



**TRI-COUNTY ECONOMIC DEVELOPMENT DISTRICT
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY**

2013 - 2017

Ferry County WA, Pend Oreille County WA, Stevens County WA

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Executive Summary

This is the 2013 - 2017 Comprehensive Economic Development Strategy (CEDS) for the Tri-County Economic Development District representing Stevens, Ferry and Pend Oreille Counties. This strategy was formed utilizing the prior year's CEDS as a basis and then gathering additional input through extensive Stronger Economies Together (SET) planning sessions and communications with both private and public sector representatives throughout the region. Everyone that participated in this process addressed the following critical questions:

- Have the critical economic development issues facing the region changed and if so how;
- What are the top five economic development objectives for the region;
- What specific projects support these objectives; and
- What are the key short term (1 year) and long term (5 year) projects for the region?

As identified during the SET sessions and the CEDS planning sessions, TEDD's "Recipe for Success" remains the same. These elements set the stage for the expectations of the organization. They are critical, not only to the success of TEDD and member organizations, but also to the economic success of the region:

- Building community economic development capacity by communicating and educating the public on what economic development is, how to do it and what TEDD's role is, working collaboratively with other public and private organizations;
- Collaborating with local jurisdictions for planning and developing infrastructure;
- Securing funds through grant identification and writing, and retaining those funds through good investment decisions;
- Maintaining a vision that includes all communities in the district in order to provide business assistance, information and knowledge of business needs;
- Supporting business retention, expansion and recruitment; and
- Developing and coordinating partnerships with local jurisdictions, public agencies and organizations, through involvement and leadership.

The vision for the region, shown below, represents a picture of the future for the Tri-County region. It is passionate and it creates a powerful graphic representation of what our long-term future looks like.

The Tri-County Economic Development District, representing Ferry, Stevens and Pend Oreille Counties, utilizes proactive infrastructure development and strategic management to meet the needs of our rapidly changing society. This focus will create an environment where family wage employment opportunities exist for everyone. As a result, the economic environment of the Tri-County area will be sustainable, attractive and diverse.

Based on this vision, the mission statement has been reviewed and it was agreed that the decision to incorporate jobs, sustainability and government partnerships during the previous year's planning sessions remained essential concepts. The mission statement remains:

In order to sustain the highest quality of life for the people of Northeast Washington, the Tri-County Economic Development District strives to develop a stable and diverse economy; to build partnerships between businesses, government and communities; and to assist businesses to grow, invest, create and retain jobs.

The regions assets in terms of knowledge, skills and education, community networks, infrastructure, services, financial, business and location have been identified. This asset mapping process done during the last few years provides a solid framework for determining the availability and absence of necessary components needed to address the region's critical economic development issues.

The most critical issues facing the regions were identified as:

- Infrastructure development;
- Value added production;
- Workforce soft skills (attitude, appearance, punctuality, attendance, teamwork etc.);
- Access to education and training; and
- Regulatory climate surrounding natural resource based economies.

In addition, the following concerns have been expressed by one or more of the Strategy Committee members:

No Net Loss of Additional Lands from Private Sector to Public Sector – The region is characterized by substantial amounts of public land managed by federal or state entities. It is estimated that up to 75% of the land in the region is publicly owned. Additional lands placed under public ownership removes land from potential revenue generation, from property taxes, sales tax, and other sources of income. Although Payment in Lieu of Taxes was established to help offset losses in property taxes, within the region there is a general philosophy of no net loss of additional lands from the private sector to the public sector.

Housing – The region's citizens need affordable housing. Increasing the quality and availability of such housing to low and middle income families will improve the quality of the workforce available for new commercial, industrial, and manufacturing jobs.

Workforce Development – The needs to address existing and future workforce qualifications, coordinate training and education, and increase high school graduation rates, attraction and retention of university educated workforce have been identified as challenges of future economic growth in the region.

Utilizing this framework, the CEDS Committee and TEDD Board of Directors developed short and long term goals and an action plan that addresses the key components of the vision and mission while positively impacting the critical economic development issues of the region. The CEDS outlines these goals and objectives and details the action plan for TEDD to follow during the next 5 year planning implementation period.

This plan will be monitored annually with formal progress reports in December. It will be updated as needed, January each year.

The Tri-County Economic Development District depends on the funding from the Economic Development Administration (EDA) through the Economic Development Planning Assistance Grant to develop and execute this regional strategy for economic development. Utilizing the funds from EDA and local membership dues, TEDD is able to provide significant community benefit by cooperating with other state and federal organizations in creating a more stable and diverse environment to support existing jobs and to bring new jobs to the area.

1. Introduction

This is the 2013-2017 5-year Comprehensive Economic Development Strategy (CEDS) for the Tri-County Economic Development District (TEDD). TEDD is the federally recognized Economic Development District representing Ferry, Pend Oreille, and Stevens Counties in the northeast corner of Washington State.

TEDD's primary functions are:

1. Assist existing businesses in retaining their employees, as well as in expanding their businesses,
2. encouraging new businesses to locate in the community and
3. coordinating economic development activities with other organizations in the community

Included in Task 3 is the mandate to maintain the CEDS to allow entities in the region to apply for economic development grants and assistance from the Economic Development Administration (EDA) and other potential sources.

CEDS is a regional planning process focusing on economic development. The CEDS process results in a five-year strategic plan for regional economic development that is updated annually. The report is submitted to the U.S. Department of Commerce, Economic Development Administration for review and approval. Once the CEDS report is approved, the region may apply to receive funding assistance for public works and planning projects related to economic development.

TEDD's service area covers 6,080.9 square miles, comprised mostly of rural communities. Census data indicates that 64,083 persons resided in the region in 2010.

TEDD is a public, local governmental entity, formed under the laws of the State of Washington and recognized by the Internal Revenue Service as a 501(c)(3) non-profit. The TEDD Board of Directors is comprised of representatives from local units of government, tribes, and private corporations located within Ferry, Stevens and Pend Oreille Counties.

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

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

The organizational structure of TEDD consists of a Board of Directors and staff.

TEDD's Membership

Membership in TEDD is open to all local government agencies in the three counties, as well as any businesses or individuals within the region. Currently, the Board consists of one county commissioner from each county, county treasurer, mayors, tribal representation from each of the three tribes within the District (including the Spokane, Kalispel and Colville Tribes). The Board also has representatives from Public Utility Districts, a Port District, Employment Security, Rural Resources Community Action Programs and various local private businesses and organizations.

The specific groups represented on the Board include: agriculture, industry, labor, local government, utilities, job training, social services, education, finance, forestry, and small business.

The TEDD Board has an executive committee made up of five members, the chairman, past chairman, vice chairman, secretary and treasurer. Managed and operated by the current staff of 4 full time and 2 part time people, TEDD serves as the lead economic development agency for Northeast Washington as defined in an agreement with the Economic Development Administration. TEDD also serves as the lead for Washington State economic development programs and initiatives through a contract with the Washington State Department of Commerce. Additionally, the Associated Development Organization agreement with Washington State has been in place since fiscal 1994, for further cooperation with Ferry and Stevens County. We partner closely with the Pend Oreille Economic Development Council, which has been the ADO designee in Pend Oreille County since 2010.

