

CLALLAM COUNTY ECONOMIC DEVELOPMENT ACTION PLAN

May 2010

**Prepared for:
Clallam County Economic Development Council
905 W. 9th Street
Port Angeles, Washington 98362**

**Funded by:
Clallam County, Port of Port Angeles, and City of Port Angeles**



**1111 Main Street • Suite 300
Vancouver, Washington 98660
700 NE Multnomah Street • Suite 900
Portland, Oregon 97232
Phone: 360.823.6100/503.872.4100
Fax: 360.823.6101/503.872.4101**

CLALLAM COUNTY ECONOMIC DEVELOPMENT ACTION PLAN

May 2010

TABLE OF CONTENTS

1	INTRODUCTION	1
2	PROJECT OVERVIEW	1
3	PHASE 1: PUBLIC WORKSHOP SUMMIT	2
4	PHASE 2: STAKEHOLDER INTERVIEWS.....	4
5	PHASE 3: SUMMIT.....	6
6	CLALLAM COUNTY ECONOMIC DEVELOPMENT VISION (REVIEW DRAFT).....	9

ACTION ITEMS:

Supply Chain	10
Build A Bank.....	12
Bring on the Tourists	13
Redefine Educational Achievement Expectations	14
Knit the County Together.....	15

APPENDICES

- Appendix A: Action Plan Workshop Summary
- Appendix B: Summary of Stakeholder Interviews and List of Stakeholder Interviews
- Appendix C: Summit Participants
- Appendix D: Draft Summit Matrix

1 INTRODUCTION

The purpose of this document is to summarize the process for developing the county-wide economic development action plan for Clallam County, Washington, and present the draft action plan itself. It begins with an overview of the project, including project objectives, sponsors, and major steps in the process of developing the action plan. This is followed by brief summaries of each of the three phases of the action plan development process and concludes with a draft vision statement and action plan.

It should be noted that it takes time, committed partners, consistent open and honest communication, and perseverance to create a successful and sustained unified county-wide approach to economic development. What has been done through the process of creating the draft action plan over the past 3 months is to provide a foundation upon which the community and economic development entities can build. What this document reflects should serve as a template by which any strategic initiative the community decides to undertake can be broken down into logical steps, with responsibilities for achieving those steps assigned.

It is clear through this process that there is strong support for the development and implementation of a unified vision and plan for economic development. In order for the draft plan to be successful, those responsible for implementation will need to review, revise, get public input, and get action through their respective jurisdictions to signal their commitment to the plan, their partners, and the community.

Many have noted that the two meetings – the April 1 public workshop and the May 11 summit meeting – were notable in that not in recent memory has such a broad of a spectrum of local leaders been brought together to address a common issue. Several have even used the term “historic” to describe these meetings. Many communities would be envious of this accomplishment alone. It will be crucial for the community to take advantage of that expression of interest and support for economic development initiatives by remaining engaged and reaching out to other potential partners, both within the county and beyond.

2 PROJECT OVERVIEW

The Clallam County Economic Development Council (EDC), with funding support from Clallam County, the City of Port Angeles, and the Port of Port Angeles, retained BergerABAM to assist the community and those with economic development responsibilities in developing a cohesive economic development action plan. The intent is to develop a plan that uses a set of strategic initiatives to address issues or opportunities, creates specific action steps, assigns responsibilities, and creates timelines for completion. The goal is to create a unified action plan

that will enable members of the economic development community to strategically link their efforts and leverage their resources with those of their partners.

This draft plan was developed during a three-part process that occurred from March through May 2010. Phase 1 was a public workshop to learn the community's perspective on its economic future, including its perspective on current strengths and weaknesses, and opportunities and barriers to success. During Phase 2 of the project, BergerABAM staff members interviewed 23 people—either individually or in small groups—who have a vested interest in Clallam County economic development to more deeply probe into the key issues identified during the Phase 1 public workshop. The project culminated during Phase 3 with an economic development summit. The objective of the summit was to develop a draft county-wide economic development action plan for public review and comment and formal action by those responsible for implementation. The starting point for discussion at the summit was a draft action plan matrix with five economic development initiatives, which were drafted by BergerABAM using the input gathered during phases one and two. BergerABAM used the input from the summit to develop the recommended action plan that begins on page 10 of this report.

3 PHASE 1: PUBLIC WORKSHOP

On April 1, 2010, the EDC held a public workshop from 6:00 to 8:30 p.m. to gather early input from the community to inform the development of the county-wide economic development action. Over 100 participants provided input on a broad range of topics relating to the county's economic future, including its current strengths and weaknesses, and opportunities and barriers to success. The workshop was organized to include general large group discussion and input, as well as more in-depth small group discussions focused on five key questions. The questions and a brief summary of key themes follow. The complete Action Plan Workshop Summary is attached as Appendix A.

Question 1: How do you define economic development? In particular, what are the key components to successful implementation?

The participants' definitions of economic development and their understanding of the key components for successful implementation were fairly consistent, and had to do with capacity building: the capacity of the local workforce to take advantage of and act as a spur to economic development and the capacity of the community to undertake it. Other key components to the successful implementation of a successful economic development action plan cited were:

- Educational opportunities and the development of a skilled workforce;
- Creation of family-wage jobs;
- Significant investment in infrastructure, such as energy generation or transportation;

- Preserving and generating more affordable housing;
- Local economic activity generated through a “buy local” program; and
- Branding or identity program.

Question 2: What are our community’s greatest strengths in economic development?

Participants listed a range of community strengths in economic development:

- Quality of life and access to natural beauty and recreational opportunities, such as Olympic National Park and Victoria
- Tourism potential
- Deep water port access
- Peninsula College and Olympic Medical Center
- Cultural heritage of the area, especially Tribal heritage
- Extensive fiber optic network and availability of relatively inexpensive electrical power

Question 3: What are our community’s greatest weaknesses in economic development?

Participants had a clear idea of the economic development weaknesses facing the county. According to almost all groups, most critical is the lack of a clear economic development vision. Participants felt that there was a lack of cooperation among many of the key stakeholders, and that this lack of consensus had led to conflict and a general sense of low expectations. Other weaknesses included:

- The county’s relative isolation
- Transportation access (only one major road (Highway 101) and no rail access)
- Lack of employment opportunities
- Difficulty in attracting a higher-skill workforce

Question 4: Can you provide an example of an economic development success story? What were the key ingredients that made it successful?

Several success stories were mentioned, including Peninsula College, the growth of the Jamestown S’Klallam’s facilities, and the Westport development. Participants offered a wide range of key ingredients for success:

- Creativity and leadership
- The need for strong community support for the initiatives
- Support, cooperation, and coordination from local and county government
- A strong vision for the future
- Capital for project financing
- Training and workforce development

Question 5: What do you see as the current barriers to the community's economic success? How can these barriers be overcome?

Participants were in particular agreement over both the barriers to community economic success, and how those barriers can be overcome. The primary barriers raised during the small group discussions were:

- Lack of funding to make new initiatives a reality
- Lack of cooperation and coordination that has historically led to a disjointed and unclear vision

The solutions to these issues seemed to coalesce around the need for key stakeholders and the community to work together to reach an understanding on a vision for the future. Participants had a range of potential ideas for individual projects, but seemed to feel that, first and foremost, there is an overarching need for those responsible for economic development and the community to create a strong coordinated focus.

4 PHASE 2: STAKEHOLDER INTERVIEWS

During Phase 2 of the project, BergerABAM staff members interviewed 23 people—either individually or in small groups—who have a vested interest in Clallam County economic development to probe more deeply into the key issues identified during the Phase 1 public workshop. The interviewees represented a broad range of public and private interests, including local business owners and managers, local institutions, and representatives of city, county, tribal, and other local governments. A brief summary of a few of the key points is found below. A complete summary of the interviews and list of interviewees is located in Appendix B.

In general, most interviewees expressed a belief that the relationships and partnerships that were successful in the past either are or can be successful again. While many see the necessity to connect economic development efforts, others wonder about the feasibility of that in a county as geographically large and diverse as Clallam County.

4.1 Economic Development Defined

Participants were clear that increasing the number of family-wage jobs was a critical component of economic development. Business retention and growth were also seen as critical. Importing money while exporting products and services, increasing individual and community wealth, and building the tax base were also cited.

4.2 Characteristics of a Successful Strategy

Participants had a wide range of suggestions for what makes an economic development strategy successful:

- K-12 system with relatively high graduation rates and higher education.
- Recruitment and retention of young professionals.
- Unified vision with action plan that leverages public and private resources and can be segmented and implemented by multiple partners.
- Sustained leadership in the form of one or more lead entities that act as a champion to shepherd the plan through approval/adoption, keep the momentum going, create energy and excitement, and create accountability.
- Information sharing about what the various partners bring to the table.
- Providing support to existing businesses so that they can grow and become more prosperous, starting with asking business owners what kind of assistance they need. Additional ideas included business and financing counseling, marketing advice, a business incubator, and a “buy local” campaign.
- Concrete initiatives, projects, and a list of action items that identifies those responsible for implementation. The list should identify specific measures of success and mechanisms for tracking it.
- Some level of community support in order to be successful. One participant stated that it is important for the community to be surveyed in order to determine how they define economic development and what level of growth and kind of jobs are desired.

