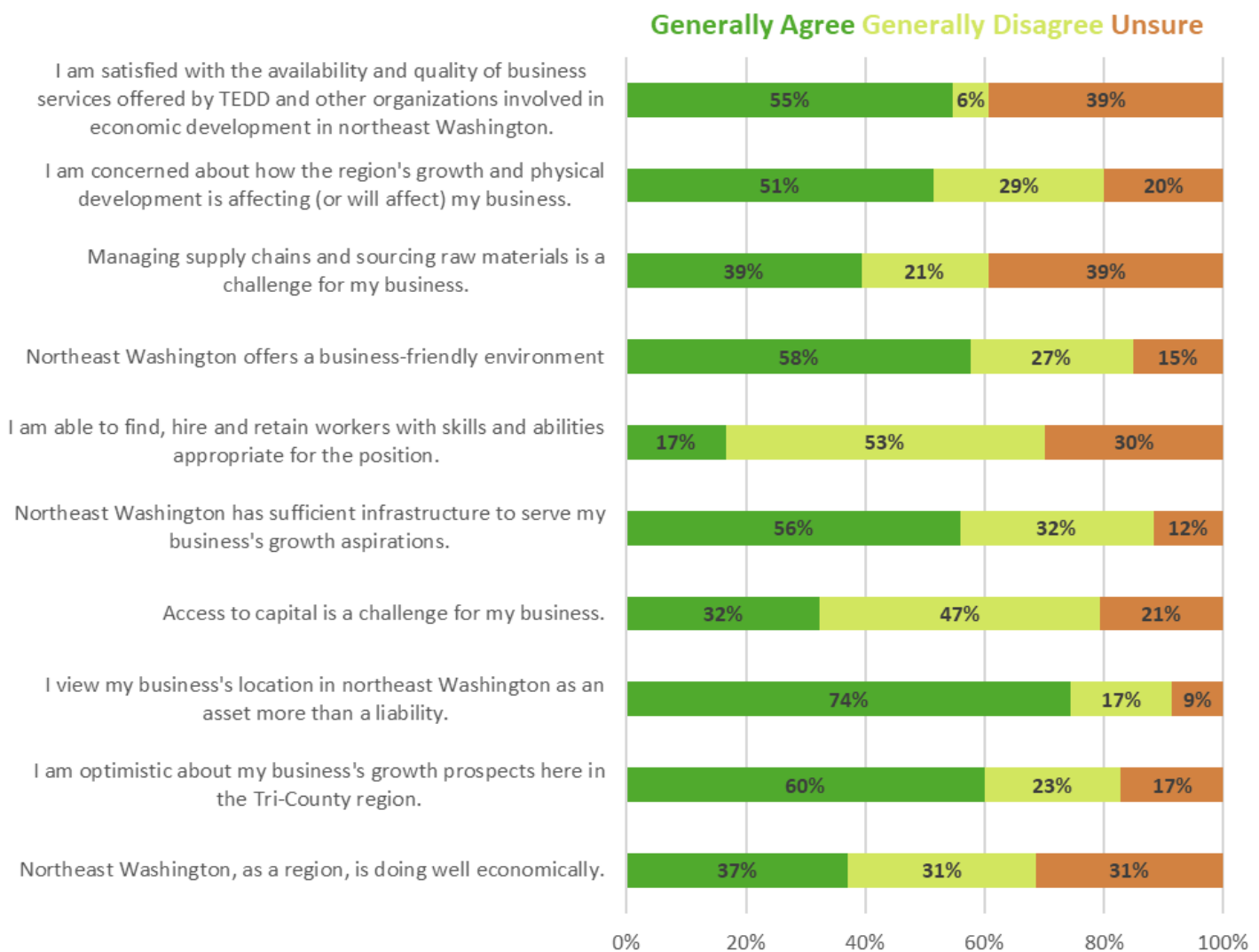
The following Exhibit (Exhibit 26) includes long-term tracking questions that TEDD will recirculate on a regular basis to understand the Tri-County region's economic trajectory. This is the first time these questions have been distributed and this data will serve as a baseline for future engagement. These questions were optional for respondents.

More than half of respondents are satisfied with local business services in the area, although nearly 40% are uncertain of how they feel about the availability and quality of these services. 51%

are concerned about the impacts of the region's growth and development on their business, although 74% believe their location in the tri-county region is an asset. Opinion on the region's infrastructure is generally positive; 56% believe it is generally sufficient for their business's growth aspiration while 32% generally believe it is insufficient.

Respondents split nearly evenly on the statement that "northeast Washington, as a region, is doing well economically," with 37% agreeing, 31% disagreeing, and 31% unsure.

Exhibit 26. Long Term Tracking Questions, 2021.



Source: Community Attributes Inc., 2021

Goals, Objectives, and Milestones

The following are the revised goals, objectives and milestones for the 2022-2026 CEDS update. TEDD will report progress against these objectives and milestones to the U.S. EDA on a regular basis.

- 1. Maintain a collaborative and high-functioning regional economic development ecosystem.**
 - 1.1 Foster a culture of collaboration across boundaries by bringing together stakeholders to share knowledge and opportunities for regional and local economic development.**
 - 1.1.1 Expand representation and engagement of private sector on the TEDD Board of Directors and Loan Committee.
 - 1.1.2 Secure commitments from public sector partners to invest resources in multi-year, program- or project-specific TEDD programs, services and other initiatives.
 - 1.1.3 Build a TEDD partners program that commits public and private stakeholders and feature these organizations on the TEDD website.
 - 1.1.4 Monitor ongoing and identify new state and regional partnerships and funding opportunities to implement scalable planning and economic development projects within the region.
 - 1.1.5 Participate proactively and broadly in public sector and private sector meetings and events in Ferry, Stevens and Pend Oreille counties.
 - 1.2 Update and implement the CEDS to meet EDD requirements and support post-pandemic economic recovery.**
 - 1.2.1 Draft, update and implement a regional CEDS that unites public, private and non-profit collaborators behind a common strategic vision.
 - 1.2.2 Prepare a provisional 2-year budget that incorporates both budget constraints and recovery funding and expenses. Incorporate into 3-year operations and initiatives budget.
 - 1.2.3 Support local and regional government incorporation of CEDS strategies and economic recovery and resiliency planning, as appropriate, and encourage implementation of the CEDS amongst TEDD partners.
 - 1.3 Operate TEDD in a responsible and sustainable manner and expand TEDD's capacity strategically.**
 - 1.3.1 Educate regional stakeholders about TEDD's role, programs, and opportunities for partnership in line with TEDD's economic development strategy.
 - 1.3.2 Examine the feasibility and need of additional TEDD sites or spaces throughout the region. Consider alternative methods of connecting with residents and businesses through mobile services or community liaisons.

2. Cultivate a community where small-town authenticity and quality of place make Northeast Washington the region of choice for businesses and families.

2.1 Assist and support partner organizations working to serve residents across housing, childcare, and other community development issues.

- 2.1.1 Maintain relationships with and support the efforts of community partners, including Rural Resources, the Washington Department of Commerce, Employment Security Department, and WSU Extension.
- 2.1.2 Convene (or participate in) a working group of businesses, community and economic development organizations, individuals, and local government officials to develop regional solutions to pressing workforce issues (e.g., housing, childcare).
- 2.1.3 Partner with local and regional government to assess and advertise workforce housing stock.
- 2.1.4 Provide technical assistance to jurisdictions within the tri-county region for updating their zoning code or land use regulations and streamlining the development process.
- 2.1.5 Explore partnerships with housing developers and public health agencies to provide supportive services and housing types for seniors and other groups, as appropriate.
- 2.1.6 Catalog available resources and incentives for housing development and communicate the market characteristics and need for housing to a broader, regional development community.
- 2.1.7 Monitor the development of the Site 6 childcare center as a potential model for regional childcare provision.
- 2.1.8 Encourage jurisdictions to explore incentives for the provision of on-site childcare in new mixed-use or multifamily development projects.
- 2.1.9 Support local and regional health care providers and non-profit or advocacy organizations that connect vulnerable or high-need groups with health care services.
- 2.1.10 Expand mobile services to transport seniors or other vulnerable groups to health care centers within the region.

2.2 Leverage place-based assets for sustainable economic growth.

- 2.2.1 Support implementation of projects in local downtowns, in association with and in support of the Washington Main Street program.
- 2.2.2 Explore the feasibility of a matching grant program for crowd-funded community projects, such as investments in public spaces
- 2.2.3 Work with local businesses and jurisdictions to develop and expand programming and promotions like farmers' markets and seasonal festivals.

- 2.2.4 Develop a strategic process or a shared resource to match potential community projects with funding opportunities, possibly including:
- Our Town grant (National Endowment for the Arts)
 - Community Development Block Grants CARES Act funds, general purpose grants, and specialty grants (Washington Department of Commerce, U.S. Department of Housing and Urban Development)
 - Community Economic Development grants and Community Services block grants (Office of Community Services, U.S. Department of Health and Human Services)
 - Strategic Economic and Community Development grants, Rural Business Development program grants (U.S. Department of Agriculture)
 - Small Business and Community Organization grants (Small Business Administration)

2.3 Build the region's arts and cultural assets in partnership with local organizations and individuals.

- 2.3.1 Utilize local arts and culture organizations to expand access to arts and community programming across demographic groups.
- 2.3.2 Support local artists by partnering to provide gallery and event space and offer community classes or other programming with artists and organizations.
- 2.3.3 Inventory and poll regional social, community, and civic organizations in order to identify common priorities and potential partnerships.

2.4 Market tri-county social, community, and arts assets through a variety of methods, including digital media.

- 2.4.1 Develop a community events calendar of public and privately organized events in the region, including music festivals, street festivals, local fairs or trade shows, and fundraising events or contests. Use this calendar to track potential partners for other strategic partnerships.
- 2.4.2 Expand the It's Real Life campaign's scope and local business and community participation, linking individual businesses and organizations with the campaign site to provide marketing opportunities.
- 2.4.3 Ensure that marketing and messaging is consistent with the It's Real Life campaign across multi-media platforms (TEDD social media, traditional print and sign advertising, and work by other organizations).

3. Enhance and expand TEDD programs and services.

- 3.1 Develop and support TEDD's partner programs and services with a focus on business retention, attraction, and expansion.**
 - 3.1.1 Leverage TEDD partnerships to advertise and facilitate trainings and webinars to expand the audience that is aware of and using TEDD services.
 - 3.1.2 Develop a business mentorship program that partners non-competitive businesses of differing sizes, geographies, services, scales, etc. to encourage information sharing and networking across the region.
 - 3.1.3 Expand the Regional Small Business Survey into a series of round tables or focus groups, with a focus on women-, minority-, veteran-, and/or other under-represented groups.