TEDD is the lead agency for the Northeast Washington Regional Transportation Planning Organization (NEW RTPO) and is a partner in the Northeast Washington Sustainable Tourism and Recreation Team (NEWSTART) – Horizons Tourism initiative. As well, TEDD is a key partner of the SET program, assisted by USDA-RD, which aims to invigorate participation and involvement of local public and private sector members in the economic development planning efforts. TEDD also functions as a relending agency for the United States Department of Agriculture/Rural Development through the USDA/RD Intermediary Relending Program, operating a \$3+ million loan fund over a rural ten county area. EDA also contributed to a rural loan program operated by TEDD, resulting in the business lending program with funds of \$4 million.

In addition, TEDD manages a multi-unit small business incubator(s) created with financial assistance from EDA. Physical space is provided for at least a dozen clients in three buildings that are 15,000, 6,000 and 12,000 square feet in size. Parking is provided for well over 100 vehicles.

CEDS Process

For purposes of CEDS preparation, EDA regulations specify that the district establish a Strategy Committee to guide the CEDS development process. The CEDS Strategy Committee represents an excellent opportunity to gather the economic development experts and those interested in economic development of the region around one table and in smaller work groups, to analyze the regional economy, determine regional goals and objectives, and develop a regional plan of action for implementation, while identifying investment priorities and funding sources.

The present CEDS Strategy Committee* consists of thirty-one members from the three counties, representing private business concerns, local government, agriculture, education,

utilities, and banking. These members had also been participants to the Stronger Economies Together (SET) program that TEDD participated in, a program that was assisted by USDA – RD and WSU support, March – August 2012. It was at these monthly meetings, with participants from each of the three counties, where wide range of regional economic development topics were discussed, leading to creation of focus groups that would convene as needed, to help in identification of priorities and action planning.

The Committee members (see appendix) represent both the public sector and the private sector and are persons that have:

- Involvement and familiarity with TEDD
- Economic development experience
- Knowledge of the region
- Representative of main economic interests of the region

Organizational Memberships and Affiliations

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

Chambers of Commerce

Chewelah Chamber of Commerce
Colville Chamber of Commerce
Greater Springdale & Loon Lake Chamber of Commerce
Kettle Falls Chamber of Commerce
Lake Spokane Chamber of Commerce
North Pend Oreille Chamber of Commerce
Newport Chamber of Commerce
Northport Chamber of Commerce
Republic Chamber of Commerce

Professional Organizations

Inland Northwest Partners
National Association of Development Organizations
National Business Incubator Association
Washington State Economic Development Association (WEDA)
Washington State Microenterprise Association

Grant Information and Data Resources

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

Advisory Panels

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

TRI COUNTY ECONOMIC DEVELOPMENT DISTRICT 2016 BOARD OF DIRECTORS

REPRESENTING	APPOINTEE NAME / TITLE
*CITY OF CHEWELAH	DOROTHY KNAUSS - MAYOR / MIKE FRIZZELL - CITY ADMIN.
*CITY OF COLVILLE	LOU JANKE –MAYOR/NANCY FOLL—MAYOR PRO TEM/COUNCIL MEMBER
*CITY OF KETTLE FALLS	DOROTHY SLAGLE - MAYOR / DAVID KEELEY - PLANNER
*CITY OF NEWPORT	SHIRLEY SANDS - MAYOR / RAY KING - CITY ADMINISTRATOR
CITY OF REPUBLIC	CHRIS MENG - PUBLIC WORKS DIRECTOR / MAVA OLSON - DEPUTY CLERK
COLVILLE CONFEDERATED TRIBES	WILL MARCHAND PLANNING MANAGER
EDWARD JONES	SUE POE - FINANCIAL ADVISOR
*FERRY COUNTY	MIKE BLANKENSHIP – CHAIRMAN – COMMISSIONER; NATHAN DAVIS - COMMISSIONER
*FERRY COUNTY PUD	DAN FAGERLIE – COMMISSIONER / DOUG AUBERTIN - COMMISSIONER
HEWES CRAFT	ROB WILLFORD – FINANCE MANAGER
*KALISPEL TRIBE	RAY PIERRE - / CURT HOLMES
KINROSS GOLD CORPORATION	DEANA ZAKAR - COMMUNITY & GOV. RELATIONS SPEC.
NE TRI COUNTY HEALTH	DAVID WINDOM / DIRECTOR
*PEND OREILLE COUNTY	STEPHEN KISS – SECRETARY – COMMISSIONER; MIKE MANUS - COMMISSIONER
PEND OREILLE COUNTY PUD	RICK LARSON – COMMISSIONER / DAN PETERSON - COMMISSIONER
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PRIVATE SECTOR	BARRY LAMONT - COMMUNITY REP.
PRIVATE SECTOR	VAUGHN HINTZE - RET. FOREST SVC.
RURAL RESOURCES	GREG KNIGHT - EXECUTIVE DIRECTOR / CONNIE MAHUGH - TRANS. DIRECTOR
*SPOKANE TRIBE OF INDIANS	FRANK METLOW - ECON. DEV. PLANNER / MIKE TEDESCO - PLANNING DIR.
*STEVENS COUNTY	STEVE PARKER – VICE CHAIRMAN - COMMISSIONER; WES MCCART - COMMISSIONER
*STEVENS COUNTY	PENDING – TREASURER - TREASURER
*STEVENS COUNTY PUD	DWIGHT MORGAN – COMMISSIONER / KELLY TERRY
TOWN OF CUSICK	CHRIS EVERS - MAYOR
TOWN OF IONE	KATHLEEN TURPIN – COUNCIL MEMBER
*TOWN OF MARCUS	FRAN BOLT – MAYOR / JANET WORDEN - DEPUTY CLERK
*TOWN OF METALINE	PETE DAGGETT - MAYOR
*TOWN OF METALINE FALLS	TARA LEINENGER - MAYOR
*TOWN OF NORTHPORT	MIKE LAMB - MAYOR
TOWN OF SPRINGDALE	JAMES SULLIVAN - MAYOR
US FOREST SERVICE	FRANKLIN PEMBERTON
WORKFORCE DEVELOPMENT	ROD VAN ALYNE - EXECUTIVE DIRECTOR

* REPRESENTING A TEDD COMPACT SIGNATORY; GENERALLY AN ELECTED OFFICIAL OR AN APPOINTED ALTERNATE; BOARD MEMBER OF THE TRI COUNTY ECONOMIC DEVELOPMENT CORPORATION (TC EDC), A NON-PROFIT.

2. Background

The Tri-Counties are located in the rural area of North Eastern Washington State, an area with substantial public lands, mountainous terrain and Native American reservations, (Colville, Kalispell and Spokane Tribal lands). The area has an economic history closely tied to the land. Agriculture, forestry and mining are what brought many people to the area and what continues to sustain many today. The economy has diversified significantly during the last three decades, much of it driven by influx of a senior population retiring to the area and introduction of technology. The area still retains its rural nature with limited north south, east west state highways in an area of 6,223 square miles. The three-counties have a total population of 64,450 (2012) with the majority of residents living in non-incorporated, isolated areas.