4.3 Strength and Weaknesses

Participants identified the area’s natural beauty and outdoor recreation opportunities as important strengths. These assets help to create a quality of life that is the basis for many potential opportunities in tourism. On the other hand, part of the reason for the natural beauty and unspoiled outdoor recreation opportunities is the relative isolation of the area from jobs and economic centers of activity.

Other strengths that were mentioned included: cultural and historical resources (especially local tribal), progressive medical facilities, good air quality, and investment in the arts, such as the Olympic theater in Sequim.

Weaknesses or challenges that were identified included: the need for better educational and training opportunities, and the difficulty in initiating new projects due to over-regulation and interference from government. The lack of rail access was mentioned as a weakness or barrier, as was access to capital funding for construction. Some suggested that relationships between governmental agencies and between governmental agencies and tribes could be improved. Some participants stated that there are many in the community that tend to hang on to the old timber-related industries, which they say is not sustainable at a meaningful level. Instead, the focus should be on sustainable employment opportunities such as research and development.

4.4 Opportunities and Threats

Deepwater port facilities and relatively cheap power are opportunities for the area, as is access to Victoria, BC. Some see great potential in capturing a portion of Victoria's tourism, retail, and recreation traffic as visitors travel through Clallam County. In addition, some see the potential for the development of tidal energy generation facilities in the county. In order to realize these types of opportunities, stakeholders observed that entities will need to develop better cooperative relationships and a strong vision for the future that is supported by the public. According to several participants, an "anti-change" attitude in the area can make it difficult for new projects or initiatives to get off the ground.

Additional opportunities mentioned included: strong engagement and interest in economic development from local tribes and access to unique funding sources and the temperate weather that makes the area well suited for agri-tourism and the wine industry.

5 PHASE 3: ECONOMIC DEVELOPMENT SUMMIT

The third and final phase consisted of bringing the organizations and individuals responsible for economic development activities in Clallam County together for an intensive half-day workshop to develop a draft county-wide economic development action plan for public review and comment and formal action by those responsible for implementation. Twenty-eight individuals representing diverse economic development interests participated in the summit on May 11, 2010 (see Appendix C for a list of summit participants) and another approximately 25 attendees observed the workshop.

5.1 Pre-Summit Preparations

Approximately 10 days prior to the summit, invitees were sent a packet and instructions for preparation in order to make the most of the group's time together. The packet included an agenda and public comment form, draft action plan matrix, Stakeholder Summary Report, and Public Summit Workshop Summary.

Invitees were asked to review the summaries first and then review and write down their ideas on the draft action plan matrix. The matrix included draft strategic initiatives, along with the economic strengths, weaknesses, opportunities, and barriers that the initiatives are intended to address. Invitees were advised that the initiatives were drafted by BergerABAM and, as such, were open to review, critique, and revision.

Invitees were asked to consider the following questions as part of their pre-summit preparations:

- Do the draft initiatives properly address the economic strengths, weaknesses opportunities, and barriers? Do you have ideas for amendments and/or additions?

- What actions should be taken to implement the initiatives and in what timeframe?
- Who should be responsible for leading the initiatives and action items? What partners are needed to leverage resources and increase the likelihood for success?
- When trying to identify the lead organization, please consider which organizations/ individuals possess the following characteristics relevant to the initiative or action item: resources available, capacity, relationships, and technical expertise.

5.2 Summit Start-Up

The summit started with welcoming comments and introductions. This was followed by reviewing the meeting objectives, ground rules and meeting assumption: “By agreeing to participate in this summit, you are also agreeing to take the resulting draft action plan back to your organization for public/member/elected official review and action, as appropriate.” Reaching agreement on this assumption was important, as it signaled attendees’ commitment to moving the draft action plan through a public review and adoption process.

It was also noted at the beginning of the summit that because of its intensive agenda, limited time had been set aside at the end of the summit to hear public input. Public comments could be provided on comment forms available to all attendees. It was also noted that the draft action plan should undergo additional public review and input through the participating organizations before it is finalized.

5.3 Action Plan Development Process Review

Summit facilitator John White of BergerABAM introduced the process for developing the action plan, including the key components of the plan: strategic initiatives, action items to implement them, leads and partners, and implementation schedule by action item. John also reviewed a list of important but not resolvable today (INRT) issues (see below). The list included a number of concerns raised by participants in the process. John suggested that these items would need resolution at some point, but that addressing them at the summit could derail the development of the action plan. John recommended that participants develop and start to implement the plan in order to get achieve some tangible successes together, and with them, a new measure of trust and confidence in each other. Through the implementation process, some of the INRT issues may be resolved. Others may need to be addressed in a more systematic manner at a future date.

Important but Not Resolvable Today:

- Membership or fee structure of the EDC
- Lack of 4-lane highway-type infrastructure
- Declining enrollments / higher than desired dropout rates in K-12

- Personalities
- Perceived lack of leadership
- Governmental regulation of projects
- Apathy in some quarters
- Community backing
- Overall organization of economic development efforts
- Workforce reliability / health

5.4 Build the Plan

Summit participants then began to complete the draft action plan matrix, which was projected on the wall of the meeting room and used to record participant input. Attendees were reminded that the initiatives were in draft form and asked for their feedback. Attendees suggested broadening the tourism initiative (see initiative below) to include more than eco-tourism. No additional feedback was provided on the initiatives and the group started discussing the action items needed to implement them. The draft matrix completed during the summit is attached as Appendix D.

While the summit's desired outcome was for key economic development leaders to literally develop the action plan through a collaborative and highly interactive process, the diversity of the initiatives led to a larger than anticipated number of participants at the table. The spirit of cooperation and diversity of opinion around the table were very beneficial. On the flip side, the large number of attendees made it challenging for everyone to be fully heard on each of the initiatives in the time allotted. As a result, the group focused primarily on the action items with minimal time devoted to determining responsible parties and schedule.

Each initiative identifies a champion whose primary responsibility is to create a method for ensuring that those who are asked to perform various tasks do so in a manner consistent with the timeline identified. In other words, they are expected to be charged with creating the accountability for performance. The champion should strive to make sure that tactical changes in the action plan and progress toward achieving the initiative are reported to all of the stakeholders on a regular basis.

In addition to having a champion attached to each initiative, some form of oversight committee would be very beneficial. The committee might best be chartered under the EDC and would act as the primary decision-making body with regard to implementation of the action plan and new strategic initiatives. Membership and specific duties assigned to the oversight committee should be developed by the EDC board.

As the action plan was not fully developed during the summit, BergerABAM used the feedback provided during the summit as a guide to developing a draft recommended action plan and a suggested vision statement for the community's consideration (see below). The recommended next step is that a few of the economic development leaders vet the draft plan with the agencies and organizations who participated in the summit and the community to obtain their concurrence and support of the plan or recommendations for alteration of the plan. This vetting should occur prior to formal agency action.

6 CLALLAM COUNTY ECONOMIC DEVELOPMENT MISSION STATEMENT (REVIEW DRAFT)

During the summit, a participant suggested the creation of a county-wide economic development vision statement to guide the effort. While the time allocated for the summit did not allow the development of the vision statement, the content of the discussion at the summit provided enough direction to generate a suggested vision statement for consideration by the community and the partners:

In order to expand our local economy to its fullest potential, the various economic development entities in Clallam County agree that we will create an environment that will both support our existing employers as well as attract new employers who fit our unique culture and values. We will accomplish this through strategic investments in infrastructure, support of key community institutions such as education and medical care, highly effective communications with each other and collaborative public/private partnerships that leverage our assets.

SUPPLY CHAIN ACTION ITEMS

Champion: Port of Port Angeles

Summary of action steps: This initiative involves the direct participation of local “magnet” businesses or industry clusters whose suppliers may be open to exploring the advantages of locating on the peninsula to be closer geographically to their clients. It is intended not as a broad solicitation, but as a road test to see how this could be successful.

Action	Product(s) Required ¹	Responsible Parties		Timing (by Quarter)									
		Lead	Partners	2010		2011				2012			
				3	4	1	2	3	4	1	2		
Advise likely magnet industries of this initiative – ask for specific response as to feasibility and willingness to help by serving on Task Force	Send letter from EDC President requesting assistance Follow up with phone call soliciting response	EDC											
Use responses to identify top three magnet sectors/businesses with highest likelihood of fit	Choose from agriculture, marine, manufacturing, green energy, etc.	POPA	COPA/ EDC										
Ask sector or business representatives to serve on short-term Task Force to oversee implementation of strategy	Send letter of invitation from City, Port, and EDC	POPA											
Create updated summary of cluster strategy and its relevance to initiative ²	Frame cluster study in context of seeking our suppliers in short white paper	EDC	POPA										
Brief Task Force on status of target clusters and data available to date	Hold conference call	POPA											
Discuss and identify any incentives that should be offered as part of recruitment package	Task Force function to include offers of specialized training at Peninsula College, discounted land or lease rates, expedited permitting, etc.	POPA											
Assemble responses of providers regarding incentives available	Follow up directly with all providers, recording who can offer what incentives	POPA	COPA/ EDC										
Review prior model (Hood Canal Bridge closure) that identified links in chain	Summarize in short written memorandum that identifies any key findings	POPA											

¹ Action Item abbreviations: EDC=Economic Development Council; POPA=Port of Port Angeles; COPA=City of Port Angeles; OPTC=Olympic Peninsula Tourism Commission; DOC=Washington State Department of Commerce; OFDA: Olympic Finance Development Authority; PCC=Peninsula Community College

² As the cluster study is reviewed, it should be assessed as to whether there are new clusters that should be included or others previously identified that should be eliminated due to changing market conditions.