- 3.2 Maintain, improve or expand TEDD's technical support programs.**
 - 3.2.1 Make the Strong Business Initiative permanent and elevate tools and programs for long-term resiliency.
 - 3.2.2 Leverage the business incubator spaces to host classes, run programming, and be a face of entrepreneurial and economic development activities in the region.
 - 3.2.3 Create a series of profiles on current incubator businesses that can become a series of success stories in the long term. Publish them in regional news outlets and TEDD's and partners' digital platforms.
 - 3.2.4 Co-working spaces Examine the feasibility of developing co-working spaces at existing TEDD sites or with partner organizations.
 - 3.2.5 Build the Strong Business Initiative digital tools for businesses into an in-person or guided course for business leaders and individuals of all digital literacy levels. Expand the Strong Business Initiative into a series of business development, digital assistance, and other online resources for businesses.
 - 3.2.6 Reinstate an annual Digital Day Camp program with the Washington State University Extension.
 - 3.2.7 Cohost the Remote Worker Certification Program with the Washington State University Extension.

- 3.3 Continue to provide business services and strategically expand the services TEDD offers.**
 - 3.3.1 Develop a program or class series for veteran business owners and entrepreneurs.
 - 3.3.2 Recruit and support local officials to attend the 2022 Intelligent Cities Summit in Seattle.

- 3.3.3 Identify new ways in which to partner with the region's Chambers of Commerce on hosting place-making and communal activities, amplifying existing TEDD programs, and/or identify ways in which to develop new programs and services.
- 3.3.4 Develop a business planning training module and tie classes in to existing incubator or other TEDD programs or spaces.
- 3.3.5 Increase the variety and audience of TEDD webinars and training.
- 3.3.6 Loan \$500,000 per year through the Rural Opportunities Loan Fund while expanding the technical support services associated with these loans.
- 3.3.7 Continue to distribute federal pandemic-related economic relief funds and provide technical assistance for businesses pursuing such relief.
- 3.3.8 Develop a series of webinars and online resources for businesses to find and apply for federal, state, and local financial assistance.
- 3.3.9 Identify new grant and loan resources for local businesses and entrepreneurs.
- 3.3.10 Host all available financial resources on TEDD website and work with local and regional organizations to highlight TEDD and other relevant resources for businesses.
- 3.3.11 Identify alternative funding strategies, like crowd-sourcing or micro-loans, and develop events to market them to local businesses, like a competitive crowd-sourcing competition.
- 3.3.12 Develop a series of trainings for local banks and credit unions on funding mechanisms for local businesses.
- 3.3.13 Amplify access to and advocate for federal COVID relief resources for small businesses and local governments, including U.S. EDA and SBA financial assistance, webinars, technical assistance, and best practices for local governments and businesses.
- 3.3.14 Partner with SNAP Financial Access, Spokane-based CDFI, to build financial workshops or increase access to small business and entrepreneurial funding opportunities.
- 3.3.15 Conduct a robust business visitation and outreach program annually with the goal of assisting 25 existing businesses and 10 new or potential businesses each year.
- 3.3.16 Facilitate virtual and in-person networking events, webinars, or local business panels for businesses to connect with each other and share information and best practices.
- 3.3.17 Develop a series webinar modules focus on business trainings and COVID-related resources on topics like grant funding opportunities, digital marketing, and incorporating online platforms.

4. Create and sustain an environment that fosters entrepreneurship and growth within key industry and economic sectors.

Entrepreneurship

4.1 Provide tools and services to create and enhance an innovative and entrepreneurial ecosystem for new and emerging businesses.

- 4.1.1 Engage with existing entrepreneurs to determine the critical services and tools that enhance the likelihood of success for themselves and new entrepreneurs, including funding and financial aid opportunities, mentorships and partnerships, and other needs.
- 4.1.2 Assess regional innovation and entrepreneurial climate based upon best practice criteria such as facilities, governance, business services, access to capital, business networks, culture, R&D capacities, etc.
- 4.1.3 Tailor small business services, support, funding opportunities, and online resources to regional clusters and niche markets where TEDD's work could catalyze rapid growth.
- 4.1.4 Expand access to and programming at TEDD co-working and incubator spaces and identify new opportunities for physical spaces to support new businesses or innovation.

Tourism and Outdoor Recreation

4.2 Maintain and expand tourism and outdoor recreation resources and document these resources on the Northeast Washington Trails website.

- 4.2.1 Build relationships and partnership opportunities with existing grassroots, land trust, non-profit, advocacy, government, tribal and private organizations to foster collaboration in maintaining and marketing outdoor resources and implementing joint programming.
- 4.2.2 Identify strategic areas to invest in outdoor infrastructure like campgrounds, picnic areas, and other complimentary spaces that both increase access to existing resources and create new destinations for a variety of types of outdoor recreation.
 - v Pursue partnerships with governments, educational institutions, and relevant organizations to track outdoor recreation usage. Use data to identify new programming or resource development and for complimentary housing or accommodations development.
- 4.2.4 Create a public private task force to pursue sustainable maintenance, programming, and policy advocacy to protect and maintain regional outdoor resources.
- 4.2.5 Support community-led recreation planning to improve existing and add new recreation resources.

4.3 Leverage tourism assets and resources to attract visitors.

- 4.3.1 Partner with regional outdoor recreation leaders and organizations to help facilitate and expand the efforts of the Northeast Washington Sustainable Tourism and Recreation Team (NEWSTART).
- 4.3.2 Increase National Forest visitation by working with the Forest Service and other stakeholders to expand access to and market recreation opportunities on Northeast Washington's public lands.
- 4.3.3 Develop an outdoor recreational resources marketing plan with regional partners to be deployed outside of the tri-county region, including targeted campaigns for different types of recreationists and visitors.
- 4.3.4 Identify opportunities for partnership with the Washington Tourism Alliance.

4.4 Increase overnight visitation and spending in the region.

- 4.4.1 Foster collaboration between accommodation and hotel industry and food and retail providers on a cohesive marketing campaign that encourages overnight stays and patronage at local businesses.
- 4.4.2 Collaborate with and support tribal tourism development initiatives and projects.
- 4.4.3 Develop marketing and messaging to highlight TEDD and the region's work with the Washington Film Alliance.
- 4.4.4 Establish a program to recruit and assist film productions, episodic series, and commercials to film in the tri-county region through Washington Film Work's Production Incentive Program and Innovation Lab.
- 4.4.5 Assist counties and municipalities in examining the feasibility and/or appropriateness of a short-term rental ordinance.
- 4.4.6 Pitch regional or state businesses in the hotel and accommodations industry to develop properties in the tri-county region.

Legacy Industries

4.5 Support and assist historic agriculture and resource-based industry sectors.

- 4.5.1 Assist local producers, manufacturers, and other businesses to apply for Forest Stewardship Council Chain of Command or Forest Management certification.
- 4.5.2 Support conservation districts and staff in the pursuit of better communication and collaboration in wildlife and livestock management, conservation efforts, and communication between state, regional, and local stakeholders.
- 4.5.3 Host agriculture and resource-based industry information, marketing, communication, and contributions to the region on the TEDD website and digital media platforms.
- 4.5.4 Offer TEDD marketing, partnerships, R&D, and other resources to the American Forest Resource Council and county and business partners to foster sustainable timber practices in the region.
- 4.5.5 Advocate for sustainable forest management activities on public lands within the tri-county region.
- 4.5.6 Work with organizations like 4H and FFA to increase youth participation.
- 4.5.7 Support value-added agriculture in solving production, marketing, storage, distribution and processing.
- 4.5.8 Explore the feasibility of processing facility that increases economic opportunities for farmers and producers and provides healthy food for institutions and vulnerable populations.
- 4.5.9 Advocate for sustainable food systems, including Tribal Food Sovereignty and accelerator programs for food entrepreneurs or smaller, boutique farms.
- 4.5.10 Develop a community-led food asset map to inform gaps.
- 4.5.11 Identify small farm business ecosystems and explore precision ag and technology to support these ecosystems.
- 4.5.12 Work with local government, tribes, agricultural community, and industries in water-intensive to understand the needs and potential challenges related to access to water.

Government, Education and Health Care

4.6 Support institutional employment across government, education and health care, both as economic engines and as critical services for local residents.

- 4.6.1 Convene a training and education task force to (1) identify needed hard and soft skills and (2) develop relevant curriculum and programs.
- 4.6.2 Identify new training, education, or career pathways opportunities with regional partners.
- 4.6.3 Encourage externships, research opportunities, or other programs to encourage local and state-wide university and college students to work and stay in the tri-county region, with a focus on government, public lands, agriculture, machine learning, AI, and advanced manufacturing.
- 4.6.4 Leverage TEDD spaces, such as TEDDSpace or auxiliary office and conference room space, and broadband infrastructure for university students taking classes remotely.
- 4.6.5 Engage health care institutions to identify workforce gaps and strategize collaboratively to ensure the continued presence of health care institutions and provision of a high quality of services.
- 4.6.6 Pursue partnerships or pilot programs with regional health care and educational institutions to bring medical providers and students to the tri-counties through a rural rotation program, mobile health care pilot, etc.

Growth and Diversification Opportunities

4.7 Seek opportunities to grow employment in the following sectors or populations.

- **Manufacturing and construction.**
 - **Remote workers looking to relocate from larger cities.**
 - **Within downtown cores in the region's larger cities and towns.**
 - **Around airports and rail lines.**
 - **Within the supply chains for companies in maritime manufacturing and mass timber.**
 - **Biomass, Bioeconomy Economic Development Opportunity Zone (BDO)**
- 4.7.1 Create and maintain an inventory of sites that are ready for development and identify gaps in the inventory to ensure the region is ready when growth opportunities arise or site selectors inquire.
 - 4.7.2 Build a relationship with Impact Washington to bring Manufacturing Extension Partnership and other industry resources to the tri-county region.