The region has transitioned to an economic base led by the services industry sector, as seen by the sector's increasing importance with respect to total employment and income shares. Historic job losses in the timber and wood products industry combined with more current stricter federal and state regulations of logging and resource industries has resulted in more recent closures and downsizing.

The logging industry consisted of tree harvesting that provided logs for sawmills and wood chips for pulp mills, and has been hard hit by a number of factors. The more recent job losses have been caused by the collapse of the home building industry. Additionally, declining log and pulp prices coupled with increasing fuel and transportation costs, have also caused profit margins to drop, resulting in logging companies to exit the industry.

The region's natural beauty and outdoor recreational resources and lower costing real estate, increasingly attract elderly retired persons as visitors and as in-migrants, who spend money in the area. Travel and tourism industry in the region employs close to 1,600 people directly or indirectly. This is approximately 16 percent of the total regional private sector employment, making travel and tourism more of a significant component of the private industry sectors in the region (<http://www.deanrunyan.com/index.php?fuseaction=Main.TravelStatsDetail&page=Washington>).

Government is the largest industry in the region with a 2010 workforce of 5,792, or 26.1 percent of the total employment and accounting for \$317 million of personal income, or approximately 40 percent of the region's total personal income. It is likely that some government employment will weaken as budget reductions are made and any reductions will create noticeable employment and income ripples in the region.

The Tri-County region has a high percentage of self-employed persons and persons in 'stage one' businesses (2 – 9 employees). Yet during 2005 - 2009, stage one business showed a 12.3% increase, while there was a 7.0% drop in the number of self employed. Even with a 7.0% drop,

the self-employed portion of the business community still makes up 41.9% of 4,062 business establishments reported in 2009 (<http://youreconomy.org>).

We attribute the decline to the fact that many self-employed businesses are start-up businesses, operated by households out of homes (cottage businesses), located in rural areas of Tri-County. There is a severe lack of broadband infrastructure in rural areas the region. Limited broadband connectivity in these areas of the county eliminates an important business tool and customer access point for small business owners.

Ferry County

Ferry County is a rural county, defined by its limited transportation and its dependence on resource extraction. The Colville Confederated Tribe owns the southern portion of the county and the northern portion is largely part of the Colville National Forest. Less than 18 percent of the land in Ferry County is privately owned.



Ferry County, and particularly the town of Republic, has relied on mining for decades. Today, the Ferry County economy, based on resource extraction, remains seasonal. In 2008, the newly opened Buckhorn Mountain Gold Mine created about 200 jobs and its operations were planned to be approximately seven years. Overall, increased economic activity from this mine has been felt across the Ferry County economy with noticeable increases in retail sales, employment and construction.

Over the last 20 years, total employment growth has been slightly negative. Losses in manufacturing employment account for most of this decline. Major industry sectors in Ferry County are mining, resource extraction and government. Government, as the largest county employer, of approximately 992 persons, continues to face looming budget reductions. The lack of economic growth is reflected in slow population growth, an older than average population, higher than average government employment and little, or negative real employment growth.

Ferry County payroll estimates showed very little change through most of 2011 and the County tends to have one of the highest unemployment rates and lowest labor force participation rates of any county in Washington.

Population:

City/County	2010	2011	2012
Republic	1,073	1,080	1,085
Ferry	7,551	7,600	7,650

Pend Oreille County

Pend Oreille County is dominated by the rugged, mountainous Colville National Forest. The southern part of the county has forested foothills as well as drier hills and valleys. The Pend Oreille River runs the length of the county, providing electric power and recreation for the area. Pend Oreille County is very rural with only 9.3 persons per square mile compared to 101.2 in the state.



Land management influences economic development in Pend Oreille County, especially changes regarding timber land management and mining. Only 36 percent of land in the county is privately owned, and about 58 percent is managed by the federal government. There is also a Kalispel reservation in Usk, in central Pend Oreille.

Major industry sectors in Pend Oreille County are resource extraction, manufacturing and government. Of these, government employment, currently at about 1,460 employees continues to face looming budget reductions. Manufacturing employment remains weak due to the decreased demand for materials for both the housing and automobile industries, and has dropped 26.5 percent since 2008 (Pend Oreille County Profile, ESD, May 2012).

A sizable portion of the economy in Pend Oreille County relies on commuting, mostly to Spokane County.

Population:

City/County	2010	2011	2012
Cusick	207	210	210
Ione	447	445	445
Metaline	173	175	175
Metaline Falls	238	240	240
Newport	2,126	2,140	2,140
Pend Oreille	13,001	13,000	13,100

Stevens County

Stevens County is very rural and could be considered a frontier economy. It ranks fifth in the state in terms of population density. All of the Spokane Indian Reservation is in Stevens County, on 237.5 square miles. Colville, the county seat, is the largest town in Stevens County, estimated population of 4,695 in 2012 (OFM).



Over the past 20 years, the economy has diversified from its dependence on resource extraction. This forced diversification has been the result of increasing service-providing jobs and

declining goods-producing jobs, specifically in wood products. More recently, Stevens County has become a healthcare and retail hub for the region.

Since 2010, employment growth has remained slightly negative or anemic. The unemployment rate has remained higher than was normal for most of the prior decade, especially when compared to the state or the nation.

The county has become a regional hub for healthcare with the influx of older individuals. With an increase in retirees into the region and changing demographics, total health care employment has grown. Budget reductions are likely to weaken some government employment. Any reduction will create noticeable employment headwinds in a county with over 32 percent of its jobs in government.

A little known community, Suncrest, is a small unincorporated community in Stevens County, about 9.7 miles northwest of the city of Spokane, of which it is a suburb. The community, unlike the remainder of the county has experienced rapid growth during the 2000s due to new "gated community" style development with large lot sizes and its proximity to the area's rural recreational opportunities.

Population:

City / County	2010	2011	2012
Chewelah	2,607	2,610	2,620
Colville	4,673	4,690	4,695
Kettle Falls	1,595	1,605	1,600
Marcus	183	174	175
Northport	295	295	295
Springdale	285	280	280
Stevens	43,531	43,600	43,700

Transportation

The Tri-County's eastern boundary extends to the Washington/Idaho border and north to the US/Canadian border. Several State Highways connect the region north to south: Hwy 395 (a NAFTA route), SR 2, SR 25, SR 31 while SR 21 and SR 20 connect the region east to west.



The Tri-County area is served by three railroads: Burlington Northern/Santa Fe, Kettle Falls International Railway and the Pend Oreille Valley Railroad, connecting in Sandpoint, Idaho. The other two rails make connections in Spokane County where there are direct lines from Union Pacific, Burlington Northern/Santa Fe and Amtrak to Seattle and Chicago, serving as a gateway to and from the interior U.S. and the Pacific Rim.