Summary of action steps: This initiative involves the direct participation of local “magnet” businesses or industry clusters whose suppliers may be open to exploring the advantages of locating on the peninsula to be closer geographically to their clients. It is intended not as a broad solicitation, but as a road test to see how this could be successful.

Action	Product(s) Required ¹	Responsible Parties		Timing (by Quarter)									
		Lead	Partners	2010		2011				2012			
				3	4	1	2	3	4	1	2		
Reduce target list to single most promising and second most promising	Task Force function based on information provided above	EDC	POPA/ COPA										
Prepare targeted recruitment package aimed at relocating supplier(s)	Develop graphically attractive packet from public agencies plus private business featuring reasons for relocation and what can be offered – must be appealing	POPA	EDC										
Capitalize on industry connections (who knows who) to make the initial contact	Use Task Force to define what relationships could be exploited to make initial contact to targeted businesses	POPA	EDC										
Determine team to make presentation to supplier(s)	Determine team to meet with business based on known relationships and assessment of what can be offered	POPA	All										
Provide follow up plan for supplier-requested additional information	Assign specific people to provide information requested by supplier	POPA											
Debrief after presentation	Draft debrief paper that recounts what seemed to resonate with supplier and what did not	POPA	EDC										
Modify presentation based on feedback and make second presentation	Start with action item (prepare recruitment package), repeat the process	POPA											

BUILD A BANK ACTION ITEMS

Champion: Clallam County Economic Development Council

Summary of action steps: This initiative is intended to a) establish a new funding conduit known as the Olympic Finance Development Authority and b) engage local lenders in a collaborative effort to provide and seek referrals for legitimate funding requests and to expand the funding sources available.

Action	Product(s) Required	Responsible Parties		Timing (by Quarter)									
		Lead	Partners	2010		2011				2012			
				3	4	1	2	3	4	1	2		
Convene lenders, potential partner organizations, and local business leaders to brief them on role of OFDA and its specific objectives	Send letter from EDC President requesting attendance at briefing	EDC											
Create short-term Task Force from initial meeting that can advise regarding 1) OFDA implementation and 2) most appropriate way to include other lenders	Determine appropriate members of Task Force and extend written invitation	EDC	Local lenders										
Use brainstorming session with Task Force members to define range of financial tools that should be offered and /or investigated	Organize brainstorming session; provide clear direction as to expected outcome	EDC											
Design single portal financing information tool where potential borrowers can get exposed to various forms of funding and requirements of each	Seek agreement by all parties to participate in consortium-like model, provide lending services information and resource lists	EDC	Local lenders										
Create supporting collateral materials that describe basic kinds of borrowing offered by consortium and how applicant can navigate	Develop comprehensive brochure and digital equivalent to introduce available financing assistance and how to access	EDC	COPA Local lenders										
Establish triage protocol to ensure that local resources are not being wasted on lending requests that don't meet minimum standards (will vary by lending institution)	Clarify minimum application standards and make part of brochure/digital equivalent	Local lenders	EDC										
Create system to track and report back to community on lending created by consortium to reinforce message that capital is available for qualified opportunities	Tap all sources included in program through reporting mechanism that continues to promote use and expansion of program (venture capital sources, etc.)	EDC	Local lenders										

BRING ON THE TOURISTS ACTION ITEMS

Champion: Olympic Peninsula Tourism Commission

Summary of action steps: This initiative is intended to reinforce existing tourism efforts and to identify new tourism initiatives that can help attract more visitors and expand the scope of their experiences.

Action	Product(s) Required	Responsible Parties		Timing (by Quarter)									
		Lead	Partners	2010		2011				2012			
				3	4	1	2	3	4	1	2		
In conjunction with Tribes, assess assets that seem to be working and have high ROI as tourism opportunities	Meet with Tribes and key tourism players to create assessment	OPTC	Tribes COPA										
Simultaneously begin to assess untapped opportunities that could be cultivated with nominal new capital investment [e.g., cultural facilities, events and resources, dam removal project, small-scale [farm to market] agricultural facilities, eco-tourism, etc.]	Meet with Tribes and key tourism players to create assessment	OPTC	Tribes										
Determine if champions for untapped opportunities are available and, if so, define tactics necessary to capitalize on them and venue for them to report back on next steps	Cultivate champions who are capable and willing to take on responsibility	OPTC	Chambers Advocacy groups										
Establish Hotel Advisory Committee where input from hospitality community is actively sought, information and feedback about community's facilities is provided, and relationship is strengthened	Issue invitation and see if adequate interest is expressed	OPTC	Chambers										
Create and publicize to-do list of high priority tourism improvement projects including, but not limited to, completion of Olympic Trail, implementation of AIA recommendations for Port Angeles, etc.	Develop mechanism that will create list balanced in terms of interests, geography, and resources	OPTC	Chambers Cities County										
Work with State DOC to define funding opportunities / grants / loans for high priority projects	Ask County to assist in bringing DOC representative to Clallam County to advise on positioning for funding of projects	OPTC	County										
At completion of new tourism survey by outside vendor, meet to discuss findings and next steps focusing on what people see as missing ingredients	Meet to digest results and brainstorm tactics for addressing issues	OPTC	Chambers Cities County Hotels										

REDEFINE EDUCATIONAL ACHIEVEMENT EXPECTATIONS ACTION ITEMS

Champion: Administrative Council

Summary of action steps: This initiative is intended to clearly articulate the high value the community places on both K-12 and higher education, the connection between a well trained workforce and a healthy economy, and the commitment to public and private partnerships to secure the level of academic achievement the community expects.

Action	Product(s) Required	Responsible Parties		Timing (by Quarter)									
		Lead	Partners	2010		2011				2012			
				3	4	1	2	3	4	1	2		
Brief Administrative Council as to tenor of discussion in the summit and solicit input from them	Briefing at next meeting	School districts	PCC										
Ask Council to create a county-wide vision statement for educational achievement	Meeting or workshop to develop the vision statement	Admin Council	School districts PCC										
Create a set of measurable outcomes to support achieving the vision, including increased graduation rates	Determine most appropriate and feasible outcome measurements	Admin Council	School districts PCC										
Design communication plan that takes vision to the community and builds support for it. Seek internal resources within districts to design communication plan	Communication plan and implementation of the plan	Admin Council	School districts PCC										
Design and implement a reporting tool that can annually track progress on measureable outcomes over time and report those consistently back to stakeholders and the community	Work with PCC to create reliable reporting tool Regular progress reports to the community	School districts	PCC										
Provide opportunities for private sector employers to participate in programs that encourage students to stay in school by showing them the skills needed to get a job	Reach out to local employers to advise that their participation is being sought	School districts	Private employers										

KNIT THE COUNTY TOGETHER ACTION ITEMS

Champion: Economic Development Council

Summary of action steps: This initiative is intended provide for an increased level of communication among economic development participants across the county that will result in increased occurrences of strategic partnerships.

Action	Product(s) Required	Responsible Parties		Timing (by Quarter)									
		Lead	Partners	2010		2011				2012			
				3	4	1	2	3	4	1	2		
Discuss need for what kind, if any, of new communication venues or techniques would provide more real time information	Form Task Force to look at opportunities to expand communication network	EDC	POPA COPA										
Explore opportunities for most effective use of the community's wired infrastructure to be a model for and support communication among economic development partners	Ask Task Force to look for national model that illustrates the strengths of the connectivity of the community infrastructure and how it could be adopted	EDC	All members										
As part of action step above, explore tools that can be used to better and more consistently involve the local business community	Consult with chambers regarding most effective means of communication	EDC	Chambers										
Look at EDC board agenda and determine if increased intra-board communication time is warranted	Ask Task Force to evaluate	EDC	All members										
Create a central calendar of all economic related meetings	Set up electronic calendar that allows input from multiple sources	EDC	POPA COPA										

APPENDIX A:
Action Plan Workshop Summary

CLALLAM COUNTY ECONOMIC DEVELOPMENT ACTION PLAN SUMMIT
April 1, 2010
SUMMARY

MEETING OVERVIEW

On April 1, 2010, the Clallam County Economic Development Commission (EDC) held a public workshop summit to discuss the creation of a county-wide economic development action plan. Participants were asked to provide input on a broad range of topics relating to the county's economic future, including the county's current strengths and weaknesses, and opportunities and barriers to success.

The meeting began with a welcome and introduction from Linda Rotmark, Executive Director of the EDC, and Mike McAleer, President of the EDC. John White of BergerABAM provided an overview of the workshop, and explained its purpose and goals. Karyn Criswell of BergerABAM facilitated the workshop. Meeting attendees started arriving at 6 PM. The meeting ended at approximately 8:30 PM.