- 5. Provide leadership and support on economic recovery and to create a resilient economy and business ecosystem.**
 - 5.1 Be a recognized source of information for recovery and resiliency resources on the TEDD website.**
 - 5.1.1 Develop and implement a targeted recovery and resiliency plan.
 - 5.1.2 Develop and/or promote existing webinars and resources to support businesses' pivot to and maintenance of online and/or remote operations.
 - 5.1.3 Show results from the Regional Small Business Needs Assessment survey on the TEDD website with corresponding resources and information.
 - 5.2 Convene stakeholders and lead in developing programs and services to support a talented regional workforce.**
 - 5.2.1 Engage workforce development partners to determine how TEDD can support those organizations in developing workforce ladders, expanding education and training offers, and otherwise improve skill development in the regional workforce.
 - 5.2.2 Recommend a set of initiatives to better support young professionals and entrepreneurs in the region, such as business seminars, speakers, business plan competitions, investment forums, social events, relocation support, mentoring, and referrals.
 - 5.2.3 Support the creation of a comprehensive job board on a digital media platform to increase awareness of local job openings and needs and build relationships with local employers. Work with regional partners to advertise the platform through multiple media formats and channels.
 - 5.2.4 Develop a series of workforce webinars designed to give businesses tools to recruit and retain a talented workforce.
 - 5.2.5 Partner with stakeholders to develop and offer a series of programs on soft skills, navigating the workplace, etc.
 - 5.3 Recognize the importance of rural downtowns to economic resiliency and recovery, and leverage existing resources, networks, organizations, and individuals to support the region's commercial centers.**
 - 5.3.1 Coordinate regional stakeholders to develop and market a comprehensive events calendar for the region, highlighting local downtowns and businesses.
 - 5.3.2 Recruit businesses to participate in a Small Business Passport to encourage shopping small and local businesses throughout the tri-counties.

- 5.3.3 Help tri-county communities that are not a part of the Main Street program to become members.
- 5.3.4 Work to leverage existing Main Street programs within the tri-counties to expand resources, services, and programming to other tri-county communities.
- 5.3.5 Provide or connect landowners to technical assistance for adaptive reuse, land development and related issues.

5.4 Support and strengthen businesses' access to regional, national, and international supply chains and markets.

- 5.4.1 Convene local industry, trade, educational, and business leaders to identify most pressing gaps in supply chain resiliency.
- 5.4.2 Identify reshoring or regional/state supply chain opportunities and promote those sources and opportunities.
- 5.4.3 Leverage TEDD relationships to identify new markets or partnerships for local businesses and industries and conduct networking within these markets so that TEDD can increasingly facilitate relationships for local companies.
- 5.4.4 Map the wood products supply chain to identify both gaps that currently exist and possible growth opportunities.
- 5.4.5 Explore freight management solutions.
- 5.4.6 Provide financial assistance and identify new funding opportunities for businesses and community initiatives.

5.5 Assist and lead community efforts to enhance infrastructure that supports growth and development.

- 5.5.1 Implement the Regional Transportation Plan and provide coordination and support for the development of air and rail infrastructure.
- 5.5.2 Pursue and track progress toward completion of improvements to broadband service, including geographic reach and reliability, as appropriate and in accordance with the Broadband Plan delivered in 2022.
- 5.5.3 Compile data from previous assessments and inventories of broadband access to create a regional broadband access mapping tool for local government.
- 5.5.4 Advocate for increased accessibility and transparency in broadband access, member participation in state and regional broadband workshops and symposiums, and legislation to expand rural broadband access.
- 5.5.5 Expand drive-through WiFi hotspots at TEDD or other regional public assets.
- 5.5.6 Convene transportation stakeholders to go over existing, new, and evolving funding resources for capital and infrastructure projects.

Appendix A: TEDD Board, Staff, and Membership

TEDD's organizational structure consists of a Board of Directors and staff. The Board of Directors includes representatives from municipal and county governments, public utility districts, tribal entities within the region, as well as representatives from a number of other organizations with an economic development interest as well as representatives from the business community. The TEDD Board also serves as the Policy Board for the NEW RTPO.

The full list of current board members follows. Entities denoted with * represent a TEDD Compact signatory and are generally an elected official or appointed alternate.

- City of Chewelah* – Mayor Gregory McCunn, Brenda Stroyan
- City of Colville* – Mayor Ralph Lane, Mayor Pro Tem Jack Smith
- City of Kettle Falls* – Mayor Jesse Garrett
- City of Newport* – Shirley Sands
- City of Republic* – Council Members Rachel Siracuse, April Drennan
- Colville Confederated Tribes* – John St. Pierre, Economic Development Specialist Barney Ferguson
- Ferry County* – Commissioners Nathan Davis, Derek Gianukakis
- Ferry County PUD* – Commissioners Dan Fagerlie, Doug Aubertin
- Kalispel Tribe* – Tribal Transportations Systems Manager Julia Whitford, Debbie Henry Lyons
- Pend Oreille County* – Commissioners Robert Rosencrantz, Brian Smiley
- Pend Oreille County PUD* – Commissioners Joe Onley, Rick Larson
- Spokane Tribe of Indians* – Economic Development Director Frank Metlow, Executive Director Ted Wright
- Stevens County* – Commissioners Greg Young, Wes McCart
- Stevens County Treasurer* – Treasurer Leslie Valz
- Stevens County PUD* – Commissioner Dwight Morgan, General Manager Darrel Hawes
- Town of Cusick* – Mayor Duane Schofield, Everett Alford
- Town of Lone* – Cory McNeal
- Town of Marcus* – Dana DePaulo, Shari DePaulo
- Town of Metaline* – Mayor Peter Daggett
- Town of Metaline Falls* – Mayor Tara Leininger
- Town of Northport* – Karene Balcom
- Town of Springdale* – Mayor Stephany Smith, Harold Love
- Avista – position vacant
- Colville Chamber of Commerce – Doug Kyle
- Colville Together – Executive Director Rosemary Shaw
- Eastern Washington Partnership Workforce Development Council – Director Rod Van Alyne
- Hewes Marine, Inc. – Director of Finance Robert Willford, Clint Kirry
- NE Tri County Health – Director Matt Schanz
- Rural Resources – Executive Director Donna Moulton, Transportation Director Connie Mahugh
- Spokane Community College Colville Campus – Center Manager Brian Moyer
- US Forest Service, Colville National Forest – Public Affairs Officer Charles Lassiter, Public Affairs Specialist Starr Farrell
- WorkSource Colville – Site Manager Bryan Raines, Specialist Barney Brockwell
- Washington State Department of Transportation – Region Administrator-Eastern Region Mike Gribner, Transportation Planning Manager Charlene Kay
- Washington State University Extension – Director Debra Hansen

TEDD staff include:

- Executive Director – Jeff Koffel
- Finance Manager – Carrie Paetsch
- Loan Officer – Carrie Paetsch
- Regional Marketing and Tourism Developer – Shelly Stevens
- District Planner – Silas Rappe
- Office Assistant – Debbie Roberts
- Regional Mobility and Veteran Service Coordinator – Elizabeth Snell
- Regional Economic Development Specialist – Brandon Hansen
- Regional Economic Recovery Coordinator – Liv Stecker
- Veteran Corps Navigator – Virginia Thomas

TEDD's community, regional and statewide memberships and affiliation as a partner in various cities, regional and statewide organizations are as follows:

Chambers of Commerce

- Chewelah Chamber of Commerce
- Colville Chamber of Commerce
- South Stevens County Chamber of Commerce
- Kettle Falls Chamber of Commerce
- Lake Spokane Chamber of Commerce
- North Pend Oreille Chamber of Commerce
- Newport Chamber of Commerce
- Northport Chamber of Commerce
- Republic Chamber of Commerce

Tribal Affiliations

- Confederated Tribes of the Colville Reservation
- Kalispel Tribe of Indians
- Spokane Tribe of Indians

Grant Information and Data Resources

- GrantStation (Through Washington State Department of Commerce)
- Washington State Data Center Affiliate for NE-Washington

Professional Organizations

- Community Transportation Association of the Northwest (CTANW)
- Inland Northwest Partners (INP)
- Inland Northwest Economic Alliance (INEA)
- International Economic Development Council (IEDC)
- National Association of Development Organizations (NADO)
- National Business Incubator Association (NBIA)
- Washington State Economic Development Association (WEDA)
- Washington State Microenterprise Association (WSMA)

Advisory Panels

- NEWSTART
- Washington Association of Economic Development Districts (WAEDD)
- Workforce Development Boards
- WSDOT/MPO/RTPO Coordinating Committee

Appendix B: Landscape Assessment

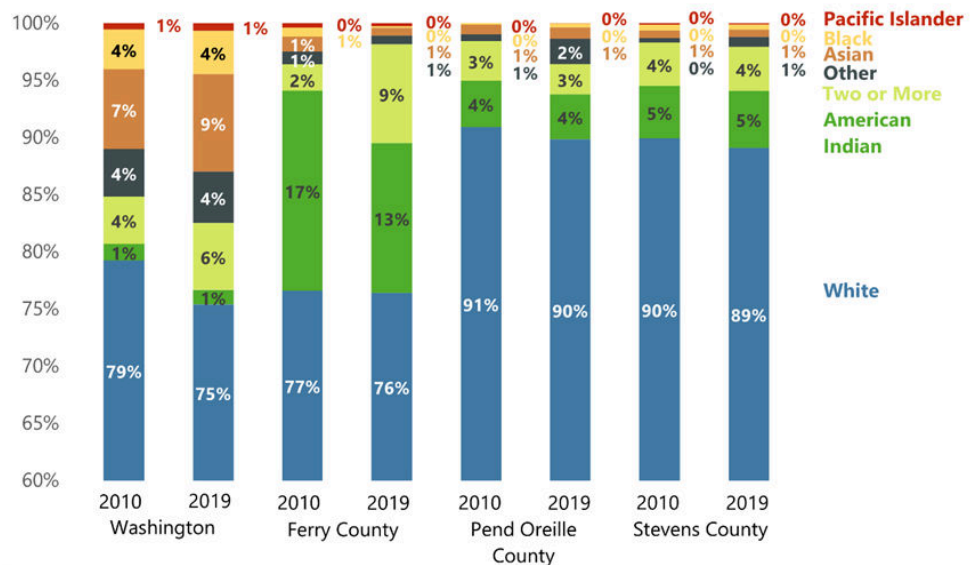
This appendix includes additional data analyzed as part of a landscape assessment of the Tri-County region that is not included in the full report.

Population and Demographic Characteristics

The tri-counties are more racially homogenous than Washington State; the majority of residents identify as white, although the area has a higher concentration of American Indians (**Exhibit 27**). The Colville Tribe is the largest tribal entity in the region and accounts for 30% of all tri-county residents identifying as American Indian or Alaska Native. In Ferry County, which includes the Confederated Colville Tribes reservation, members of the Colville Tribe account for 11% of all Ferry County residents.