Burlington Northern Railroad Company has 50 active spurs in Stevens County that carry wood products, rocks, limestone and fertilizer. Burlington Northern/Santa Fe and Kettle Falls International Railway lines have two access points into British

Columbia, Canada. Freight costs by rail vary depending on origin, destination, quantity and product type.

Several airports serve the Tri-County area although none provide commercial passenger service. The Sand Canyon/Chewelah Airport has an airstrip that is 3,680 feet long and is used for charter and private use. The Colville Airport is accessed for charter, private and corporate use with a runway length of 2,400 feet. The Sullivan Lake Airport, outside of the town of Metaline Falls is the only State Airport in the Tri-County region. It is publicly owned and operated by WSDOT. The runway is not paved, it is 1,765 feet long by 100 feet wide and its elevation is 2,621 feet.



In Pend Oreille County there is also a Municipal Airport in Lone. It is paved and 4,059 feet long at an elevation of 2,108 feet. Outside of the Tri-county region there are additional small Municipal airports nearby at: Priest River, Sand Point and Coeur d'Alene in Idaho and Deer Park in Spokane County.

Deer Park Municipal Airport, 5 miles east of Clayton, just across the county line in Spokane County, serves as a fire tanker base in the summer fire season, offering the surrounding community quick response to fire events, flight training and is capable of accommodating business jets using the airport as an alternative to the larger airport in Spokane.

Approximately 75 miles south of Colville is the Spokane International Airport served by United, Southwest, American West, Big Sky, Alaska, Northwest, Delta, & Horizon. This regional facility is a federally recognized Foreign Trade Zone.

There are also 2 ferries operating in the Tri-County area.

The Gifford-Inchelium Ferry, also known as GIF, is a ferry across the Columbia River in Washington State. The Colville Confederated Tribes operate this ferry across Roosevelt Lake on the upper Columbia. It connects Inchelium to State Route 25 across the river.

The *Martha S.*, also known as the Keller Ferry, is owned and operated by Washington State Department of Transportation (WSDOT). She crosses the Columbia River (Franklin D. Roosevelt Lake) between Lincoln County and Ferry County at the confluence of the Columbia and the Sanpoil River.

The Northeast Washington Regional Transportation Planning Organization is the regional transportation planning organization for the Tri-County area. The communities, towns, cities and counties in the region are eligible for federal transportation planning funds to complete required federal transportation planning activities. These activities include an annual Six-Year Transportation Improvement Program and a Regional Transportation Plan. The Tri-County Economic Development District serves as the lead agency for the Northeast Washington Regional Transportation Planning Organization.

Telecommunications

Broadband improves how local businesses communicate and execute core business operations. The SBA reports that almost one-third of small businesses, (which collectively hire over 50 percent of U.S. workers, "indicate a need for broadband speeds that require greater capacity networks than currently exist in many locations." And where this high-capacity access is available, it is extremely expensive.

The Tri-County area telecommunications infrastructure continues to be developed, improved and extended. Digital switches, fiber and redundancy are in place throughout the population centers in Newport and Colville. However, the infrastructure is lacking in the more rural areas, especially those in Ferry County. Advancement of telecommunications infrastructure is a high priority for the entire region and TEDD has been supportive of on-going efforts, including partnering with Stevens County WSU Extension Local Technology Planning Team that is investigating and pursuing mechanisms for all stakeholders to pool resources and to work in tandem to increase broadband awareness, access and adoption.

More recently, through the federal government's Broadband Technology Opportunities Program, Northwest Open Access Network (NoaNet) is expanding Northeast Washington State's high-speed broadband infrastructure, bridging the technology gap, and enabling better healthcare, reduced government costs, enhanced educational opportunities, expanded economic opportunities, improved public safety, and more dynamic business growth in the Tri-County region.

Pend Oreille County PUD and its community worked diligently soliciting and securing one of the few Fiber-to-the-Premises Grants availed by American Recovery & Reinvestment Act (ARRA) Broadband Technologies and Opportunity Program (BTOP) in the amount of \$27.3 million. This project will bring redundancy to the served anchor institutions and unbridled bandwidth capacity/opportunity to the business and homes to spark economic recovery and growth.

Additionally, Kalispel Tribe in Pend Oreille County will also be benefiting from BTOP round II funding, that is expected to strengthen the Kalispel Tribe's Public Safety Department's infrastructure and allow them to connect to multiple state and local entities in order to provide better services to the community.

As a sub-participant of BTOP round II funding, Stevens County PUD through NoaNet will help strengthen the public safety infrastructure, school systems, libraries, and provide open access to affordable high speed Internet access to small and medium sized businesses.

Utilities

Tri-County businesses benefit from low-cost hydro-electric power generated from inland Northwest rivers and lakes. The region offers among the lowest energy costs in the nation. Publicly and privately owned utility providers include: Pend Oreille PUD, Avista Utilities, and Ferry County PUD and Inland Power, which serves southern part of Stevens County. Avista also provides natural gas in several areas. Stevens County PUD provides wastewater treatment and public water in many small, unincorporated areas. Private water supplies, which represent a majority of water systems in the rural areas, are private wells that require proof of adequate and potable water prior to proposed development, as per Stevens County Code, Title 3, Section 3.16.232 (A).



Wastewater

All the incorporated cities have wastewater systems.

Connection policies and fees vary greatly. Some areas adjacent to cities are served by public sanitary sewer systems. In most unincorporated areas, sewage disposal is by means of on-site subsurface sewage disposal systems.



Water-Surface or Subsurface Sources

The majority of water systems in the rural areas are private wells. These serve predominately residential uses. As Permit-Exempt uses, these are permissible for lawn or non-commercial gardens not exceeding ½ acre in area, or single or group domestic uses not exceeding 5,000 gpd, or for limited industrial purposes not exceeding 5,000 gpd.

Unincorporated and incorporated towns/cities in all three counties have municipal water systems.

Solid Waste Handling and Disposal

Solid waste includes all items, bulk, heavy and traditionally non-biodegradable. Many of these items are recyclable. The official solid waste disposal site for Ferry County was closed in 1996. A transfer station has been built on the site and is now in operation. While there are restrictions on what the transfer station will accept, there are no limits to the amount of waste that may be dumped during regular hours. The solid waste is then disposed of outside the county. Both Stevens and Pend Oreille counties have their own waste dump sites.

Residential and commercial garbage hauling services are available in both rural and urban areas of the three counties. In addition, each county maintains drop-box/recycle sites and/or transfer stations, where county residents from outlying areas may dispose of their solid waste. There is no single stream recycling currently being implemented. Stevens County takes cardboard/waste paper and some plastic and there is currently no glass recycling.

Educational Services

Educational opportunities in the Tri-County region are provided through the 19 School Districts and 5 Spokane Community College Institutes for Extended Learning Centers. Stevens County currently has 7,949 K-12 students in 39 schools, Ferry County has 979 students in 12 schools, and in Pend Oreille there are 1,662 students in 9 schools. The Spokane College centers are located in the cities of Colville, Lone, Inchelium, Newport and Republic and provide services for students to earn a 2 year college degree, professional certification, or to complete their GED.