The meeting was organized to include general large group discussion and input, as well as more focused and in-depth small group discussions. Each small group was asked to appoint a facilitator, note taker, and reporter to help organize its discussion and feedback to the larger group. Each group was asked to respond to a series of five questions:

- Question 1: How do you define economic development? In particular, what are the key components to successful implementation?
- Question 2: What are our community's greatest strengths in economic development?
- Question 3: What are our community's greatest weaknesses in economic development?
- Question 4: Can you provide an example of an economic development success story? What were the key ingredients that made it successful?
- Question 5: What do you see as the current barriers to the community's economic success? How can these barriers be overcome?

SUMMARY OF KEY THEMES

The following summary presents the key themes of the large group and small group discussions. In addition, transcripts of the notes from the report-back session are available as Appendix A, and transcripts of the notes from the small group discussions are available as Appendix B.

Question 1: How do you define economic development? In particular, what are the key components to successful implementation?

The underlying meaning of the groups' definitions of economic development and their understanding of the key components for successful implementation were fairly consistent, and had to do with capacity building: the capacity of the local workforce to take advantage of and act as a spur to economic development and the capacity of the community to undertake it. First and foremost, participants mentioned the need for educational opportunities and the development of a skilled workforce as critical to any economic development plan. Participants also focused on the need for the creation of family-wage jobs. Job creation is not enough, if those jobs are low-skill and low-wage. Other participants mentioned the need for significant investment in infrastructure, such as energy generation or transportation, as an important part of an economic development program. Preserving and generating more affordable housing was seen as a success component, as was local economic activity generated through a "buy local" program. Some participants mentioned that a branding or identity program could also be an important component of success.

Question 2: What are our community's greatest strengths in economic development?

Participants listed a range of community strengths in economic development. Quality of life and access to natural beauty and recreational opportunities, such as Olympic National Park, were listed by many groups. This also led many groups to list tourism as a potential strength. Other groups listed deep water port access as an asset for industrial opportunities. Peninsula College and the hospital were listed as important institutional assets for the county. Others mentioned proximity to Victoria as a strength. Some groups stated that the cultural heritage of the area, especially its Tribal heritage, was an important asset. Also mentioned were the extensive fiber optic network and the availability of relatively inexpensive electrical power.

Question 3: What are our community's greatest weaknesses in economic development?

Participants had a clear idea of the economic development weaknesses facing the county. According to almost all groups, most critical is the lack of a clear economic development vision. Participants felt that there was a lack of cooperation among many of the key stakeholders, and that this lack of consensus had led to conflict and a general sense of low expectations. The county's relative isolation was also listed as an important weakness. Transportation was also seen as a significant weakness—the county is fairly far "off the beaten path" and has only one major road (Highway 101) and no rail access. Some participants also listed a lack of

employment opportunities and the accompanying difficulty in attracting a higher-skill workforce as important weaknesses.

Question 4: Can you provide an example of an economic development success story? What were the key ingredients that made it successful?

Several success stories were mentioned, including Peninsula College, the growth of the Jamestown S'Klallam's facilities, and the Westport development. Participants offered a wide range of key ingredients for success. At the top of the list were creativity and leadership. Also discussed was the need for strong community support for the initiatives, as well as support, cooperation, and coordination from local and county government. The need for a strong vision for the future was considered a critical component by many groups. Participants also stated that capital was needed to make development efforts successful and that training and workforce development could help make them a reality.

Question 5: What do you see as the current barriers to the community's economic success? How can these barriers be overcome?

Participants were in particular agreement over both the barriers to community economic success, and how those barriers can be overcome. The primary barriers raised during the small group discussions were the lack of funding to make new initiatives a reality, and the lack of cooperation and coordination that has historically led to a disjointed and unclear vision for the future of the county. The solutions to these issues seemed to coalesce around the need for key stakeholders and the community to work together to reach an understanding on a vision for the future. Participants had a range of potential ideas for individual projects, but seemed to feel that first and foremost, there is an overarching need for those responsible for economic development and the community to create a strong coordinated focus.

CONCLUSION AND NEXT STEPS

The information gathered at this public workshop, along with the results of the stakeholder interviews, will be shared with economic development stakeholders and the consultant team to develop a county-wide economic development action plan. The workshop and stakeholder interview summary results will be presented at the economic development summit on May 11, 2010.

APPENDIX A:
Small Group Report-Out

QUESTIONS 1-3

After each group's discussion, the group was asked to provide their top 2-3 choices for each of the first three questions.

Question 1: How do you define economic development? In particular, what are the key components to successful implementation?

Question 2: What are our community's greatest strengths in economic development?

Question 3: What are our community's greatest weaknesses in economic development?

GROUP 1

Question 1:

- Raise wage and skill levels
- Livable wages
- Connect jobs and enterprise

Question 2:

- Socio-economic status diversity
- Quality of life
- International/global

Question 3:

- Lack of vision/direction
- Consensus on direction
- Emerging from natural resources economy
- Reconciling socio-economic status with the vision

GROUP 2

Question 1:

- Improves community attitude
- Creates a business-friendly environment
- Includes strong workforce development incentives

Question 2:

- Water resources and natural beauty (including Olympic National Park)
- Multicultural history
- College education available
- Mild climate

Question 3:

- Limited transportation
- Lack of a unified vision
- Lack of identity

- Ugly view coming from Victoria

GROUP 3

Question 1:

- Work together
- A destination

Question 2:

- Olympic National Park
- Water
- Resilient people
- Arts community (American Indian/culture)

Question 3:

- Lack of cohesion
- Lack of common vision
- Family wage jobs

GROUP 4

Question 1:

- Jobs = Revenue and Revenue = Jobs
- Quality jobs
- Need a theme
- Business-friendly regulations
- Educated workforce

Question 2:

- Quality of life (water and the mountains)
- Port/shipping access
- Individual people

Question 3:

- Lack a vision
- Lack transportation access (only one road)
- General appearance

GROUP 5

Question 1:

- Opportunities for a better quality of life
- Opportunities for increasing the skills of the workforce
- Keep money local (shop and spend local)

Question 2:

- Quality of life (cultural history and low stress)

- Community resources (college, medical center, work ethic)
- Strong fiber optic network

Question 3:

- Low level of expectation for what we can be
- Lack of skilled workforce
- Transportation (one road)

GROUP 6

Question 1:

- A framework for collaboration between public and private
- Access to capital
- Measurable

Question 2:

- Location
- Active community
- Natural resources

Question 3:

- Location (off the beaten path)
- Turf issues/polarization/lack of vision
- Unskilled workforce

GROUP 7

Question 1:

- Measurable standards over a period of time (number of jobs, growth in median income/wealth for individuals and families/increase in number of new industries)

Question 2

- Natural resources – water
- Tourism destination
- Cheap power (6.2 cents per kwh)

Question 3

- Geographic isolation/transportation
- Silos/fragmented vision
- Lack of drug-free workforce

GROUP 8

Question 1:

- Common vision (public/private)
- Business planning assistance
- Community capabilities improve

Question 2:

- Harbor and Port district
- Entrepreneurial people
- Natural resources

Question 3:

- Education (rising dropout rate)
- Hard to recruit young professionals
- Geographic/cultural diversity (a strength and an opportunity)
- Lack of access to capital

GROUP 9

Question 1:

- Grow jobs based on stable, sustainable concepts
- Education, infrastructure, and affordable housing

Question 2:

- Geographic locale (mountains, water, climate – a bit isolated)
- College, Olympic National Park, research
- Tribes, economic development

Question 3:

- Work force
- Fractured political will
- Lack of a common vision
- Lack of infrastructure (water, transportation, sewer)

GROUP 10

Question 1:

- Quality of life
- Welcome change and new ideas
- Enhance existing businesses
- Identity and branding

Question 2:

- Available land
- Olympic National Park
- Deep water port
- Cultural diversity, tribes
- Proximity to Victoria

Question 3:

- Fear of change and entrenched politics
- Turf

- Affordable housing

GROUP 11

Question 1:

- Revenue generation
- Establishment of new markets
- Competition – define the market and go after it

Question 2:

- Natural resources
- Harbor
- Port

Question 3:

- Rail
- Lack of governmental coordination
- Anti-rail sentiment

QUESTIONS 4-5

After the individual group report out session for the first three questions, the discussion was opened up for the group members to discuss their group's choices for questions four and five. When a similar answer was listed by more than one group, this was noted by the facilitator. The responses are ranked according to the number of times mentioned by each group.

Question 4: Can you provide an example of an economic development success story? What were the key ingredients that made it successful?

Question 5: What do you see as the current barriers to the community's economic success? How can these barriers be overcome?