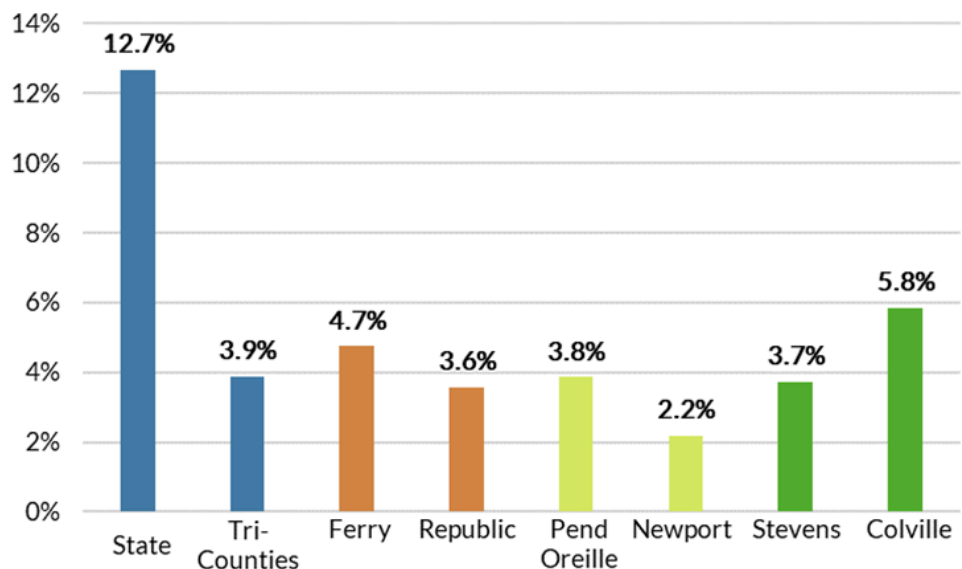
The Latino population is smaller in the tri-counties than statewide (**Exhibit 28**); as of 2019, about 13% of Washington's population was Hispanic, while across the tri-county region less than 4% of the population identified as such.

Exhibit 27. Population by Race, Percentage of Total, Washington, Ferry, Pend Oreille, and Stevens Counties, 2010, 2019



Source: US Census Bureau American Community Survey, 2019

Exhibit 28. Hispanic Population of Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties and County Seats, 2019

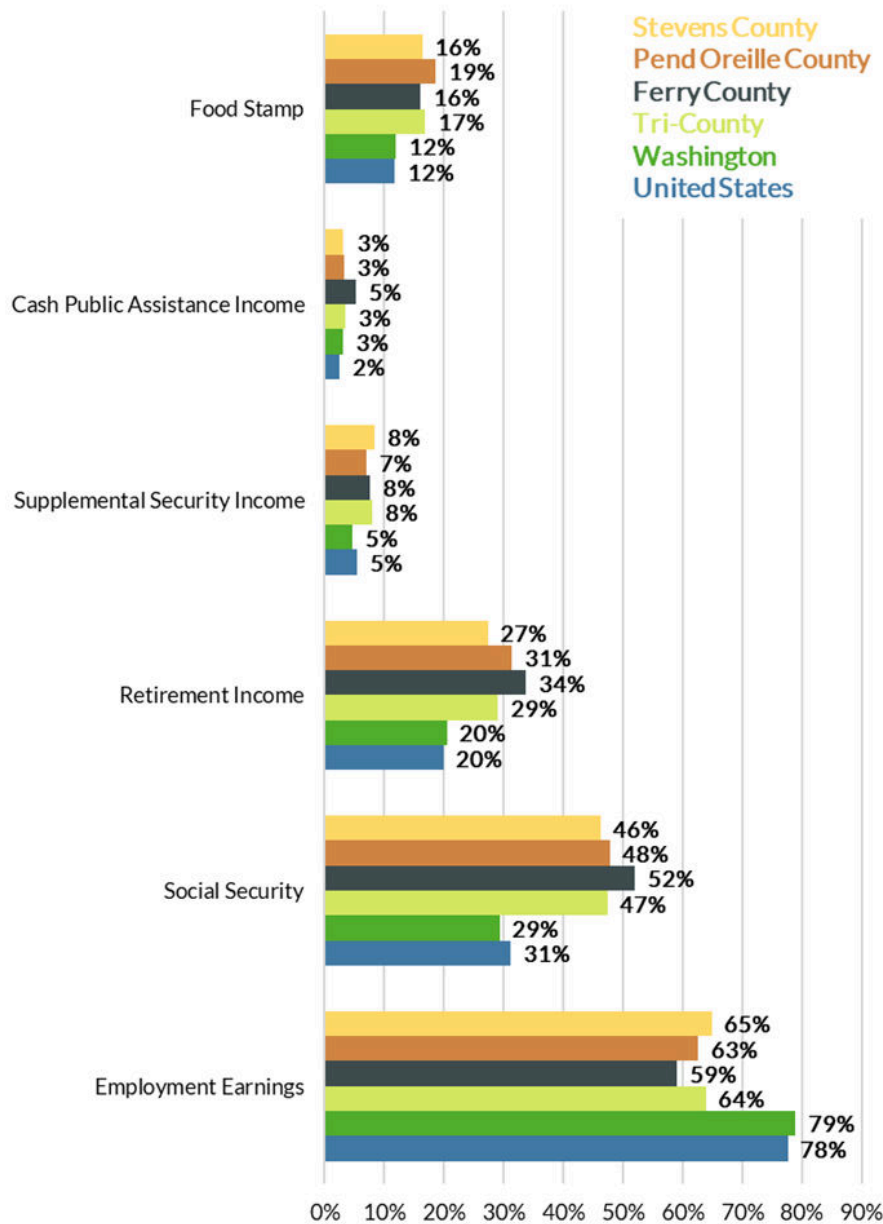


Source: US Census Bureau American Community Survey, 2019

Employment and Income

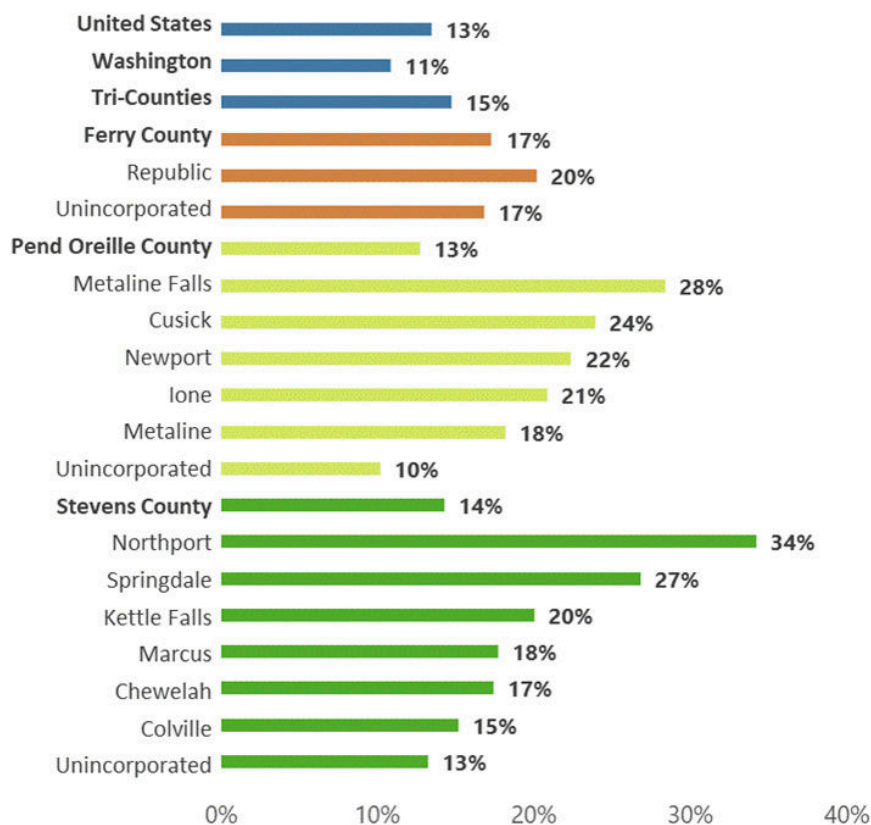
Exhibit 29 indicates that tri-county residents are also more dependent on non-employment earnings than the statewide average. Households can earn money from multiple sources, but regionally, 64% of households reported employment-related earnings, compared to 79% statewide. The tri-county region similarly shows a greater reliance on Social Security (47% of households compared to 29% statewide), retirement income (29% compared to 20%), food stamps (17% compared to 12%) and other non-employment earnings.

Exhibit 29. Households by Source of Earnings, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2019



Source: US Census Bureau American Community Survey, 2019

Exhibit 30. Percentage of People with Income Below the Poverty Level in Past 12 Months, United States, Washington, Tri-county Incorporated and Rural areas, 2019



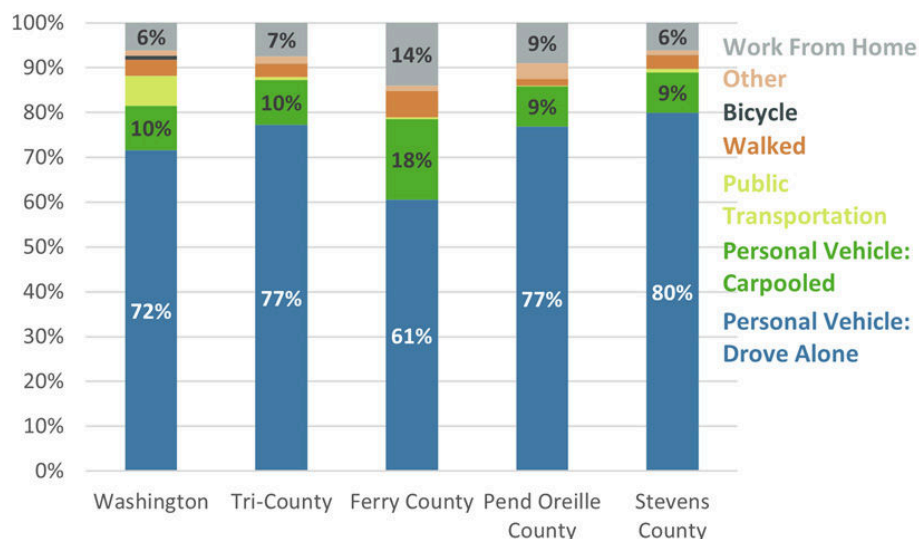
Source: US Census Bureau American Community Survey, 2019

The tri-county region has a higher portion of its population living in poverty than both the state and nation (**Exhibit 30**). Unincorporated areas generally have lower levels of poverty, as every municipality in the region has a higher poverty rate than the county as a whole. Ferry County has a higher poverty rate (17%) than Stevens (14%) and Pend Oreille (13%) Counties. Amongst the region's incorporated cities, Northport (34%), Metaline Falls (28%) and Springdale (27%) have the highest rates of poverty.

Commuting Patterns

Very few tri-county residents use public or alternative means of transportation (**Exhibit 31**). A higher portion (77%) of tri-county workers drove to work in their own personal vehicle than statewide (72%). Ferry County's transportation patterns differ from the rest of the region; 18% of Ferry County residents carpooled (compared to 9% in Stevens and Pend Oreille Counties) and 14% (compared to 6% in Stevens and 9% in Pend Oreille Counties) worked from home. A larger share of Ferry County residents walked to work, as well.

