

7.1 INTRODUCTION

Economic development is the sustained, concerted actions of policy makers and communities that promote the standard of living and economic health of a specific area. The economy plays a key role in the quality of life within the city. A strong economy provides economic opportunities to all citizens through the creation of jobs and business opportunities, and by creating a tax base that provides schools, police, fire protection, parks and other community facilities, services, and amenities.

At one time, economic development was principally the province of the private sector, including utilities, railroads, banks, and business organizations, such as chambers of commerce. Government programs were associated with distressed or underdeveloped areas of the country. In more recent years, economic development has become a critical function of local government.

State and local partnerships are a crucial component in the promotion of long-term economic growth. The city has developed strategies based on local economic conditions. These efforts should continue to be pursued and additional strategies developed. It is also imperative that the public, private, and nonprofit sectors remain involved if the full potential of state and local development strategies is to be realized. By forming partnerships, all can work toward a common vision.

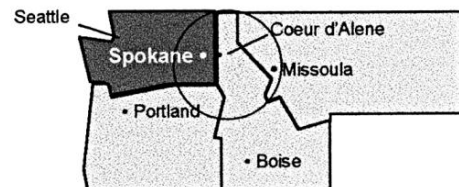
Spokane Profile

Spokane serves as the regional hub of a 36-county, multi-state area known as the Inland Northwest. This region encompasses parts of Washington, Idaho, Montana, and Oregon. As a regional trade center, the Spokane market area extends into British Columbia and Alberta, Canada.

An international airport, a major rail hub, an interstate highway, and proximity to the Columbia and Snake River systems reinforce Spokane's position as a distribution center.

The Spokane economy has diversified significantly in the past 30 years, moving from a strong heritage of natural resource-related timber, agriculture, and mining to an economy that includes high-tech and service companies. As a share of citywide employment, the largest local industries are health care, retail trade, and hospitality. The financial and professional services industries, manufacturing, as well as wholesale trade still play a strong role in the region's economy. Spokane's convention and tourism industry continues to grow into a major component as well.

The Inland Northwest



Downtown Spokane is the preeminent office concentration in the region and a major employment center for financial and business services, hospitality facilities, retail activity, and education. Downtown is home to Spokane's entertainment center, convention facilities, a majority of Spokane's hotel rooms, numerous restaurants and shops, and Riverfront Park. The University District, located east of downtown, houses Gonzaga University; the Spokane campuses of Washington State University, Eastern Washington University, Whitworth University, University of Washington and Spokane Community Colleges; and Ignite Northwest, formerly SIRTI, which facilitates innovative business start-ups.

Shaping Our Economic Future

The City of Spokane's Role in Economic Development

The City of Spokane plays a major role in economic development by allocating land for manufacturing and commercial uses, connecting water and sewer systems to business sites, providing tax credits and incentives, and completing advance planning to accommodate growth. Building upon economic strengths and unique advantages, examples of activities with economic benefits undertaken by the city include providing an efficient transportation system for all users, encouraging high quality schools, providing affordable housing for all income levels, ensuring efficient permit processes, and providing parks and recreational activities that improve Spokane's quality of life.

The decisions of individuals and firms, which are influenced by government actions, drive market growth. Most jobs and investments are generated by private businesses. Spokane must also contend with economic forces beyond local control, such as changes in the regional, national, and international economies. The city can, however, plan to take advantage of favorable trends and lessen the impact of unfavorable trends by anticipating and responding to these changes.



To achieve these ends, it is critical that the city continue to support and participate in partnerships to promote economic development. Singular leadership and unilateral policy-making is seldom effective. Economic development strategies need to be developed in partnership with the public and private sectors at the state and local levels. In addition, state and community leadership should transcend political



changes and elections, as successful development requires time to produce observable results.

Partner organizations work to reinforce and strengthen the Spokane economy. Greater Spokane Incorporated (GSI), which serves as Spokane’s economic development organization and chamber of commerce; the Spokane Public Facilities District; Visit Spokane; Business Improvement Districts; and Public Development Authorities are all examples of organizations working toward a more prosperous Spokane.

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7.2 VISION AND VALUES

Spokane volunteers working on the Comprehensive Plan identified important themes in relation to Spokane's current and future growth. A series of visions and values was crafted for each element of the Comprehensive Plan that describes specific performance objectives. From the Visions and Values document, adopted in 1996 by the City Council, the Comprehensive Plan's goals and policies were generated.