QUESTION 4—KEY INGREDIENTS

- Creativity/entrepreneur leadership (6)
- Community support (6)
- Vision (5)
- Support from City/Port/Other Gov't (4)
- Access to capital (3)
- Leadership (2)
- Waterfront dev/training (2)
- Coordinated effort (2)
- Personal determination
- Courage (2)
- Amenities: airport, education system

- Offered quality product
- Location
- Family wage jobs
- Access to raw materials
- New money
- Business plan
- Risk-taking
- Pooled resources
- New kind of tourism
- Tribal autonomy
- Available land
- Economic development support
- Public/private partners
- Volunteers
- Reputation
- Labor force
- Collaboration of tourism groups

QUESTION 5—BARRIERS

- Lack of capital (3)
- Lack unified vision (2)
- Underused deep water port
- Mistrust between people and elected officials
- Low expectations
- Government to government interaction; lack can-do attitude
- Regulations! Department of Ecology
- Anti-growth sentiment/Entrenched attitudes/Fear of change
- Politics
- Transportation & infrastructure
- Lack of affordable housing
- Negative attitude toward tourism
- Work schedule expectations
- Lack of public support – NIMBY/Uninformed community
- Status within local economy
- Lack brand
- Lack of urban professionals/Lack trained workforce/ Inability of workforce to consistently show up sober/Aging workforce
- Risk adversity

QUESTION 5—OVERCOMING BARRIERS/OPPORTUNITIES

- Bring people together to develop vision (2)/vision that accommodates a variety of lifestyles
- Find public and private dollars/develop capital fund co-op (emphasize positives)
- Increase K-12 educational system/increase school partnerships/mentoring/value education
- Small business management assistance/support existing business
- Develop waterborne transportation
- Improve Hwy 101
- Share information and resources/ communication/decrease number of groups responsible for economic development; increase diversity of participants/Increase transparency
- Increase predictability and clarify process
- Develop new leaders
- Workforce training
- Scout competition and distinguish self
- Long-term view
- Leadership that defines/defeats risk/ mitigate risks/ recognize that consensus does not require unanimous support
- Embrace diversity

APPENDIX B
Transcribed Small Group Discussion Notes

SMALL GROUP DISCUSSIONS

The following transcribes the specific notes for each of the small groups

- Question 1: How do you define economic development? In particular, what are the key components to successful implementation?
- Question 2: What are our community's greatest strengths in economic development?
- Question 3: What are our community's greatest weaknesses in economic development?
- Question 4: Can you provide an example of an economic development success story? What were the key ingredients that made it successful?
- Question 5: What do you see as the current barriers to the community's economic success? How can these barriers be overcome?

GROUP 1

Question 1:

- Revenue generation (6)
- Sustainable jobs (1)
- Established & new markets (3)
- Understanding indigenous assets (none)
- Protecting existing business (2)
- Providing infrastructure markets for goods (1)
- Being extremely competitive (3)
- Strong educational system (none)
- Ability to adapt (1)
- Government: streamlined permitting (1)
- Community attitude(s) (1)
- Define the markets
- Track new business
- Cooperation among agencies
- Create good business cases
- Create consumer confidence
- Markets
 - Identify demographics
 - Product advantages
 - Niches

Question 2:

- Natural resources/beauty (5)

- Deep water harbor (7)
- Educational system (none)
- Strategic shipping location (none)
- Airport (4)
- Unique topography (none)
- Community willing to work together (1)
- Marine terminal facilities (none)
- Existing talent base/work ethic (1)
- OMC/College (none)
- Community social infrastructure (none)

Question 3:

- Roads & rails (5)
- High poverty (none)
- High school drop-out rate (1)
- Minimal trained workforce (1)
- Restricted land base (2)
- Affordable housing (1)
- Youth flight (1)
- Over-regulation (none)
- Government to government lack of coordination (2)
- Duplication of efforts (none)
- Anti-growth sentiments (3)

Success stories:

- Westport: because of streamlined approvals & cooperation. Port and the City were great; the Harbor an A+
- *Airport!
- Supportive educational curriculum
- Clients love the area
- Welcoming community

Barriers to success:

- Available capital (5)
- Difficulty in attracting urban professionals and trailing spouse (4)
- Limited higher education; bachelor and higher (2)
- Affordable housing (none)
- Water regulations/year round ONP access and limited water activities (1)
- Low expectations attitudes/anti-growth (3)

- Government to government (3)

How can barriers be overcome?

- Identify sources, i.e., grants/work w/ existing lenders/think outside the box/mitigate risk
- Be welcoming/emphasize quality of life/improve education system

GROUP 2

Question 1:

- Public-private partnerships-collaboration (3)
- Improve community and quality of life (6)
- Supporting and enhancing existing businesses (3)
- Opportunity
- Lots of different things more than jobs
- Create an identity (branding) [Center of Cascadia quality] (3)
- Community that welcomes change and new ideas (new economy) (6)
- Business leaders getting together to help new business
- Infrastructure for large and small businesses
- Research and development for pollution solutions/environmental innovation

Question 2:

- Relative by undeveloped as a result, we can attract the right kind of growth and we have assets such as ONP (7)
- Ecotourism potential as a vital attraction/Elwa restoration (5)
- Years of experience in Sequim retired homes capital (5)
- Deep water port (7)
- International airport (1)
- Desirable place to be (none)
- Peninsula College/OMC/Cultural (6)
- Unique strengths – multiple tribes and cultural diversity (6)
- Location – proximity to Canada/more marketing to Canada (6)

Question 3:

- World's air cleaner
- Fear of change/resistance to new ideas/entrenched politics (8)
- Limited transportation (4)
- Too much turf and too little cooperation/narrow focus (5)
- Too much comfort with existing situation/see fear of change (none)
- Process is not all inclusive (none)
- No money for business startup/access to capital (1)
- Affordable housing (5)

- Not enough jobs (disabled, etc) (4)
- Lack of value for non-profits (1)

Success stories:

- PenPly 2010
 - determination
- Peninsula Children's Clinic 1970
 - access to line of credit
- ACTI
 - worker retraining
 - partnerships
 - determination
- Wilder Auto
- Quilute Resort
- Jamestown Development
- Port Angeles Farmer's Market
 - move to Gateway
 - location
 - skills enter
 - business savvy
 - training
- line of credit determination
- quality [illegible] pg 4 location
- Sunny Farms
 - an attractive product
- Arts industry/community
 - impact to entire community
- John Wayne Marina Dockside Grill
 - quality pays off
- Ce Si Bon
- Twilight
- Westport
 - unique market
- Lavender Festival
 - tourism draw
 - creative marketing of product
- Olympic Marathon
 - focus on attraction of area

Barriers to success and how can barriers be overcome?

- State regulations and bureaucrats (6)
 - reexamine
- Access to Capital (7)
- Workforce (2)
- Lack of family wage jobs (2)
- Entrenched attitude not welcoming (5)
 - attitude of employer
- Infrastructure (2)
 - not tying together
- Access to child care (2)
- Politics (7)
- Partner employment opportunities (2)
- Jobs availability (2)
- Education (2)
 - high drop-out rate
- Rehabilitation resources (1)
- No rail service (5)
- Remote location reduces legislative priority (4)
- You must learn [illegible] rather than immediately notice it when you arrive (4)

GROUP 3

Question 1:

- Renewable resources
 - jobs that grow more jobs
 - create/expand business innovation and entrepreneur
 - stable
- Access to capital (*)
- Education (P-20) [group linked to Affordable Housing] (*)
- Wealth Creation
- Construction
- Infrastructure (*)
- Healthcare [group linked to Affordable Housing] (*)
- Tie community development to economic development
- Affordable housing (*)

Question 2:

- Waterfront/marine resources (recreational & industrial) [group linked to forest resources]

- Strong sense of community – partnerships/collaboration
 - Natural physical [illegible] (*)
- forest resources
- Fiber/internet infrastructure
- Peninsula College/ONP(*)/moderate climate/skills center/incubator/Batelle [linked to (*) Education/Research Facilities]{group linked ONP to Forest Resources}
- Tribes [cultural, economic diversity] (*)

Question 3:

- High school graduation rate (group linked to quality & dependability of workforce)
- Location/distance/transportation
- Regulatory environment
 - not a common goal
 - lack a clarity of vision
- failure [illegible] solutions to ongoing issues
- Shipping
- Quality and dependability of workforce (*)
- Access to capital
- Lack of affordable housing
- Fractured political will – not a common goal (*)
- Infrastructure (*)
 - sewer
 - water
- Broadband

Success Stories:

- Westport
 - water access
 - leadership is strong
 - outside the box cooperation of public/private entities
 - skills center/Lincoln center
 - workforce development/internships
 - infrastructure
 - community support
- Penply
 - existing facility
- Leadership
 - financing – private/public cooperation
 - community support

- local timber resource
 - skilled workforce
- Twilight
 - Stephanie Meyer
 - community that embraced opportunity
 - entrepreneurs grew it
 - creating memories and opportunity to continue
 - tourism
- Festivals/events
 - lavender
 - crab
 - arts
 - tribal journey
- Linking natural assets to tourism
- Entrepreneur
- Leadership
- Other Successes
 - Nash
 - Pen College
 - Armstrong Marine
 - Skills center
 - Port Angeles Hardwoods
 - ACTI
- Common successes
 - entrepreneur
 - leadership
 - community support/vision
 - government support

Barriers to success:

- Fear of change
- Priorities
- Community collaborative vision – measure success
- Leadership

How can barriers be overcome?