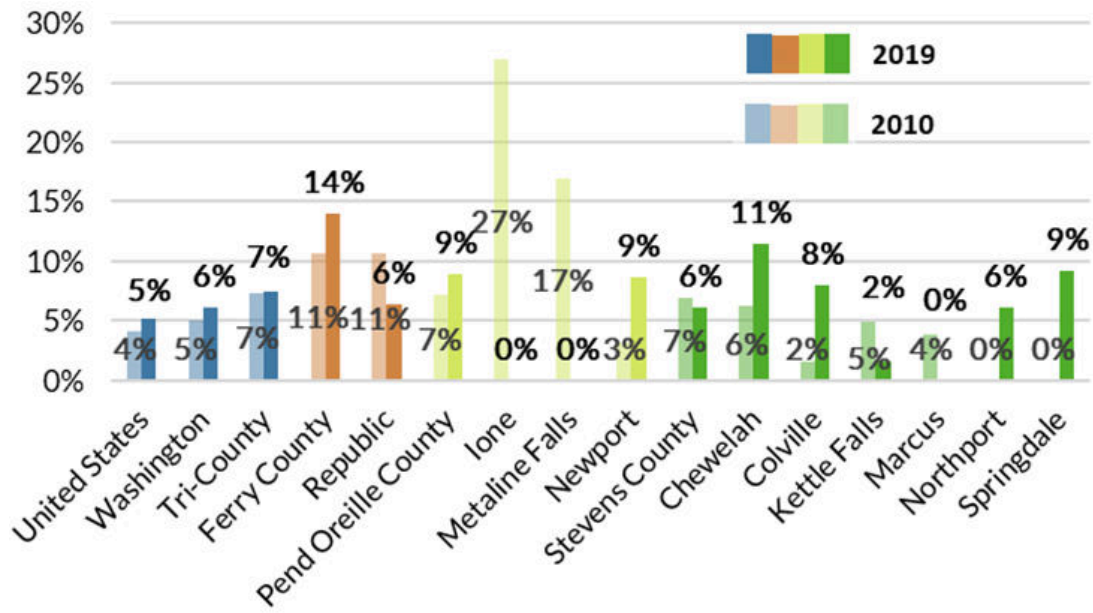
Exhibit 31. Means of Transportation to Work, United States, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2019



Source: US Census Bureau American Community Survey, 2019

Even prior to the COVID-19 pandemic, the portion of the population that worked from home had been increasing, and a larger portion of tri-county residents work from home (7%) than statewide (6%) (**Exhibit 32**). In the region's two largest cities (Colville and Chewelah), the percent of workers working from home increased from 2% and 6% to 8% and 11%, respectively, from 2010 to 2019.

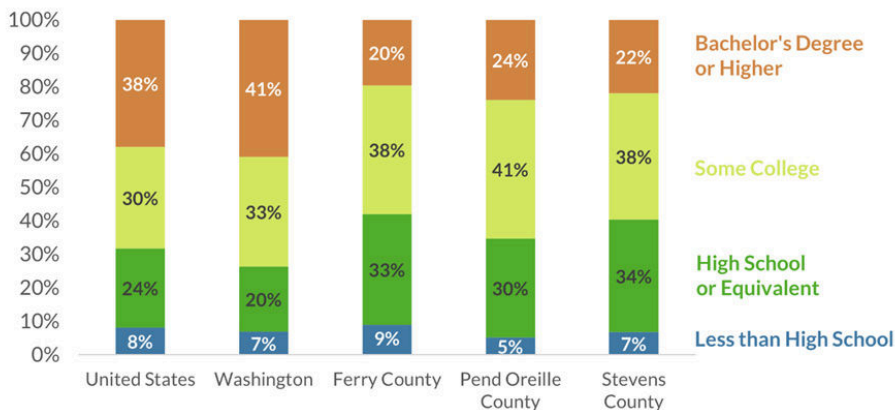
Exhibit 32. Work From Home Change, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2010-2019



Source: US Census American Community Survey 5-Year Estimates, 2010, 2019; CAI, 2021

Educational Attainment

Exhibit 33. Employed Workers by Education Level, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties 2019



Source: US Census Bureau American Community Survey, 2019

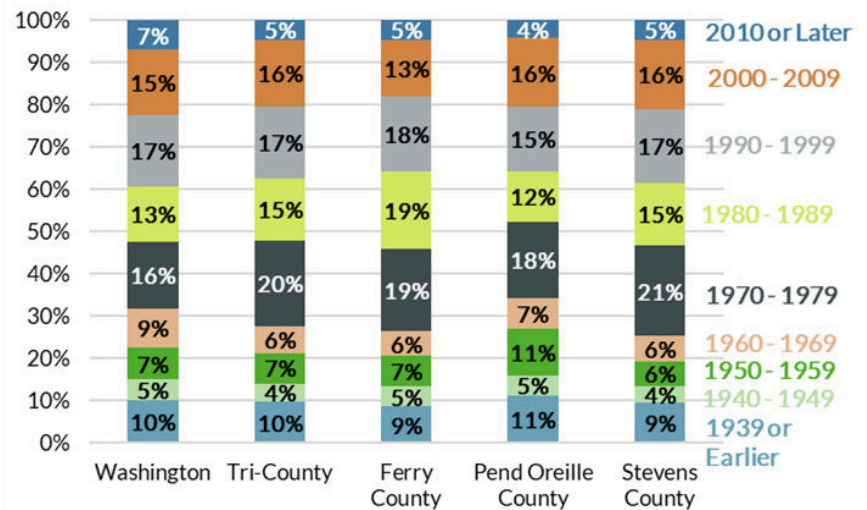
Keeping with the levels of education attained by residents, jobs in the tri-county region are less likely to be occupied by workers with a bachelor's degree or higher (20%) (**Exhibit 33**). About 40% of the jobs in the region require just a high school education, compared to 27% statewide, with some variation county-to-county.

Housing

While statewide, there is a larger share of housing units built before 1970 (31% compared to 27% in the tri-county region), there is also a larger share of newer units statewide (22% built since 2000 compared to 21% in the region). More homes in the tri-county region were built in the 1970s than in any other decade, and more than 50% of all housing units regionally were built between 1970 and 1999 (**Exhibit 34**).

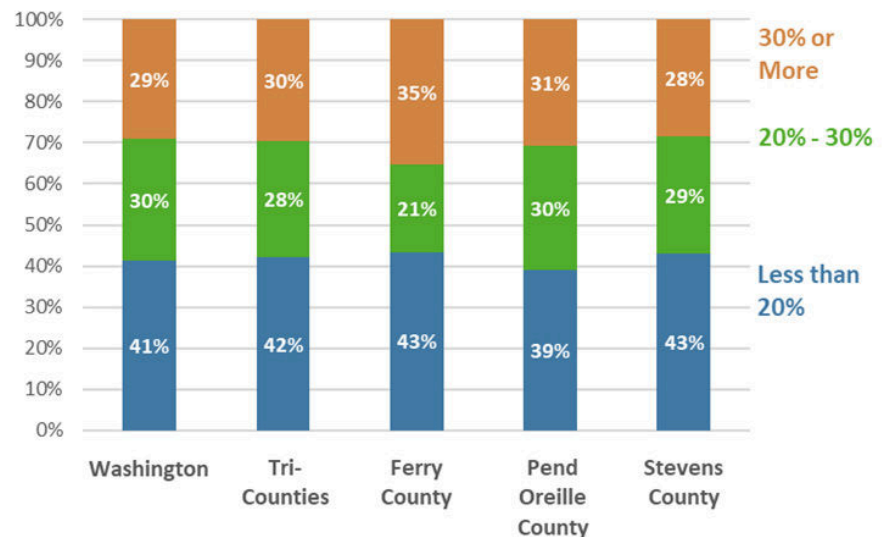
According to the U.S. Department of Housing and Urban Development, a household is considered to be cost-burdened if more than 30% of the household income goes toward the costs of a mortgage or rent. Households are burdened by housing costs at a similar, though slightly higher rate (30%) than are households statewide (29%) (**Exhibit 35**). Housing cost burden is more acute in Ferry County, where 35% of households pay more than 30% of their income toward housing costs.

Exhibit 34. Year Structure Built, United States, Washington, Tri-county, Ferry, Pend Oreille, and Stevens Counties, 2019



Source: US Census Bureau American Community Survey, 2019

Exhibit 35. Percent of Income Spent on Housing, Washington and Tri-county, 2019

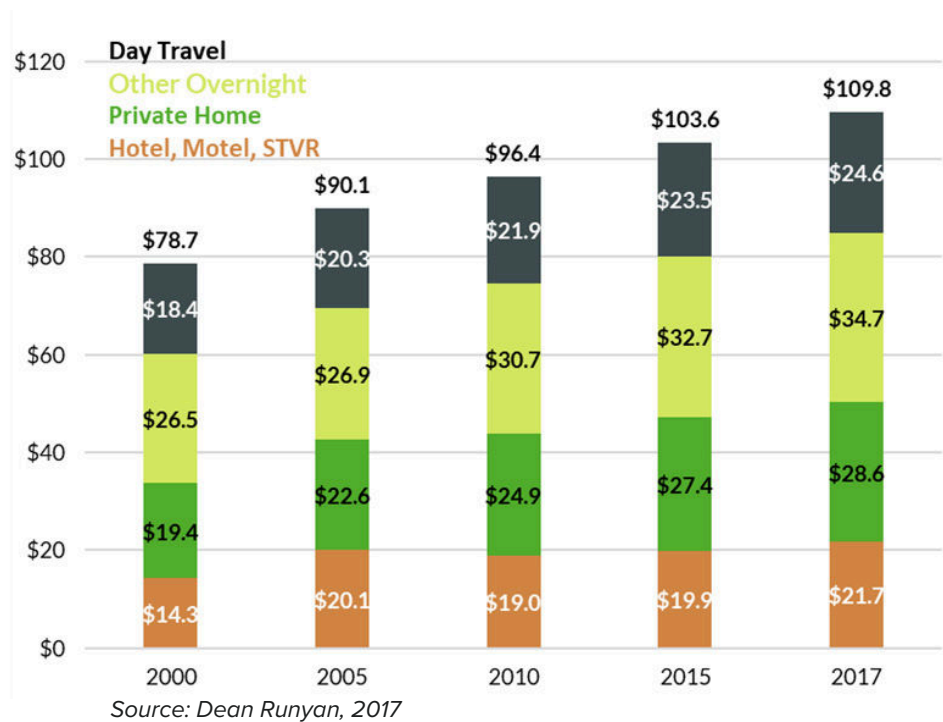


Source: US Census Bureau American Community Survey, 2019

Tourism and Visitation

Exhibit 36 illustrates the economic impacts associated with different types of accommodations; overnight visitors are likely to spend more money in the area than day travelers due to the length of stay and the cost of lodging, for example. In the tri-county region, the Other Overnight (non-commercial and private home accommodation) segment contributes the highest amount of direct spending.