The city's role in economic development involves providing public sector advocacy and investment in support of quality job creation and retention, diversification, and wage levels. The city's comprehensive plan lays the foundation for economic development.

Vision

"Spokane will enjoy a quality of life for everyone that includes a diversified economic base that provides a livable wage, a healthy natural environment, and an economically vibrant downtown. Spokane's quality of life will be built on a partnership of diverse interests, including education, business, government, and neighborhoods."

Values

"The things that are important to Spokane's future include:

- Encouraging livable wage jobs.
- Developing a viable, economically strong downtown area.
- Developing a variety of job opportunities that include professional and industrial as well as service opportunities.
- Ensuring that economic growth pays its appropriate share for costs of new services needed.
- Encouraging economic development that values the environment as a component of our quality of life."



7.3 GOALS AND POLICIES

Goals and policies provide specificity for planning and decision-making. Overall, they indicate desired directions, accomplishments, or aims in relation to the growth and development of Spokane.

ED 1 COOPERATIVE PARTNERSHIPS

Goal: Encourage cooperative partnerships to address the economic expansion of the city and region.

Policies

ED 1.1 Economic Development Programs

Support and participate in regional economic development planning with the public and private sectors.

Discussion: The city plays a key role in providing leadership to ensure that the economic development plans and policies of the city and other organizations intended to strengthen the economy are coordinated, implemented, and monitored.

ED 1.2 Support of Economic Development Organizations

Continue to support Greater Spokane Incorporated, Visit Spokane, Spokane Public Facilities District, Workforce Development, Business Improvement Districts, Public Development Authorities and others in their efforts to reinforce and strengthen the Spokane economy.

Discussion: Successful economic development requires commitment by government, education, and business organizations. Membership and support of these organizations encourages coordination of economic development activities among diverse groups.

ED 1.3 Economic Development Progress

Work with regional jurisdictions, community economic development organizations, the educational community, the business sector, neighborhood organizations, and citizens to periodically review the city's economic vitality and revise plans as needed.

Discussion: Economic development indicators need to be considered when evaluating economic vitality. Example indicators include wages; per capita personal and median household income; percentage of population below poverty level; business formation, expansion, and retention; economic base; and education.



ED 1.4 Public-Private Partnerships

Continue to encourage public-private partnerships that advance economic development opportunities.

Discussion: Partner with the private sector to extend infrastructure for development; provide incentives; and support the creation of quality affordable housing for the workforce in proximity to areas targeted for economic growth.

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ED 2 LAND AVAILABILITY FOR ECONOMIC ACTIVITIES

Goal: Ensure that an adequate supply of useable industrial and commercial property is available for economic development activities.

Policies

ED 2.1 Land Supply

Ensure opportunities for locating a variety of desirable, livable wage industries in Spokane that are environmentally compatible with adjacent land uses and support a range of employment types.

Discussion: The City of Spokane encourages development of economic enterprises in locations suited for those uses based upon available public facilities, land capability, neighboring uses, and an orderly development pattern. These areas are identified in Chapter 3, Land Use.

To ensure that the economy can reasonably be sustained over the next 20 years, an adequate supply and variety of land must be available to attract new employers and to allow existing businesses to expand. Preplanning for specific areas of industrial and commercial development or employment centers allows the city to target funds for infrastructure improvements.

Strategies to enhance the city's ability to attract new industry include:

- Establish and maintain an urban land atlas that identifies and contains information on available land that can be developed or redeveloped and that offers information on public/private development opportunities.
- Prepare and maintain a market analysis of available infill sites.
- Encourage aggregation of small industrial parcels to form larger sites.
- Identify available vacant or underutilized public land.



- Align public investment with economic activity opportunity.
- Identify potential areas for city-initiated SEPA Planned Actions.
- Aggressively seek funding to extend services to designated developable lands to attract new commercial and industrial development.

ED 2.2 Revitalization Opportunities

Provide incentives to encourage the revitalization and utilization of historic and older commercial and industrial districts for redevelopment.



Discussion: Redevelopment of abandoned or underutilized sites where infrastructure and services are available and adequately sized may provide a wider range of opportunities for business location. Traditional commercial areas, Centers and Corridors, and adjacent industrial areas, provide the opportunity to target revitalization investments as well as nearby job training and employment, adding tax revenues to the city, and catalyzing revitalization efforts.

ED 2.3 Reusable Buildings Inventory

Continue to maintain an inventory of historic and significant older buildings that could be redeveloped for economic activities rather than demolished.