- Open to change
- Coordination
- Clear vision

- Understanding how all the pieces work together
- Patience
- Perseverance

GROUP 4

Question 1:

- Olypen tourism commission (3a)
- Westport Marine (2 tied w/ PenPly)
- PenPly (2 tied w/ Westport Marine)
- ACTI (none)
- Jamestown (1)
- Organic farming (none)
- Forks/Twilight (3b)
- Festivals (3c)

Question 2:

- Vision linked with strength in leadership
- Collaboration
- Focus linked with determination
- Qualified workforce linked with workforce training
- Funding/capital
- Government support with administration and finance
- Willingness to adapt

Question 3:

- Competition from other areas and how to distinguish ourselves (2 tied w/ Nat'l/world economy)
- Too much bureaucracy (1 tied w/ resistance to change & mistrust between comm & leadership)
- Resistance to change (1 tied w/ too much bureaucracy & mistrust between comm. & leadership)
- National/world economy (2 tied w/ competition from other areas & how to distinguish ourselves)
- Desperation and gridlock
- Location
- Qualified workforce/age of force (3)
- Mistrust between community and leadership (1 tied w/ too much bureaucracy & resistance to change)
- Lack of standards for success

Barriers to success and how can barriers be overcome?

- Communication
 - Commonality of purpose
 - Transparency
 - No personal agendas
 - Leadership
 - Education
- Identify competition
 - Distinguish ourselves
 - Long term vision
- Better partnership with schools
 - Mentoring
 - Desire to change
 - Encourage value of education

GROUP 5

Question 1: (group prioritized w/ an *)

- Key components
 - Positive economic growth (tied to welcoming community)
 - Good community attitude
 - Welcoming community (tied to positive economic growth)
 - Best utility of all resources
 - An environment that creates jobs (*)
 - Business friendly environment
 - Structure for encouraging business
- Capitalize on strengths
- Feasibility? (*) [linked to strong workforce development]
- Strong workforce development
- Incentives

Question 2:

- People
- Unique location/natural beauty (linked to highly visited location & ONP/shoreline/water)
- Deep water harbor (*)
- Highly visited location and ONP/shoreline/water(*)
- Rich multi-cultural history
- Undirected potential
- College/K-12 (*)

- Well educated, energetic retirees
- Mild climate (*)
- Long growing season
- International gateway/crossroad – ferry, etc.
- Good roads
- Cheap power
- Recurring cost of [illegible]

Question 3:

- Sewer system
- Fractured leadership
- Transportation limited (*)
- Not doing things we could do to keep businesses
- NIMBY attitude
- Lack of unified vision (*)
- Over-regulation
- Ugly waterfront
- Community design lacking quality (*)
- Lack of identity (*)

Success stories:

- ACTI
 - entrepreneur spirit/leader
 - available infrastructure
 - cooperation of government/port
- PenPly
- Eastern UGA agreement
 - cooperation
 - clear vision/feasible
- Batelle
- Sequim growth
- Jamestown Tribe
 - leadership
- Westport shipyard
 - Port cooperation

Barriers to success:

- Unwillingness to look at results vs. hopes
- Limited transportation options (*)

- Workforce limitations (*)
- Lack of master plan (*)

How can barriers be overcome?

- Start a plan
- Educate workers

GROUP 6

Question 1:

- Economic Development is:
- High “livable” wage, high skill job creation (*)
- Private investment increases tax base
- Successful economic development addresses triple bottom line
 - Social
 - Environment
 - Economic
- Sustainable projects
 - Long term projects
- Cluster models
- Bolsters entrepreneurship
- Positive interconnection with government and private enterprise (*)

Question 1:

Key components to successful economic development:

- Defining success
- Measurable outcomes
 - Metrics
- A defined need established
- Public safety and security
- Adequate infrastructures
- Reduce uncertainties
- Provision for well trained workforce
- Local government assistance for new and existing business
- Restart funding – including private investment (*)

Question 2:

- Working waterfront
- Socio-economic and diversity across the region (*)
- Location, location, location
 - Abundant natural resources – uses & recreation

- Tremendous talent pool
 - Community & intellectual capital
- Quality of life (*)
- High quality schools – awesome college!
- Tradition of entrepreneur creativity
- International connection = global economy (*)

Question 3:

- Limited land transportation
- Limitation in deciding what is the dominant aesthetic, beauty or function – utilization or preservation; who decides?
- Lack of clear vision and direction that all stakeholders are striving to fulfill, i.e. consensus (*)
- Emerging (victims to ?) from natural resource based (timber/fishing) economy (*)
- Lack of professional opportunities
- Have not reconciled the socio-economic range to create a common economic development vision (*)
- Lack of commercial & industrial land not in public ownership

Success stories:

- PenPly
 - Dogged persistence
- ACTI
- Westport
 - People rallied – collaborative
 - Good plan
 - Flexibility in permitting process
- NOAA
 - Though not ultimately successful, was collaborative endeavor
- Port Angeles Hardwood
- Port Angeles Farmers' Market
 - Downtown public space
 - Board decision to overcome operational difficulties
- Port Angeles Wal-mart
 - Various jurisdictions came to agreement

Common themes:

- Government accommodations
- Risk-taking activities; define and defeat risk

- Capital investment for larger common good
- Created a common vision
- Grasping an urgent opportunity

Barriers to success:

- Risk aversion
- Disparity between those needing employer and not (workforce vs retire, etc.)
- Increasing lack of workers with soft skills (that are sober)
- Lack of capital formation
- Lack of buy-in w/ critical mass
- Workforce housing
- Flight risk of younger demographic
- Lack hard data & feasibility studies

How can barriers be overcome?

- Tangible/visible rewards
- Community leadership promotes a common vision for greater good
- Define the root of problem re: lack of soft skills workers
- Need a solid and sustainable community vision

GROUP 7

Question 1:

- Invest money into the community
- Vital community and lifestyle
- Consumer spending
- Working together (*)
- Educated workforce
- Investment in resources that result in multiplier of local resources (*)
- “Magical draw” to the community-destination (*)
- Sustainable infrastructure such as roads, water, etc.

Question 2:

- Olympic National Park and areas natural beauty (*)
- People (*)
- Arts community /History-Native American culture/art (*)
- Port – access to Canada
- Airport
- Access to value-added wood products

Question 3:

- In-fighting within groups and agencies
- Too many organizations in economic development/Lack of coordination between agencies
- Lack of common vision for future (*)
- Lack of inviting entrances to urban areas
- Rebuild urban cores to be more visitor friendly
- Lack of family wage jobs (*)

Success stories:

- PenPly
 - Common vision
 - Cooperation
 - City, county, and state
 - Individuals
 - Financial institutions
 - Small group of private entrepreneurs took a chance – persistent!
- Lavender Festival
 - Cooperation between farm owners
 - Community support
 - Volunteers
 - City support services

Barriers to success:

- Economic development funds
- Lack of vision
- Leadership consensus
- Embrace diversity of each area of the county

How can barriers be overcome?

- Define and build consensus
- Visually enhance entrances and waterfront
- Government policies to encourage new investment and support existing businesses
- Support local education and work skills development programs

GROUP 8

Question 1:

- Opportunity for high quality of life for all (1)
- Jobs including green sustainability
- Sustainable use of natural resources

- Improve skills of local workforce ({2} tied w/ identify our talent pool & engage youth to keep them here)
- Identify our talent pool ([2] tied w/ improve skills of local workforce & engage youth to keep them here)
- What are our indigenous resources and how do we develop them?
- Define and improve infrastructure to attract quality workers and industry
- Keep dollars here (group linked to dollars in people's pockets)
- Small business needs to fill the gaps in product availability
- Engage youth to keep them here ([2] tied w/improve skills of local workforce & identify our talent pool)
- Light industry and technology development
- Dollars in people's pockets (3) [group linked w/ keep dollars here]

Question 2:

- Natural resources –National Park
- Peninsula College (2)
- Location – proximity to Canada
- Quality of life (1)
- Medical center (2)
- Community resources (2)
- Strong work ethic (2)
- Strong reworking infrastructure [fiber optics] (3)
- Cultural strength (1)
 - Music
 - Art
 - Theater
- Cultural history (1)
- Low stress (1)
- Strong agricultural identity
- Agreeable climate (1)

Question 3:

- Low work ethic due to inadequate education ([1] tied w/ complacency & apathy and ATTITUDE)
- Location – limited access
- Unplanned pregnancies
- Illegal drug culture ([2] tied w/ drop-out rate and underemployed workforce)
- Drop-out rate ([2] tied w/ illegal drug culture and underemployed workforce)
- Underemployed workforce ([2] tied w/ illegal drug culture and drop-out rate)

- Complacency and apathy ([1] tied w/ low work ethic due to inadequate education and ATTITUDE)
- Cost of housing
- Lack of major airport or Seattle ferry (group linked this with Transportation)
- Transportation (3)
- ATTITUDE ([1] tied w/ low work ethic due to inadequate ed, complacency & apathy, and ATTITUDE)

Barriers to success:

- Lack of consensus on future economic development
- Low expectation/caught in the past (1)
- Lack of capital
- Geographical expansion limitations/land use
- Declining school enrollment/changing age demographic
- Lack of skilled workforce (2)
- Lack of economic diversity
- Lack of green focus
- Lack of big destination attraction