Exhibit 36. Visitor Spending by Type of Travel Accommodation (Millions), Tri-county, 2000-2017



In Ferry County, hotel, motel, and short-term vacation rental (STVR) generate the most visitor spending and have also increased the most rapidly of all accommodation types (by 48% from 2000 to 2017), as shown in **Exhibit 37**. Day trips to the region have increased the slowest of all types but has still increased by 21% from 2000 to 2017.

Exhibit 37. Visitor Spending by Type of Travel Accommodations (Millions), Ferry County, 2000-2017

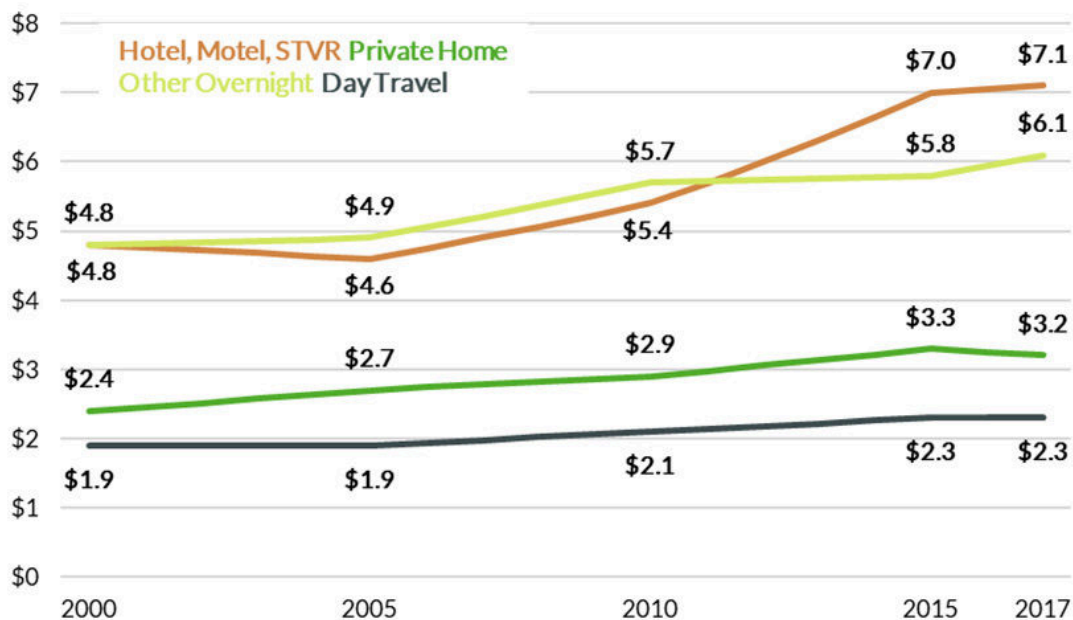
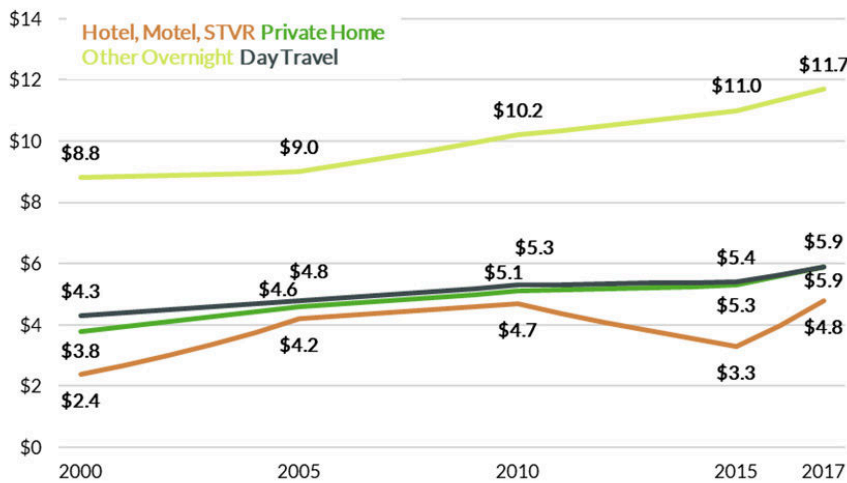


Exhibit 38. Visitor Spending by Type of Travel Accommodations (Millions), Pend Oreille County, 2000-2017

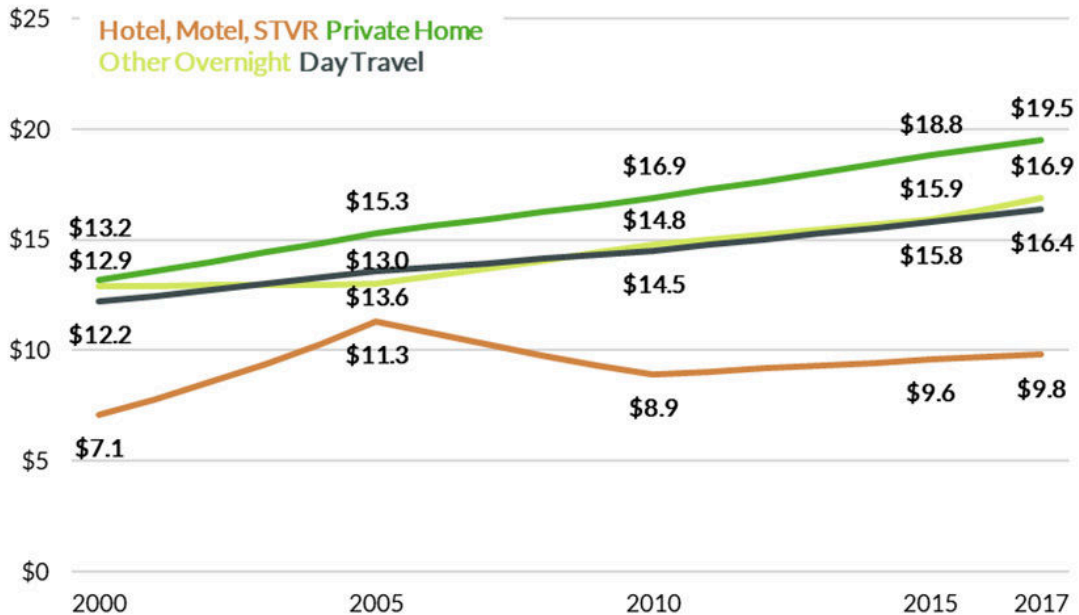


Source: Dean Runyan, 2017

In Pend Oreille County, the Other Overnight segment generates the most visitor spending, though the hotel, motel and STVR segment has increased most rapidly since 2000 (Exhibit 38).

In Stevens County, the Private Home segment generates the most visitor spending and has increased most rapidly since 2000 (Exhibit 39).

Exhibit 39. Visitor Spending by Type of Travel Accommodations (Millions), Stevens County, 2000-2017

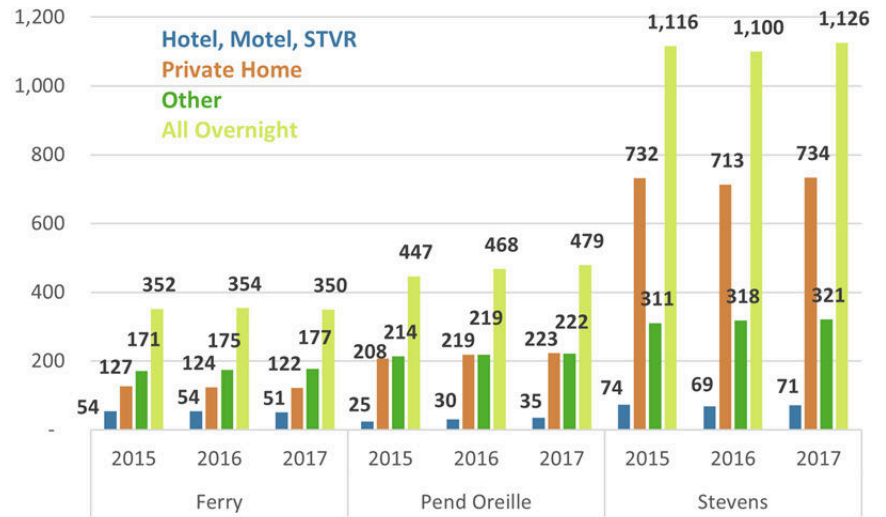


Source: Dean Runyan, 2017

Overnight visitor volume has remained steady in Ferry and Stevens counties in recent years and has increased slightly in Pend Oreille County (**Exhibit 40**). As the retail and population center of the region, Stevens County accounts for the majority of overnight visitation.

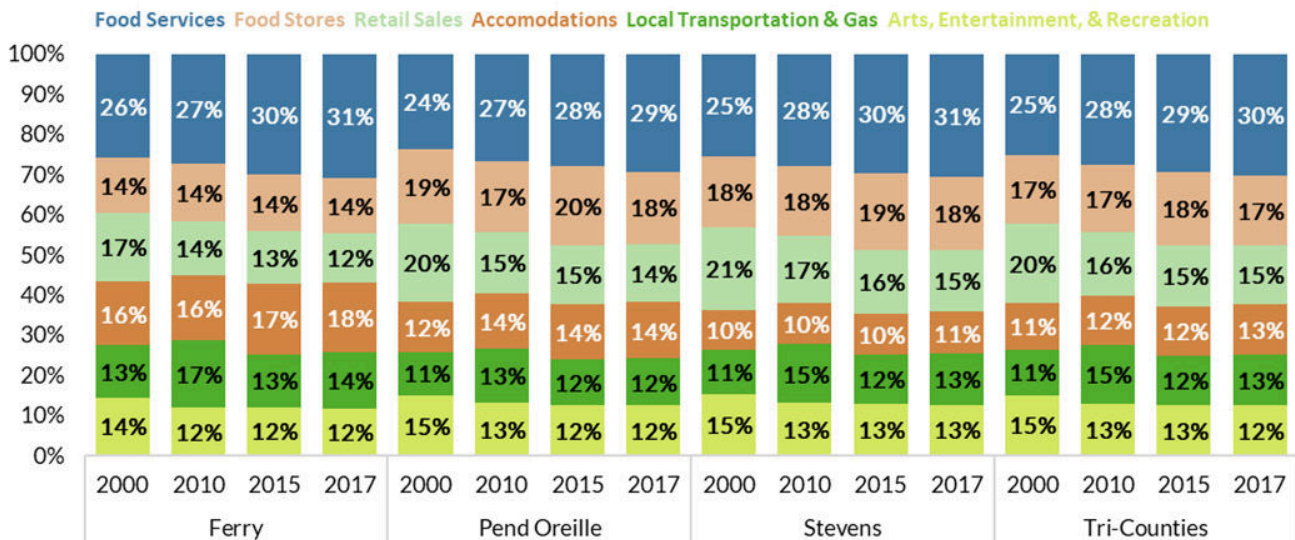
Accommodations accounted for between 12% and 15% of all visitor spending in the region in 2017, but a larger portion of total spending went to food services (**Exhibit 41**). Between 45% and 50% of visitor spending went to food services and stores, with food services spending growing between 2000 and 2017 in all three counties.