3. Regional Trends

3.1 Demographics

Population changes

Population growth of the Tri-County region increased at a lower rate than rest of the State during the 2000-2011 periods. The population of the three counties grew from 59,058 to 63,883, an 8.2 percent increase. In comparison, the state’s population expanded by almost 13 percent. Although Tri-County growth rates since 1980’s outpaced the states, this growth has slowed down significantly since 2000. The economic slowdown of the early 2000s and the recession of 2007-2009, with accompanying high rates of unemployment in the region, resulted in slower long term growth rate of about 8.2 percent, a trend expected to continue.

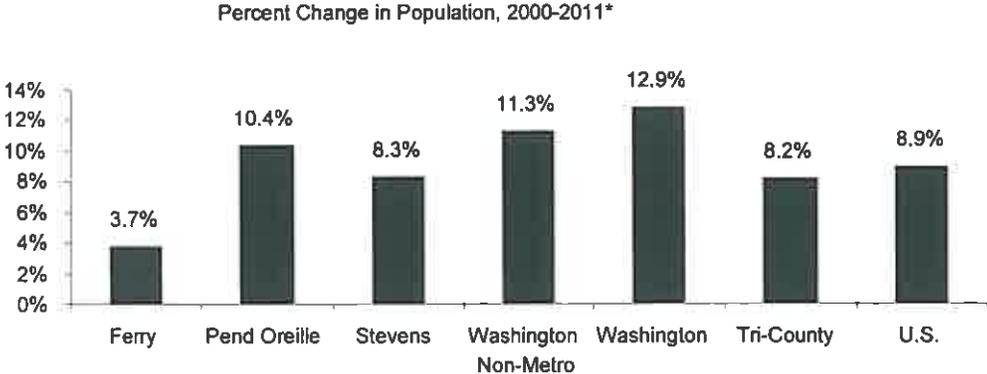
This section describes the total population and change in total population.

Population, 2000-2011*

	Ferry	Pend Oreille	Stevens	Washington Non-Metro	Washington	Tri-County	U.S.
Population (2011*)	7,530	12,952	43,401	1,311,636	6,652,845	63,883	306,603,772
Population (2000)	7,260	11,732	40,066	1,178,469	5,894,121	59,058	281,421,906
Population Change (2000-2011*)	270	1,220	3,335	133,167	758,724	4,825	25,181,866
Population Percent Change (2000-2011*)	3.7%	10.4%	8.3%	11.3%	12.9%	8.2%	8.9%

The data in this table are calculated using Census and ACS survey data.

Note: With the exception of some 2000 and 2010 Decennial Census data, all other data used in this report are from the American Community Survey (ACS) of the Census Bureau.



From 2000 to the 2007-2011 periods, Ferry County, WA had the smallest estimated absolute change in population (270).

During the same period Tri-County population increased by 4,825, an increase of 8.2%, which is a lower growth rate than for other rural WA counties, state, as well as the nation.

Expected future growth

Using historical census data, estimates of natural population changes and migration estimates, WA – OFM estimates that the Tri-County region will grow by 6.2 percent, compared to the state's growth of 15.9 percent, by year 2025.

Population Trends (2010 - 2025)

Year	2010	2015	2020	2025
Ferry	7,551	7,619	7,706	7,751
Pend Oreille	13,001	13,289	13,692	13,977
Stevens	43,531	44,262	45,212	46,447
Tri-County	66,093	67,185	68,630	70,200
WA	6,724,540	7,022,200	7,411,977	7,793,173

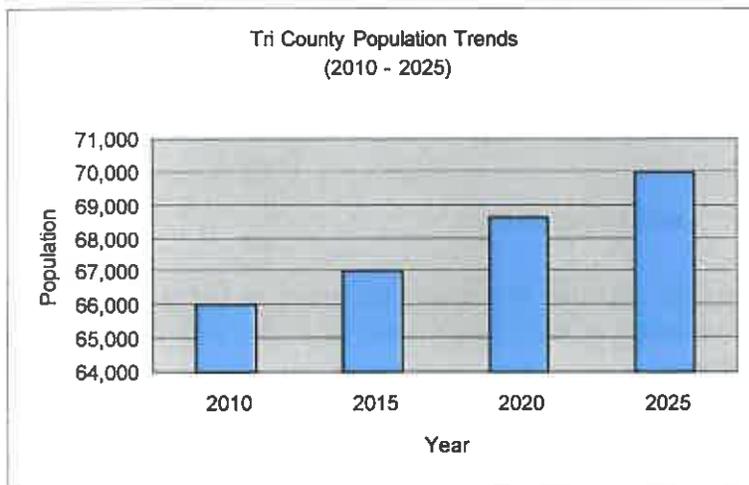
Source: WA – OFM

Population Change % (2010 - 2025)

Year	2010-2015	2015-2020	2020-2025	2010-2025
Ferry	0.9%	1.1%	0.6%	2.6%
Pend Oreille	2.2%	3.0%	2.1%	7.5%
Stevens	1.7%	2.1%	2.7%	6.7%
Tri-County	1.7%	2.2%	2.3%	6.2%
WA	4.4%	5.6%	5.1%	15.9%

Source: WA-OFM

Growth of the Tri-County population by 2025 is expected to reach 70,200. This is a net regional growth of 4,107 persons, of which approximately 3,000 will be absorbed into Stevens County.



Age and gender distribution of the population

This section describes population distribution by age and gender, and the change in median age.

Median Age: The age which divides the population into two numerically equal groups; i.e., half the people are younger than this age and half are older.