GROUP 9

Question 1:

- Number of new jobs
- \$ flow diversity
- Reduction in unemployment
- Increase standard of living
- Business growth and expansion
- Increase in home base business
- Increase individual and family wealth
- Increase in exports and basic foundation jobs
- Securing renewable natural resources (*)

Question 2:

- Natural resources – water (*)
- Water
- Kids and retirees mentorship
- Natural and historical tourist destination (*)
- Technologically adept community
- Low cost electricity (*)
- Agricultural land – DNR
- Diverse cultural interests

- Native American connections and support
- Peninsula College, Skills Center, and Incubator

Questions 3:

- Foggy networking
- Geographic isolation ([*] tied w/ low export for port and transportation infrastructure)
- Low export for port ([*] tied w/ geographic isolation and transportation infrastructure)
- Transportation infrastructure ([*]) tied w/ geographic isolation and low export for port)
- Diversity
- Community silo – demographic [illegible] (*)
- Drug free workforce
- Affordable housing (*)

Success stories:

- ACT I
- Westport (*)
- Admiral Marine
- PenPly – co-op (*)
- Lumber trader
- Community organized support
- Lavender industry (*)
- Gaming industry

Barriers to success:

- Lack of infrastructure and economic incentive ([*] tied w/ City/County reluctant to acquire debt)
- City/County reluctant to acquire debt ([*] tied w/ lack of infrastructure and economic incentive)
- Regulatory barriers
- Lack of capital and finance ([*] tied w/ Department of Ecology)
- Department of Ecology ([*] tied w/ lack of capital and finance)
- Vulnerable – geological restriction
- No growth attitude
- Lack of organization and collaboration (*)
- Diversity

GROUP 10

Question 1:

- Jobs = revenue
- Job quality

- Enhance theme
- Eliminate regulations
- Look for best practices business plan
- Educated workforce

Question 2:

- People [illegible] of community
- Quality of life – environment (group linked w/ waterfront/mountains)
- Untapped experience
- Fiber optic access (1)
- Waterfront/mountains (group linked w/ quality of life – environment)
- Port access to shipping (2)
- Multi-culture
- Access to cities – close but far
- Education
- Innovative people (3)
- Westport/Armstrong/ACTI

Question 3:

- Lack of vision, focus, and theme ([1] tied with the following 3 lines)
- Inexperienced leaders ([1] tied with line above and following 2 lines)
- Inability to promote ([1] tied with the 2 lines above and the one below)
- Fragmented ([1] tied with the 3 lines above)
- Lack of transportation access (2)
- Red neck perception ([3] tied with the following 2 lines)
- Unutilized waterfront ([3] tied with the line above and line below)
- General appearance ([3] tied with the 2 lines above)
- Lack of startup capital

GROUP 11

Question 1:

- Defining attributes of community (group linked this to common vision through public & private partnerships)
- Infrastructure
- Common vision through public and private partnerships (group linked this to defining attributes of community)
- Assistance helping new business
 - Financial
 - Mentoring
 - Access to information

- Tools for making money
- Improving vibrancy of base and new base
- Business planning (*)
 - Define need and match with filling need
- Compatibility with community
- Fostering and supporting innovation
- Creating environment for jobs

Question 2:

- Diversity of business opportunities
- People are independent minded ([1] tied w/ collaborative community & brain bank-retirees)
- Collaborative community ([1] tied w/ people are independent minded & brain bank-retirees)
- Beautiful place ([2] tied w/ natural resources)
- Flexibility – limited constraints
- Natural resources ([2] tied w/ beautiful place)
 - Farmland, mountains, water, ports, and geographic location
- Peninsula College (3)
- Harbor and port district focus on economic development (4)
- Brain bank – retirees ([1] tied w/ people are independent minded & collaborative community)

Question 3:

- Education system at 40% drop-out rate (group linked this w/hard to attract technical)
 - Not ready to learn
 - Poverty cycle
- Lack of critical health care
- Hard to attract technical (group linked this w/ education system at 40% drop-out rate)
 - Not quality school
- Transportation (*)
 - load limits
 - no railroad
 - no air cargo
- Geographical and cultural rural/diversity
- Hard to keep bright young people
- Distance to I-5
- Political turf wars
- Naysayers

- Business loaning not available if poverty (*)
- Lack of work skills

Success stories:

- New sawmill, Port Angeles Hardwoods, created 100 family wage jobs
- Identified opportunity
- Analyze - sustainable
- Support
- Access to raw resource
- Forest cluster effort
- CPI
- Westport Marine
- Harbor - natural resource
- Support from Port/City
- Industrial building infrastructure
- Two hotels in Sequim
 - Olympic Discovery Trail
 - Tourism
- PenPly
 - Common vision
 - Entrepreneurial spirit
 - Access to raw materials
- Box stores
 - Jobs for local skill
 - Keep money in the community
- Agriculture – Nash Organic
 - Buy local
 - Winery
 - Lavender
- ACTI
 - In Port building
 - Partnered with Alaskan Tribe

Barriers to success

- Transportation
- Education
- Affordable housing
- Negative attitude tourism
- Not attract technical

How can barriers be overcome?

- Transportation
 - Develop waterborne transportation
 - Improve Hwy 101 and load limits
- Education
 - Support for early learning
 - Increase graduation rate
 - Quality teaching
 - Invest in prevention
 - Affordable housing incentives
- Tourism
 - Community partners
- Technical
 - Education
 - Funding
 - Dual careers
 - Social life

APPENDIX B:
Summary of Stakeholder Interviews and List of Stakeholders

CLALLAM COUNTY ECONOMIC DEVELOPMENT ACTION PLAN SUMMIT STAKEHOLDER INTERVIEWS

**March 30, 2010
SUMMARY**

The Clallam County Economic Development Council has retained BergerABAM to assist the community and those with economic development responsibilities in developing a cohesive economic development action plan. The intent is to develop a plan that identifies issues, creates specific assignments, assigns responsibilities, and creates timelines for completion. The goal is to create a unified action plan that will enable members of the economic development community to strategically link their efforts and leverage their resources with those of their partners. The plan development process will result in a three-part economic development summit which includes a public workshop, stakeholder interviews, and a final public summit meeting with key economic development participants.

As part of developing the plan and as directed by the Economic Development Council, BergerABAM staff members Karyn Criswell and John White interviewed people who have a vested interest in Clallam County economic development to understand their viewpoints. The interviews were conducted on Friday, April 2, 2010.

The following summary presents the results of these interviews in an aggregated format with no attribution to specific individual participants. The appendix contains a list of the interviewees and their affiliations.

QUESTION BY QUESTION SUMMARY OF KEY POINTS

1. What is your relationship to economic development activities in Clallam County?

Participants in the stakeholder interviews represented a broad range of public and private interests, including local business owners and managers, local institutions, and representatives of city, County, tribal, and other local governments. Most of the participants have been in the community for a long time, but a few are relatively new. Those with more tenure tended to talk about the “ebb and flow” of economic development efforts in the county, while more recent arrivals tended to talk about successes they had seen in their former communities. While many see the necessity to connect economic development efforts, others wonder about its validity in a county as geographically large and diverse as Clallam County.

Many are proud of their roles in prior economic development successes and have a vested interest in future economic development success. Most expressed a belief that the relationships and partnerships that were successful in the past either are or can be

successful again. Several mentioned the terms “silos” and suggested that, indeed, behavior seems to suggest a silo mentality (working primarily independently, without much thought to leveraging resources).

2. How do you define economic development?

Participants were clear that increasing the number of family-wage jobs was a critical component of economic development. Business retention and growth were also seen as critical. Importing money while exporting products and services, increasing individual and community wealth, and building the tax base were also cited. There was some disagreement among participants, however, as to whether population growth was a desired element of economic development. In addition, several interviewees cited previous efforts to identify existing strengths and industry “clusters” that should be focused on. They felt that the previous effort had some level of success and could work again if participants were more targeted in their focus and did not spread themselves too thin. Stakeholders also differed on whether tourism should be considered a viable economic development strategy. Views seemed to break between those who view tourism as introducing only minimum wage jobs versus those who look at the aggregate spending of tourists while in the community. Several cautioned that we should not assume that the natural resource industries are devoid of economic development opportunity. Specifically, biomass and wave energy production were cited as opportunities uniquely available on the peninsula. Stakeholders also agreed that building a reliable workforce is critical to expanding the community’s economic footprint.

3. Do you have an example of a successful economic development initiative that occurred during the last 10 years?

Many of the participants who were interviewed had participated in the previous evening’s public meeting where this same question was asked. A number of interviewees indicated that they did not want to revisit examples of success that had been thoroughly discussed during that meeting.

Examples of success mentioned by participants included: growth of Peninsula College, growth of the Jamestown S’Klallam facilities, the work of the Lower Elwha Klallam tribe, the transit center, the Westport boatyard, ACTI, Twilight-movie related retail tourism, Olympic Medical Center growth, the work of the Discovery Trail Coalition, and the Sequim retail hub.