Exhibit 40. Overnight Visitor Volume, Person-Nights (thousands), Ferry, Pend Oreille, and Stevens Counties, 2015-2017



Source: Dean Runyan, 2017

Exhibit 41. Percentage of Visitor Spending by Commodity Purchased, Ferry, Pend Oreille, and Stevens Counties, Tri-county, 2000-2017



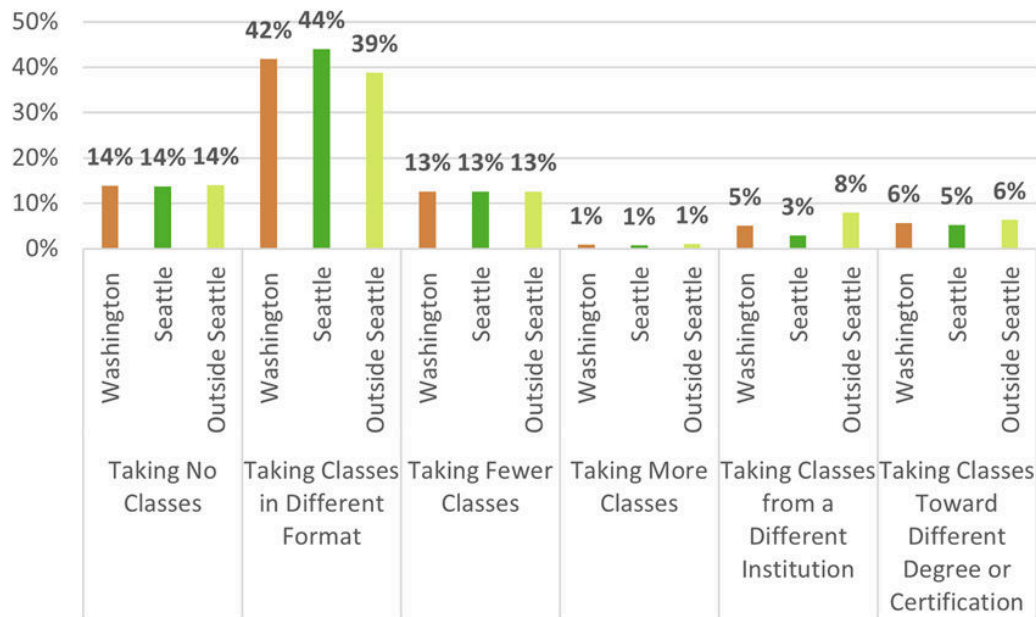
Source: Dean Runyan, 2017

COVID-19 Pandemic Impacts

For those who were enrolled in college-level classes during the pandemic, 14% are currently not taking classes, and an additional 13% are taking fewer classes (**Exhibit 42**).

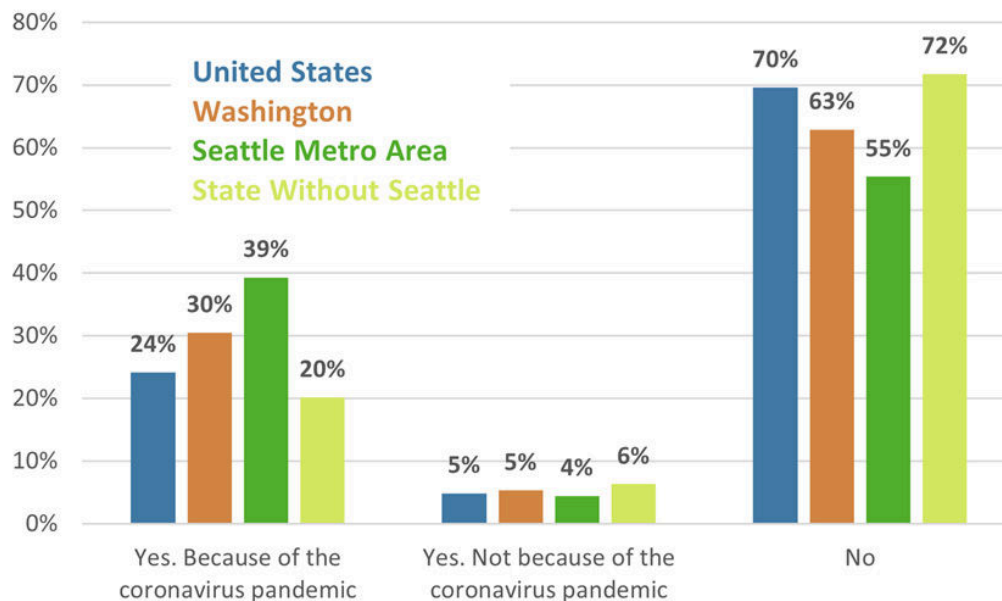
While some workers continue to work remotely, this appears more common in the Seattle area than in the rest of the state (**Exhibit 43**). About 72% of workers outside of Seattle are working in-person, compared to 55% in Seattle and 63% statewide.

Exhibit 42. Impact of Coronavirus Pandemic on Post-Secondary Education Plans, Washington, Seattle Metro Area, State Without Seattle, 2021



Source: US Census Household Pulse Survey, 2021; CAI, 2021

Exhibit 43. Percentage of Households with One Adult Who Teleworked in the Last 7 Days As of June 7, 2021, United States, Washington, Seattle Metro Area, State Without Seattle, 2021



Source: US Census Household Pulse Survey, 2021; CAI, 2021

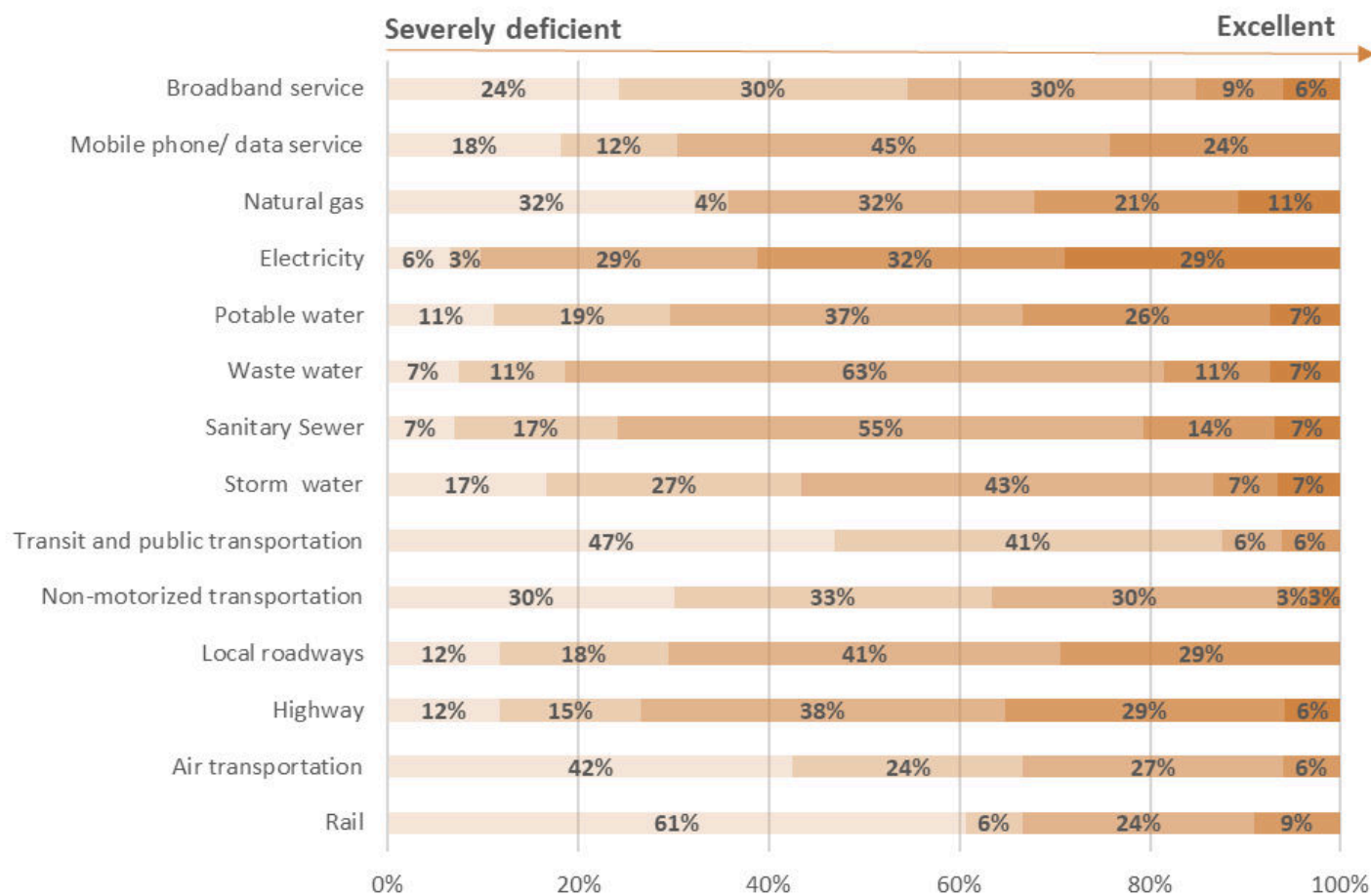
Appendix C: Business Survey

This appendix includes additional data gathered from the business survey.

About half of respondents believe the region's infrastructure is sufficient for their business needs (**Exhibit 44**). Electricity is the highest rated category with 61% of responses being a 4 or 5, 5 being the best. The next highest rated categories are natural gas, potable water, and the highway, all between 32% to 35%. The categories rated most deficient are transit and public transportation (88% rated 1 or 2), rail (67%), air transportation (66%), and non-motorized transportation (63%).