Discussion: In addition to vacant and underutilized sites that are suitable for redevelopment, rehabilitation of an historic or significantly older building or cluster of buildings is another option for business location. While the public facilities servicing historic or older commercial areas may need updating to meet newer life safety code requirements, maintaining an inventory of older buildings can help potential businesses identify structures that meet their needs.

ED 2.4 Mixed-Use

Support mixed-use development that brings employment, shopping, and residential activities into shared locations that stimulate opportunities for economic activity.

ED 3 STRONG, DIVERSE, AND SUSTAINABLE ECONOMY

Goal: Foster a strong, diverse, and sustainable economy that provides a range of employment and business opportunities.



Policies

ED 3.1 Economic Growth

Stimulate economic growth by supporting the formation, retention, expansion, and recruitment of businesses.

Discussion: Business start-up, retention, expansion, and recruitment activities foster economic growth. The city should explore and pursue opportunities to create an environment where new businesses can start and existing businesses can grow and develop.

ED 3.2 Economic Diversity

Encourage economic diversity through a mix of small and large businesses that provide a healthy balance of goods-producing and service-producing jobs.

Discussion: Encourage a range of industry size and types to provide economic stability during economic shifts.

ED 3.3 Enterprise Opportunities

Continue to create economic development opportunities utilizing tools available to the city which will foster the growth of Spokane's economy.

ED 3.4 Value Added Business Strategy

Promote value added business practices as an economic strategy.

ED 3.5 Locally-Owned Businesses

Support opportunities to expand and increase the number of locally-owned businesses in Spokane.

Discussion: Locally-owned businesses help to provide economic stability and a positive business environment. Locally-owned industries tend to have a stake in the community, leading to more involved corporate citizenship.

ED 3.6 Small Businesses

Recognize the significant contributions of small businesses to the city's economy and seek to enhance small business opportunities.

Discussion: Considerable potential for new economic growth exists in encouraging small business startups and enabling them to expand. The city should continue to support and work with partner organizations to remove barriers and promote the startup and expansion of small business.



ED 3.7 Home-Based Businesses

Encourage opportunities for teleworking and home businesses that are compatible with residential neighborhoods.

Discussion: More people are working from their homes, a trend that results from shifts in the economy toward services, corporate downsizing, and improved telecommunications. Teleworking and appropriate home-based businesses can produce many benefits and new business opportunities, such as information technology development, reduced traffic congestion, and reduced air pollution.

ED 3.8 Technology-Based Industries

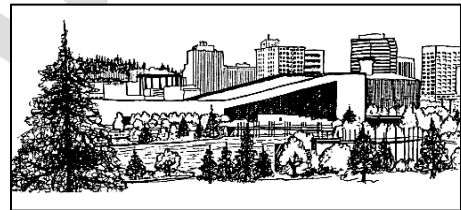
Encourage the development of advanced and emerging technology -based industries.

Discussion: Because of the continued expansion of technology-based industries and the higher paying jobs associated with them, advanced-technology firms can potentially create new jobs while increasing wealth. The most urgent need of the tech industry is a highly skilled workforce. The city should provide an environment that attracts a quality workforce looking for a community that exhibits a high quality of life by designating areas for high-tech business development, especially in centers, that include supportive infrastructure and state-of-the-art communication facilities.

ED 3.9 Regional Marketplace

Support strategies to expand regional markets for local services and products.

Discussion: Expanding the opportunities to export goods and services to other areas of the region and world brings more money into the local economy.



ED 3.10 Downtown Spokane

Promote downtown Spokane as the economic and cultural center of the region.

Discussion: Continue to support our economic partners in revitalizing downtown retail activity, expanding job opportunities in the public and private sectors, attracting recreational, arts, and entertainment and tourist businesses, and developing downtown housing.

ED 4 INCOME AND EMPLOYMENT OPPORTUNITY

Goal: Enhance the economic future of the community by encouraging the creation of jobs that provide a livable wage and reduce income disparity.



Policies

ED 4.1 Livable Wage

Encourage the recruitment of businesses that pay wages at least commensurate with the cost of living and that provide health and retirement benefits.

Discussion: A portion of Spokane’s population is underemployed due to the relatively few high paying, high skill jobs. Encouraging employment opportunities that provide fulltime and/or high paying jobs with competitive benefits programs helps to elevate Spokane’s employment level.

ED 4.2 Benchmark Indicators

Work with the private sector to establish benchmark indicators for employment and income levels, monitor progress toward reaching those levels, and prepare an annual status report on progress.