It is apparent that there is great pride in the community’s previous economic development “wins.” People seemed energized in recalling those successes and were reminded that those efforts can be replicated if there is a community decision to do so.

4. What are characteristics of a successful economic development strategy?

Participants had a wide range of suggestions for what makes an economic development strategy successful. At a foundational level, stakeholders recognize that it starts with education – both K-12 and higher education. One stakeholder declared that the local

economy “needs an intellectual base” to support economic development. Because of inherent difficulties in recruiting a professional workforce into the community, retaining young educated professionals, and the aging workforce, stakeholders stated that it will be critical to educate the young people who are here and then provide a variety of opportunities to encourage them to stay. As one stakeholder put it, “We need to grow our own.”

The declining enrollments and relatively high dropout rates in both school districts are causes for concern. It was acknowledged that addressing these issues goes beyond what the schools can do, including peer pressure to stay in school and resolving family issues that interfere with the ability of a student to attend school.

Although the desire for some sort of unified vision was stated frequently, several stakeholders pointed out that the vision and action plan should be developed in such a way that segments of the vision can be successfully pursued by a number of different organizations. The point seemed to be that as long as we know the direction we want to go as a community and we are willing to work together to make it happen, there should be ample opportunity for it to be “parceled out” for implementation.

Stakeholders recognize that in a small community, the most effective measures come from the ability to capitalize on the strengths of others. Several said that realization is becoming more integral to their thinking.

Hopes were expressed that development of some unique tools – such as a local financing authority – might attract business interest. But there was also an almost global recognition that strong sustained leadership must emerge from this process in order for the effort to be successful. There is a sense that someone must act as the champion to keep the focus and to create excitement and accountability.

Cooperation between the public and private sectors and between public agencies will be essential to creating long-term gains. There certainly seems to be a willingness to engage in that cooperative effort, but there is also a lack of understanding and/or agreement about what the most appropriate roles are for each. Private sector participants seem keenly interested in playing a larger ongoing role in economic development. There seems to be an opportunity for some additional information sharing about what the various partners bring to the table. Some stakeholders suggested adding components they think would boost economic development such as a master plan for the County, or a finance development authority.

Other characteristics that were identified as key to a successful economic development strategy included providing support to existing businesses so that they can grow and become more prosperous. Suggestions ranged from business counseling, marketing advice, a business incubator, and a “buy local” campaign. It was further suggested that a more proactive approach be taken to find out the type of support and assistance that are needed by local businesses.

Participants also stated that a successful strategy must have concrete initiatives, projects, and a list of action items that identifies those responsible for implementation. The list should identify specific measures of success and mechanisms for tracking it.

Finally, a successful economic development strategy must have some level of community support in order to be successful. One participant stated that it is important for the community to be surveyed in order to determine how they define economic development and what level of growth and kind of jobs are desired. Clallam County is home to many residents and business owners that are very active in community and civic affairs. Proactive involvement of businesses and residents in not only the development of the plan, but also the ongoing implementation of the plan is critically important to its success.

5. What are the community's greatest strengths and weaknesses as it relates to economic development? What do you see as the yet-untapped local economic development opportunities and what are the barriers to realizing these opportunities?

Participants identified a range of strengths and weaknesses and opportunities and barriers. These issues are in many ways interconnected. Participants identified the area's natural beauty and outdoor recreation opportunities as important strengths. These assets help to create a quality of life that is the basis for many potential opportunities in tourism. On the other hand, part of the reason for the natural beauty and unspoiled outdoor recreation opportunities is the relative isolation of the area from jobs and economic centers of activity.

Deep water port facilities and relatively cheap power are opportunities for the area, as is access to Victoria, BC. Some see great potential in capturing a portion of Victoria's tourism retail and recreation traffic as visitors travel through Clallam County. In addition, some see the potential for the development of tidal energy generation facilities in the county. In order to realize these types of opportunity, stakeholders observed that entities will need to develop better cooperative relationships and a strong vision for the future that is supported by the public. According to several participants, an "anti-change" attitude in the area can make it difficult for new projects or initiatives to get off the ground.

Other strengths that were mentioned include: cultural and historical resources (especially local tribal sites), progressive medical facilities, good air quality, and investment in the arts, such as the Olympic theater in Sequim.

Additional opportunities that were mentioned included: strong engagement and interest in economic development from local tribes and access to unique funding sources and the temperate weather that makes the area well suited for agri-tourism and the wine industry.

Weaknesses or challenges that were identified included: the need for better educational and training opportunities, and the difficulty in initiating new projects due to over-regulation and interference from government. The lack of rail access was mentioned as a weakness or barrier, as was access to capital funding for construction. Some suggested that relationships between governmental agencies and between governmental agencies and tribes could be improved. Some participants stated that there are many in the community that tend to hang on to the old timber-related industries, which they say is not sustainable at a meaningful

level. Instead, the focus should be on sustainable employment opportunities such as research and development.

6. If you could change one thing about how economic development is done in Clallam County, what would it be?

Participants were clear that successful economic development in Clallam County requires a clear and strategic vision for the future, based on broad community support, with strong leadership to ensure that it is implemented. Participants also wanted to see more participation in economic development activities by private businesses, and more public/private/tribal partnerships and cooperation. Several participants also felt that the community should start by first getting a better understanding of its strengths.

Stakeholders believe it is important to develop and then portray a true business-friendly attitude that can be part of an overall recruitment effort. This would include systems to simplify project permitting, continued preparation of shovel-ready sites, and a network of business and government leaders that are on call to assist with recruiting.

One theme was that whatever the plan of attack is, the community must come together to define a stable and renewable base for building job creation.

One final observation was that aggressively pursuing economic development projects is not without risk. In a risk-averse culture—which a two-year deep recession will tend to create—it takes great political courage to engage in some of these pursuits. Stakeholders seemed hopeful that will occur.

7. General Comments

In their general comments, participants continued to emphasize the need for strong leadership and a clear vision, as well as the need for all parties to become more inclusive, lay aside their past animosities, and work together in a spirit of cooperation and partnership. One stakeholder pointed out that grants from agencies such as CTED are things of the past; nowadays, localities must depend on cooperative work toward a common goal.

Appendix: Participants

PARTICIPANTS

Ron Allen, CEO, Jamestown S'Klallam
Tom Baermann, Owner/CEO, Pacific Office Equipment
Steve Burkett, City Manager, City of Sequim
Brad Collins, Councilmember, City of Port Angeles
Rhonda Curry, Olympic Medical Center
Dan DiGuilio, Mayor, City of Port Angeles
Mike Doherty, Commissioner, Clallam County
Rod Fleck, City Planner/Attorney, City of Forks
Hugh Haffner, Commissioner, Clallam County PUD
Mark Hannah, SCORE Counselor
Ken Hays, Mayor, City of Sequim
Jim Jones, County Administrator, Clallam County
Steve Kroll, Mill Manager, Interfor Forest Resources
Mike McAleer, Realtor, REMax
Brown Maloney, Owner/CEO, Olympic View Publishing
Levon Mathews, CEO, First Federal
Byron Monohon, Mayor, City of Forks
Doug Nass, Manager, Clallam County PUD
Jane Pryne, Superintendent, Port Angeles School District
Diane Reaume, Superintendent, Quillayute Valley School District
Jeff Robb, Executive Director, Port of Port Angeles
George Schoenfeldt, Commissioner, Port of Port Angeles
Sonja Tetnowski, CEO, Lower Elwha S'Klallam

APPENDIX C:
Summit Participants

SUMMIT INVITEES

Ron Allen, CEO, Jamestown S'Klallam
John Beitzel, Commissioner, Olympic Medical Center
Charles Brandt, Director, Battelle's Marine Science Laboratory
Steve Burkett, Manager, City of Sequim
John Calhoun, Commissioner, Port of Port Angeles
Rhonda Curry, Olympic Medical Center
Dan DiGuilio, Mayor, City of Port Angeles
Rod Fleck, Planner/Attorney, City of Forks
Bill Huizinga, Member, City of Sequim City Council
Jim Jones, Administrator, Clallam County
Dick Kott, Board of Directors, First Federal
Bob Lawrence, Peninsula College Workforce Training
Vickie Maples, Executive Director, Sequim Dungeness Valley Chamber of Commerce
Levon Mathews, First Federal
Bryon Monohon, CEO, City of Forks Mayor
Kent Myers, Manager, City of Port Angeles
Doug Nass, Manager, Clallam County Public Utilities District
Jane Pryne, Superintendent, Port Angeles School District
Will Purser, Commissioner, Clallam County Public Utilities District
Diana Reaume, Superintendent, Quillayute School District
Jeff Robb, Executive Director, Port of Port Angeles
Linda Rotmark, Executive Director, Clallam Economic Development Council
Diane Schostak, Executive Director, North Olympic Peninsula Visitor and Convention Bureau
Steve Tharinger, Commissioner, Clallam County
Sonya Tetnowski, Executive Director, Elwha
Mike McAleer, President, Clallam Economic Development Council, REMax 5th Avenue
Randy Johnson, Past-President, President of Green Crow
Russ Veenema, Executive Director, Port Angeles Regional Chamber of Commerce

APPENDIX D:
Draft Summit Matrix