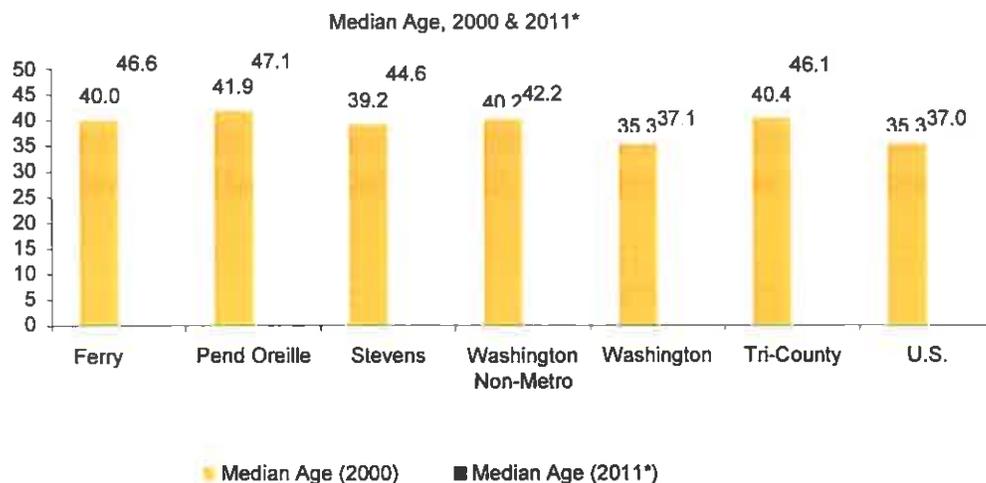
Age & Gender Distribution, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Total Population	7,530	12,952	43,401	1,311,838	6,652,845	63,883	306,603,772
Under 5 years	452	660	2,337	77,453	433,191	3,449	20,170,377
5 to 9 years	400	696	2,847	85,632	424,151	3,943	20,207,046
10 to 14 years	453	963	3,136	92,483	436,465	4,552	20,631,572
15 to 19 years	586	763	3,231	93,671	460,989	4,580	22,083,463
20 to 24 years	416	498	1,661	59,731	461,413	2,573	21,463,191
25 to 29 years	231	536	1,738	61,343	478,039	2,505	20,940,180
30 to 34 years	330	561	1,954	66,284	443,065	2,845	19,728,641
35 to 39 years	435	561	2,343	79,833	451,301	3,339	20,367,911
40 to 44 years	315	810	2,869	90,296	485,582	3,794	21,315,317
45 to 49 years	621	978	3,258	107,291	492,852	4,857	22,654,947
50 to 54 years	552	1,184	3,793	112,332	490,811	5,509	21,924,721
55 to 59 years	635	1,334	3,875	107,775	440,811	5,844	19,215,139
60 to 64 years	702	1,032	3,305	92,279	369,097	5,039	16,292,447
65 years and over	1,402	2,398	7,254	185,233	807,278	11,054	39,608,820
Total Female	3,636	6,399	21,770	644,369	3,338,147	31,805	155,863,556
Total Male	3,894	6,553	21,631	667,267	3,314,698	32,078	150,740,216

Change In Median Age, 2000-2011*

Median Age (2011*)	46.6	47.1	44.6	42.2	37.1	46.1	37.0
Median Age (2000)	40.0	41.9	39.2	40.2	35.3	40.4	35.3
Median Age % Change	16.5%	12.4%	13.8%	5.2%	5.1%	14.1%	4.8%

*The data in this table are calculated by ACS using annual surveys conducted during 2007-2011.



From 2000 to 2011 period, the median age estimate increased the most in Ferry County, WA (40.0 to 46.6, a 16.5% increase), in comparison to WA State's rural counties, WA State, as well as the U.S. (35.3 to 37.0, a 4.8% increase).

It is important to note that the median age had been higher in 2000 in comparison to the state's rural counties, the State and U.S. This trend has continued through 2011, indicating the faster ageing of the Tri-County population. That is; continuing trends where we see increased out-migration of younger population and the increased trends of the in-migrating older population.

Regional significance

Different geographies can have different age distributions. For example, in counties with a large number of retirees, the age distribution may be skewed towards categories 65 years and older,

as we see in the Tri-County Region. The change in median age is one indicator of whether the population has gotten older or younger.

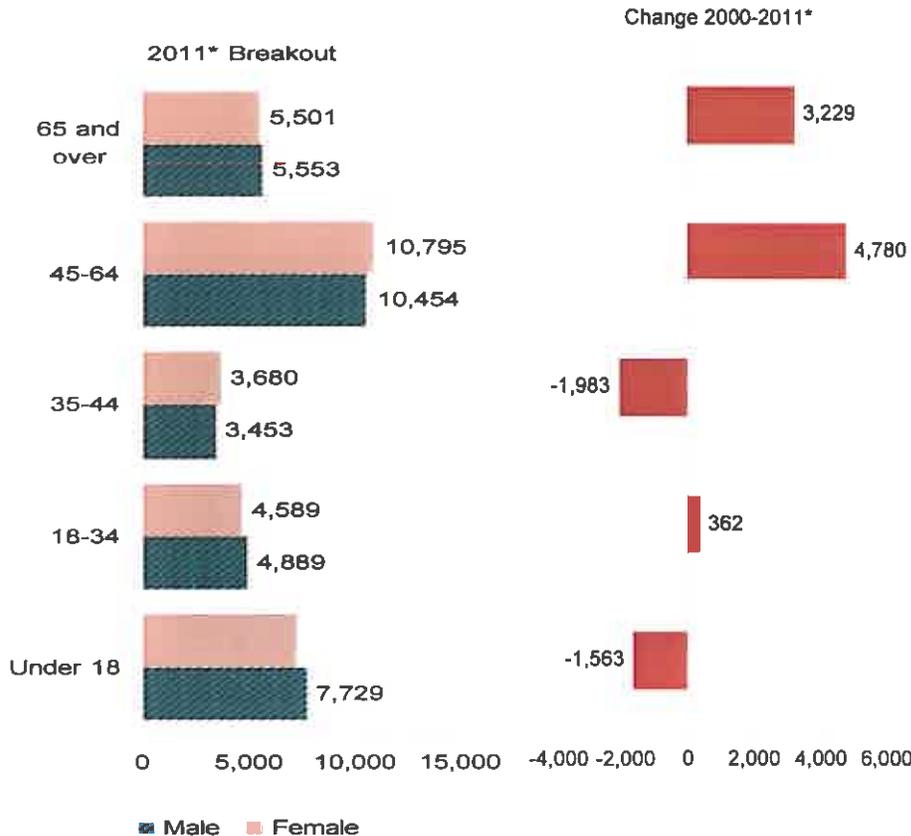
Changes in the age distribution of the population

This page describes the change in age and gender distribution over time, and the change in age distribution, with age categories separated into five age groups.

Tri-County Age & Gender Distribution and Change, 2000-2011*

	2000	2011*
Total Population	59,058	63,883
Under 18	16,532	14,969
18-34	9,116	9,478
35-44	9,116	7,133
45-64	16,469	21,249
65 and over	7,825	11,054
Percent of Total		
Under 18	28.0%	23.4%
18-34	15.4%	14.8%
35-44	15.4%	11.2%
45-64	27.9%	33.3%
65 and over	13.2%	17.3%

*The data in this table are calculated by ACS using annual surveys conducted during 2007-2011.



In the Tri-County Region, in 2011, the age category with the highest estimate for number of women was 45-64 (10,795), and the age category with the highest estimate for number of men was 45-64 (10,454).

From 2000 to the 2011 period, the + 65 age category increased from 13.2% to 17.3%, while the under 18 age category decreased from 28.0% to 23.4%.

Growth of population 65+ age group

Based on population growth estimates, the older age cohort in the Tri-County region represented by persons 65 and over, is expected to increase from 13,439 to 22,182, an increase from 20.3 percent of the total population in 2010 to 31.6 percent in 2025.