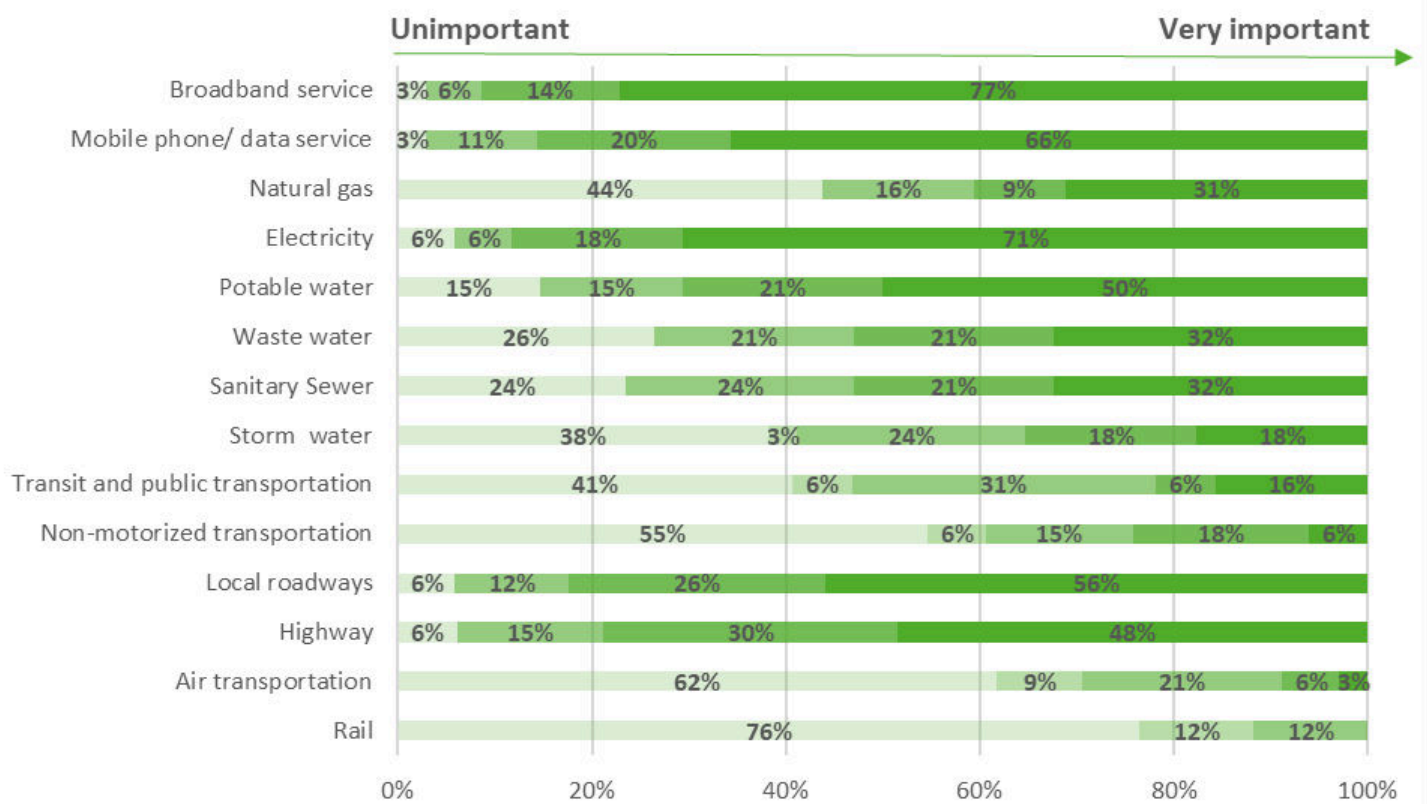
There is correlation between the infrastructure areas respondents consider to be the highest quality and of the highest importance to businesses, including electricity, local roadways, and the highway (**Exhibits 44 and 45**). Respondents ranked the quality of other high need areas for businesses like broadband service and mobile phone or data service as middling. Future investment and strategic planning could align these high priority areas of infrastructure.

Exhibit 44. Rate the adequacy of each type of infrastructure, with 1 being severely deficient and 5 being excellent.



Source: Community Attributes Inc., 2021

Exhibit 45. Rate the strategic importance of each type of infrastructure for your business, with 1 being unimportant and 5 being very important.



Source: Community Attributes Inc., 2021

Appendix D: Glossary of Terms

Associate Development Organizations (ADO) are the Washington State Department of Commerce's local economic development partners across the state.¹ ADOs are organizations designated by each county to coordinate business recruitment, retention, and expansion activities within their service areas, as well as provide export assistance. ADOs also support research, planning, and implementation of regional and local economic development strategies. TEDD is the designated ADO of Ferry and Stevens Counties.

The **Bioeconomy Development Opportunity (BDO) Zone Initiative** leverages biomass assets to serve as anchors for economic revitalization using federal tax incentives.²

The **Community Development Financial Institutions (CDFI) Fund** invests federal dollars alongside private sector capital through mission-driven financial institutions.³

A **Comprehensive Economic Development Strategy (CEDS)** is a strategic regional economic development blueprint established by designed Economic Development Districts and their local and regional partners.⁴

Economic Development Districts (EDD) are multi-jurisdictional entities that help lead the locally based, regionally driven economic development planning process among public, private, and non-profit sectors.⁵ They are designated and administered by the U.S. Department of Commerce: Economic Development Administration.

Grant Opportunities, including:

- Our Town is the National Endowment for the Arts' creative placemaking grants program for projects that integrate arts, culture, and design activities into efforts that strengthen communities by advancing local economic, physical, and/or social outcomes.⁶
- Community Development Block Grants (CDBG) are administered by the Department of Housing and Urban Development to support community development activities like

infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, and other initiatives.⁷ There are a number of ways to access CDBG funds through CARES Act funds, general purpose grants, and specialty grants.

- Community Economic Development grants administered by the Department of Health and Human Services (DHHS) funds Community Development Corporations (CDCs) that create sustainable business development and employment opportunities.⁸ CDCs include private, non-profit, and Tribal organizations.
- Community Services block grants, also administered by DHHS, provides funds to alleviate the causes and conditions of poverty in communities to states, designated community organizations, or Tribal organizations.⁹
- Strategic Economic and Community Development (SECD) funding is available through the Farm Bill to support regional economic and community development planning.¹⁰
- Rural Business Development grants provide technical assistance and training for small rural businesses.¹¹
- The Small Business Administration offers several funding opportunities for small businesses, community organizations, and COVID-19 relief.¹²

The U.S. Department of Agriculture's **Intermediary Relending Program** offers low interest loans to local lenders or intermediaries that re-lend to businesses.¹³ TEDD serves as a local lender. Funds focus on improving economic conditions and creating jobs in rural communities.

TEDD serves as the lead agency of the **North-east Washington Regional Transportation Organization (NEW RTPO)**, the region's transportation planning organization.¹⁴ NEW RTPO prepares and administers a long-range Regional Transportation Plan.

The **Northeast Washington Sustainable Tourism and Recreation Team (NEWSTART)** is a collective of local stakeholders and enthusiasts that

assisted in the development of the Northeast Washington Trails Strategy.

Placemaking refers to the urban design and planning movement of building communities around physical spaces and public places in order to facilitate creative use and honor the physical, cultural, and social identities that define a place.¹⁵

The **Rural Opportunity Loan Fund (ROLF)** is TEDD's loan program that finances business expansion, retention, and start-up projects for borrowers who do not qualify for traditional loans.¹⁶ Its service area includes 10 counties in eastern Washington, including Ferry, Pend Oreille, and Stevens.

Spokane Neighborhood Action Partners (SNAP) Financial Access is a division of SNAP, a 501(C)(3) non-profit that offers stability to vulnerable communities and encourages economic self-sufficiency.¹⁷ SNAP Financial Access focuses on providing financing and consulting services to entrepreneurs, small business owners, and families.¹⁸

The **Supplemental Nutrition Assistance Program (SNAP)** is a federal program that provides monthly benefits to low-income individuals to purchase food.¹⁹

The **TEDD Compact**, amended March 2011, is an agreement between tribal, county, and municipal governments, as well as utility districts within the region, to collaborate with each other for mutual advantage.²⁰ Areas of cooperation include service provision, facilities management, planning, transportation, and economic development efforts. The Compact places representatives from each signatory on TEDD's Board of Directors and designates TEDD as the authority to undertake and organize many of the interjurisdictional activities.

The **Tri County Economic Development Corporation (TC EDC)** is TEDD's non-profit corporation that allows TEDD and its partners to apply for certain grants and other funding opportunities.²¹

The **Washington State University (WSU) Extension** program is WSU's community outreach branch. It was established to allow WSU, as the state's sole land-grant university, to "apply new-

found facts to local conditions."²² Today it operates a number of community, agriculture, and youth programs.

Washington Main Street Program uses Historic Tax Credits and other funding mechanisms to help communities revitalize the economy, appearance, and image of their downtown commercial districts.²³ Colville is a Main Street Community and Kettle Falls is an affiliate of the program.

Endnotes

1 "Associate Development Organizations: 2015-16 Biennial Report," Washington State Department of Commerce, December 2016.

2 "BDOZ," The Bioeconomy Development Opportunity Zone Initiative, n.d.

3 "What Does the CDFI Fund Do?" CDFI Fund, n.d.

4 "Economic Development Districts," U.S. Economic Development Administration, n.d.

5 "Economic Development Districts," U.S. Economic Development Administration, n.d.

6 "OUR TOWN: Program Description," National Endowment for the Arts, n.d.

7 "Explore CDBG Programs," HUD, n.d.

8 "Community Economic Development (CED)," Office of Community Services, n.d.

9 "Community Services Block Grant (CSBG)," Office of Community Services, n.d.

10 "Strategic Economic and Community Development," U.S. Department of Agriculture, Rural Development, n.d.

11 "Rural Business Development Grants," U.S. Department of Agriculture, Rural Development, n.d.

12 "Grants for community organizations," U.S. Small Business Administration, n.d.

13 "Intermediary Relending Program," Department of Agriculture Rural Development, n.d.

14 "What is NEW RTPO?" TEDD, n.d.

15 "What is Placemaking?" Project for Public Spaces, n.d.

16 "What is Rural Opportunity Loan Fund?" TEDD, n.d.

17 "Our Story," SNAP WA, n.d.

18 "Who We Are," SNAP Financial Access, n.d.

19 "SNAP," Food Research and Action Center, n.d.

20 "Compact," tri-County Economic Development District, March 2011.

21 "Who we are," TEDD, n.d.

22 "About Extension," WSU Extension, n.d.

23 "About Washington Main Street," Washington Trust for Historic Preservation, n.d.

Appendix E: Broadband Study (forthcoming)

Appendix F: Recovery and Resiliency Plan (forthcoming)

Appendix G: WTA Destination Scan (forthcoming)

Appendix H: WTA Visitor Opportunity Study (forthcoming)