Discussion: The city should continue to support the work of Eastern Washington University and other community partners in their efforts to track Spokane’s economic, demographic and community vitality indicators.

ED 4.3 Income Equity

Cooperate with other community agencies and organizations to address income equity and employment opportunities within the Spokane economy.

ED 5 EDUCATION AND WORKFORCE DEVELOPMENT

Goal: Improve Spokane’s economy through a well-educated citizenry and a qualified labor force that is globally competitive and responds to the changing needs of the workplace.

Policies

ED 5.1 K-12 Education

Work cooperatively with local schools to help maintain and enhance the quality of K-12 education in the city’s schools.

ED 5.2 Youth Programs

Cooperate with educational institutions and businesses to provide young people with exposure to a wide variety of employment and business opportunities.

ED 5.3 Post-Secondary Education and Job Training

Support continued efforts of the educational community to contribute to the health of Spokane’s economy through post-secondary plans, programs, and activities.



Discussion: The city should support continued efforts of the educational community to provide adult education, vocational education, job training, and higher education including research, within the region that meet the needs of businesses, employees, and residents.

ED 5.4 Program Evaluation

Support efforts to introduce new, high quality programs into the curricula of area technical schools, community colleges, colleges, and universities that address the changing needs of businesses and employees.

ED 5.5 Communication Links

Encourage greater communication between the city, educational and training providers, businesses, employees, and residents to meet community educational and job-training needs.

ED 5.6 Employer Training Support

Encourage employers to support continuing education and training for their employees.

ED 5.7 Employment Opportunities for Special Needs Populations

Support efforts to provide training and employment opportunities for special needs populations.

Discussion: Special needs populations include everyone from children and the elderly to persons with disabilities and persons of low-income. Local training and employment programs will help to ensure that all segments of the population can participate in and support the local economy.

ED 5.8 Library as Educational Resource

Fund the library system at a level adequate to improve the educational level of Spokane's workforce.



Discussion: The city should maintain adequate accessibility to the library system to allow residents to improve their level of education. Libraries provide essential services and resources that will enhance the workforce through access to computers, job training program sites, and other materials that will help them develop their work skills.

Increasing or maintaining adequate hours of operation and resources available at the library would provide more choices and opportunities for personal education. In



addition to a vast array of digital and print materials that aid citizens in furthering their education, library computers provide those who do not own a computer the ability to access electronically delivered information, including training, classes, and employment opportunities. Onsite library experts help citizens navigate the library's vast entrepreneurial resources – assisting in areas such as market analysis, job application assistance, and digital skills training. Libraries can help every citizen upgrade their current skills or develop new ones in order to qualify for higher-paying jobs.

ED 6 INFRASTRUCTURE

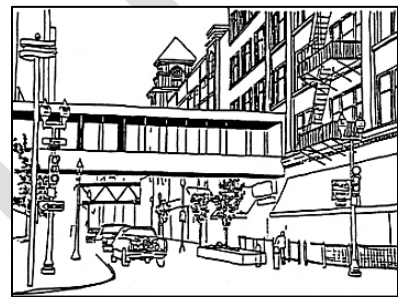
Goal: Implement infrastructure maintenance and improvement programs that support new and existing business and that reinforce Spokane's position as a regional center.

Policies

ED 6.1 Infrastructure Projects

Promote infrastructure projects that enhance the city's quality of life and business climate.

Discussion: Basic services and facilities are necessary for a community to enter the competitive arena for new investment. Expenditures to maintain and right-size adequate infrastructure and community services are necessary and indicate a city's commitment to its quality of life. Citywide infrastructure improvements and community services keep the city and its commerce running efficiently.



ED 6.2 Public Investment in Designated Areas

Use capital facility funds to promote economic vitality in those areas designated for economic development or mixed-use.

Discussion: The city can focus growth by the discretionary use of capital facilities funds in those areas targeted for increased economic vitality, such as designated centers and corridors, industrial areas, and targeted investment areas. The city can will continue to provide infrastructure improvements to these areas to induce private development and work cooperatively with area economic development agencies to ensure that economic development plans are consistent with achieving this goal.

ED 6.3 Communication Facilities and Networks

Support the expansion and development of sophisticated communication facilities and networks required by industries that use advanced technology.



ED 6.4 Infrastructure Maintenance

Maintain infrastructure at safe and efficient levels.