Age 65+ Population Trends (2010 - 2025)

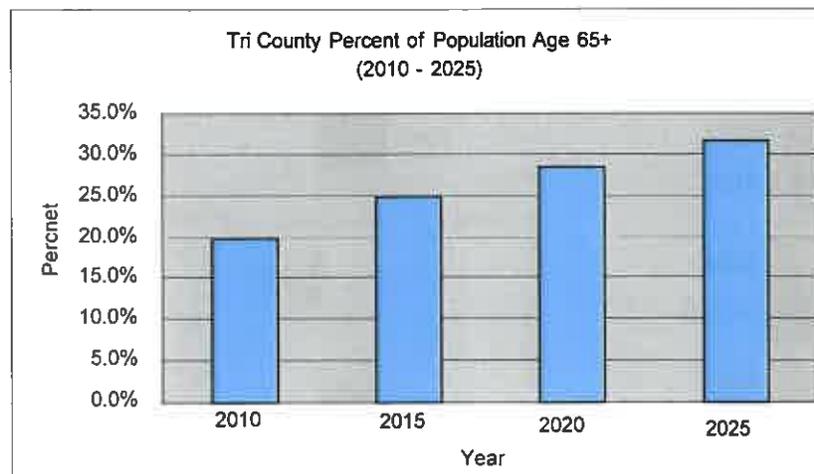
Year	2010	2015	2020	2025
Ferry	1,428	1,746	2,183	2,423
Pend Oreille	2,485	3,169	3,944	4,533
Stevens	7,516	9,388	11,386	13,201
Tri-County	13,439	16,318	19,533	22,182
WA	827,677	989,124	1,210,895	1,449,119

Source: WA - OFM

Age 65+ Population Share % (2010 - 2025)

Year	2010	2015	2020	2025
Ferry	18.9%	22.9%	28.3%	31.3%
Pend Oreille	19.1%	23.8%	28.8%	32.4%
Stevens	17.3%	21.2%	25.2%	28.4%
Tri-County	20.3%	24.3%	28.5%	31.6%
WA	12.3%	14.1%	16.3%	18.6%

Source: WA - OFM



Regional significance

For private business and public agencies, understanding the age distribution can help highlight whether management actions might affect some age groups more than others. It also may

highlight the need to understand the different needs, values, and attitudes of different age groups. If geography has a large retired population, or soon-to-be-retired population, as in the Tri-County Region, the needs and interests of this population may place different demands on public agencies than geography with a large number of minors or young adults.

In each of the counties, a significant development is the aging of the population and in particular the retirement of the "Baby Boomer" generation (those born between 1946 and 1964). As this generation enters retirement age, their mobility, spending patterns, and consumer demands (for health care, housing, transit/transportation, for example) can affect how communities need to develop economically.

Racial makeup of the population

This page describes the number of people who self-identify as belonging to a particular race.

Race: Race is a self-identification data item in which Census respondents choose the race or races with which they most closely identify. The Office of Management and Budget (OMB) revised the standards in 1997 for how the Federal government collects and presents data on race and ethnicity.

Race Alone Categories: This includes the minimum five race categories required by the OMB, plus the 'some other race alone' included by the Census Bureau, with the approval of the OMB. The categories are: White alone, Black or African-American alone, American Indian or Alaska Native alone, Asian alone, Native Hawaiian or other Pacific Islander alone, and some other race alone.

Some Other Race: This includes all other responses not included in the "White," "Black or African American," "American Indian and Alaska Native," "Asian" and "Native Hawaiian or Other Pacific Islander" race categories described above. Respondents providing write-in entries such as multiracial, mixed, interracial, or a Hispanic/Latino group (for example, Mexican, Puerto Rican, or Cuban) in the "Some other race" write-in space are included in this category.

Two or More Races: People may have chosen to provide two or more races either by checking two or more race response check boxes, by providing multiple write-in responses, or by some combination of check boxes and write-in responses.

Population by Race, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Total Population	7,530	12,952	43,401	1,311,636	6,852,845	63,883	306,603,772
White alone	5,759	11,715	39,050	1,146,345	5,256,224	56,524	227,167,013
Black or African American alone	25	21	198	10,305	233,549	244	38,395,857
American Indian alone	1,301	499	1,929	34,457	94,243	3,729	2,502,653
Asian alone	95	47	270	28,898	470,798	412	14,497,185
Native Hawaiian & Other Pacific Is. alone	25	0	67	2,190	37,084	92	500,592
Some other race alone	103	191	161	47,801	268,032	455	15,723,818
Two or more races	222	479	1,726	41,640	292,915	2,427	7,816,654
Percent of Total							
White alone	76.5%	90.4%	90.0%	87.4%	79.0%	88.5%	74.1%
Black or African American alone	0.3%	0.2%	0.5%	0.8%	3.5%	0.4%	12.5%
American Indian alone	17.3%	3.9%	4.4%	2.6%	1.4%	5.8%	0.8%
Asian alone	1.3%	0.4%	0.6%	2.2%	7.1%	0.6%	4.7%
Native Hawaiian & Other Pacific Is. alone	0.3%	0.0%	0.2%	0.2%	0.6%	0.1%	0.2%
Some other race alone	1.4%	1.5%	0.4%	3.6%	4.0%	0.7%	5.1%
Two or more races	2.9%	3.7%	4.0%	3.2%	4.4%	3.8%	2.5%

*The data in this table are calculated by ACS using annual surveys conducted during 2007-2011.

In the 2007-2011 periods, the racial category with the highest estimated percent of the population in the Tri-County was White alone (88.5%), followed by American Indian alone (5.8%), comprised mainly of the members of the Colville, Kalispel and Spokane Tribes. It must be remembered that not all persons self-identifying as American Indian alone, or members of two or more races, may not uniquely live in Tribal Reservations. It must be also remembered that in the Region, the Colville Tribe's population extends beyond Ferry County and those segments are not included in our analysis.

Regional significance

Federal agencies make use of information on race and ethnicity for implementing a number of programs, while also using this information to promote and enforce equal opportunities, such as in employment or housing, under the Civil Rights Act. According to the Census Bureau, "Many federal programs are put into effect based on the race data obtained from the decennial census (i.e., promoting equal employment opportunities; assessing racial disparities in health and environmental risks)."

Additionally, data on Ethnic Groups are also needed by local governments to run programs and meet legislative requirements (i.e., identifying segments of the population who may not be receiving medical services under the Public Health Act; evaluating whether financial institutions are meeting the credit needs of minority populations under the Community Reinvestment Act).

Tribal makeup of the population

Tri-County Region is home to three tribes. In this section we describe, in general terms, the number of people who self-identify as American Indian and Alaska Native alone or in combination with one or more other races.

American Indian: This category shows self-identification among people of American Indian descent. Many American Indians are members of a principal tribe or group empowered to negotiate and make decisions on behalf of the individual members. Census data are available for 34 tribes or Selected American Indian categories: Apache, Blackfeet, Cherokee, Cheyenne, Chickasaw, Chippewa, Choctaw, Colville, Comanche, Cree, Creek, Crow, Delaware, Houma, Iroquois, Kiowa, Lumbee, Menominee, Navajo, Osage, Ottawa, Paiute, Pima, Potawatomi, Pueblo, Puget Sound Salish, Seminole, Shoshone, Sioux, Tohomo O'Odham, Ute, Yakama, Yaqui, Yuman, and All other.