Discussion: Streets, sewers, water delivery, gas and electric power distribution, communication systems, and solid waste disposal all effect how efficiently companies conduct their business. Maintaining existing infrastructure in proper working order is imperative for efficient business operation.

ED 7 REGULATORY ENVIRONMENT AND TAX STRUCTURE

Goal: Create a regulatory environment and tax structure that encourage investment, nurture economic activity, and promote a good business climate.

Policies

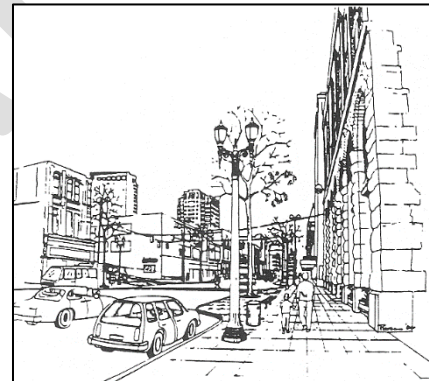
ED 7.1 Collaborative Nurturing of the Business Climate

Work with the business community, labor, economic development organizations and residents to maintain a good business climate.

ED 7.2 Revenue Sources

Ensure that tax revenue sources are stable, allocate costs equitably within the community, and do not penalize certain types of businesses, and attract and retain businesses.

Discussion: To maintain a healthy economy and a good business climate, the city should try to impose taxes and fees that reflect the needs and priorities of the community as expressed in the comprehensive plan.



ED 7.3 State Tax Changes

Lobby the state legislature for changes in state tax laws to allow more options or mechanisms to be available as incentives to business investment.

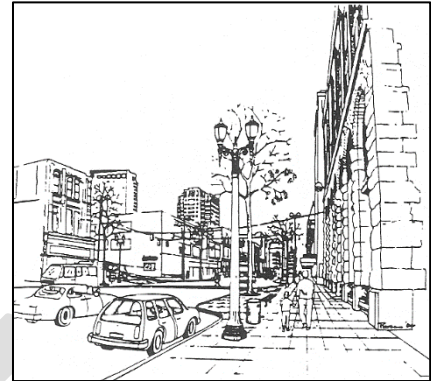
ED 7.4 Tax Incentives for Land Improvement

Support a tax structure that encourages business investment and construction where infrastructure exists, especially in centers or other target areas for development.



ED 7.5 Tax Incentives for Renovation

Use tax incentives and investments to encourage revitalization, modernization, or rehabilitation of deteriorated residential and commercial properties and buildings for new economic activity.



Discussion: The city can use tax incentive programs and investment of public funds in urban amenities and infrastructure in those areas that are targeted for economic growth. Spokane’s historic preservation program and others provide many benefits to property owners through tax reduction incentives and tax credits.

ED 7.6 Development Standards and Permitting Process

Periodically evaluate and improve the City of Spokane’s development standards and permitting process to ensure that they are equitable, cost-effective, timely, and meet community needs and goals.

ED 8 QUALITY OF LIFE AND THE ENVIRONMENT

Goal: Improve and protect the natural and built environment as assets that attract economic development opportunities and enhance the City of Spokane’s quality of life.

Policies

ED 8.1 Quality of Life Protection

Protect the natural and built environment as a primary quality of life feature that allows existing businesses to expand and that attracts new businesses, residents, and visitors.

Discussion: Good schools, infrastructure and public services, high quality neighborhoods, an attractive community appearance, many natural areas, a variety of recreational opportunities, and the perception of clean air and water attract both businesses and residents.

ED 8.2 Sustainable Economic Strategies

Promote sustainable economic strategies.

Discussion: Sustainable economic strategies are those that strive to achieve economic development in a manner that minimizes physical, social and environmental impacts.



ED 8.3 Recreation and Tourism Promotion

Promote the region's outdoor amenities, recreational opportunities and tourism.

Discussion: Recreational and tourism business opportunities abound in the Spokane region.

ED 8.4 Environmental Protection Business Opportunities

Encourage businesses that specialize in environmental protection.

Discussion: As environmental concerns continue to emerge, business opportunities in the environmental protection industry increase. Examples of new industries include paper and plastic recycling and the conversion of industrial byproducts into useful materials.

ED 8.5 Contaminated Site Clean-Up Responsibilities

Facilitate the clean-up of contaminated sites.

Discussion: The city can improve the environment and its ability to attract new business as well as increase its supply of available land by continuing to offer clean up and redevelopment assistance for contaminated sites.