Alaska Native: This category shows self-identification among people of Alaska Native descent. Census data are available for five detailed Alaska Native race and ethnic categories: Alaska Athabaskan, Aleut, Eskimo, Tlingit-Haida, and All other tribes.

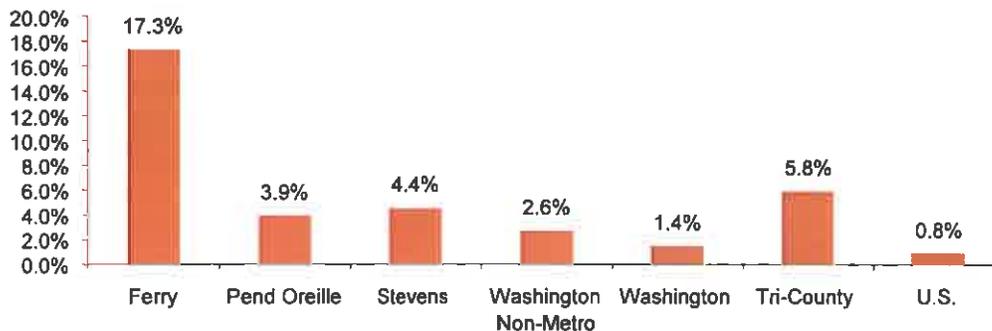
Non-Specified Tribes: This category includes respondents who checked the "American Indian or Alaska Native" response category on the Census questionnaire or wrote in the generic term "American Indian" or "Alaska Native," or tribal entries not elsewhere classified.

American Indian & Alaska Native Population, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Total Population	7,530	12,952	43,401	1,311,636	6,652,845	63,883	306,603,772
Total Native American	1,301	499	1,929	34,457	94,243	3,729	2,502,653
American Indian Tribes	1,176	498	1,722	29,522	73,589	3,396	1,976,358
Alaska Native Tribes	0	0	39	1,031	6,833	39	104,908
Non-Specified Tribes	20	1	147	3,274	11,359	168	355,701
Percent of Total							
Total Native American	17.3%	3.9%	4.4%	2.6%	1.4%	5.8%	0.8%
American Indian Tribes	15.6%	3.8%	4.0%	2.3%	1.1%	5.3%	0.6%
Alaska Native Tribes	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%
Non-Specified Tribes	0.3%	0.0%	0.3%	0.2%	0.2%	0.3%	0.1%

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.

Native American Population, Percent of Total, Tri-County, 2011*



In the 2007-2011 period, Ferry County, WA had the highest estimated percent of the population that self-identified as American Indian and Alaska Native (17.3%) compared to the statewide's low figure of 1.4%.

Regional significance

American Indian or Alaska Native tribal entities are recognized as having government-to-government relationships with the United States, with the responsibilities, powers, limitations, and obligations attached to that designation, and are eligible for funding and services from the Bureau of Indian Affairs.

Federally recognized tribes in the Tri County region, Colville, Kalispel and Spokane, are generally not subordinate to states.

All-in-all, there is tremendous potential as tribes continues to develop concepts such as Tribe-to-Tribe trade, better understanding of HUB/Free Trade Zones, fully utilizing the benefits of outside business doing business within the boundaries of reservations and the development of standards to provide unity, commonality and comfort for business to come in and open within the reservations.

There are three primary financial flows into tribal governments.

1. Grants, contracts and other revenue streams from federal and state government.

2. State revenues generated by tribally owned enterprises.
3. Income to tribal government from taxes and fees.

The vast majority of these dollars flowing into tribal government originate from outside the reservations; federal and state government funds and casinos. They are dollars that are being "imported" into the reservations economies.

To address such needs, important national key initiatives were proposed at the **2012 Tribal Nations Summit**, to help tribes access funds, create jobs and promote economic growth.

Several of these initiatives; including enhancement of entrepreneurship and business development finance associated with the Economic Development Administration (EDA) and expansion of broadband coverage to connect tribal communities to each other and the world and developing critical broadband infrastructure to support initiatives in health, education, and other areas, may offer the opportunity for further collaboration between TEDD and the Tribes.

At the regional level, to promote prosperity that is shared throughout the region, TEDD aims to work toward collaborative relationships and good communication with Tribes, in all its programs, at all levels across the organization. It recognizes the Tribes' separate rights and authorities and accordingly aims to pursue these objectives in a consultative framework, paralleling locally the mandates of the Federal Executive Order 13175 and Washington State Centennial Accord, Consultation and Coordination with Indian Tribal Governments.

Hispanic makeup of the population

The term "Hispanic" refers to a cultural identification, and Hispanics can be of any race. The federal government considers race and Hispanic origin to be two separate and distinct concepts. Hispanics and Latinos may be of any race.

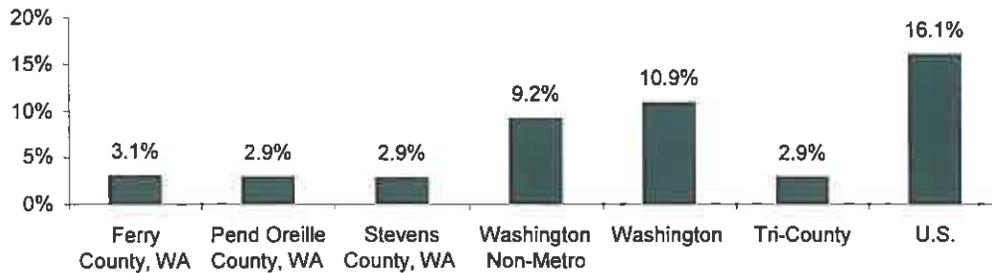
Hispanic or Latino Origin: People who identify with the terms "Hispanic" or "Latino" are those who classify themselves in one of the specific Hispanic or Latino categories listed on the Census questionnaire "Mexican," "Puerto Rican," or "Cuban" as well as those who indicate that they are "other Spanish, Hispanic, or Latino." Origin can be viewed as the heritage, nationality group, lineage, or country of birth of the person or the person's parents or ancestors before their arrival in the United States. People who identify their origin as Spanish, Hispanic, or Latino may be of any race.

Hispanic Population, 2011*

	Ferry	Pand. Oreille	Stevens	Washington Non-Metro	Washington	Tri-County	U.S.
Total Population	7,530	12,952	43,401	1,311,636	6,652,845	63,883	306,603,772
Hispanic or Latino (of any race)	234	381	1,237	120,792	725,373	1,852	49,215,563
Not Hispanic or Latino	7,296	12,571	42,164	1,190,844	5,927,472	62,031	257,388,209
Percent of Total							
Hispanic or Latino (of any race)	3.1%	2.9%	2.9%	9.2%	10.9%	2.9%	16.1%
Not Hispanic or Latino	96.9%	97.1%	97.1%	90.8%	89.1%	97.1%	83.9%

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.

Hispanic Population, Percent of Total, Tri-County, 2011*



In the 2007-2011 periods, the Tri-County Region had a low figure of approximately 2.9% of the population that self-identify as Hispanic or Latino of any race. These figures are significantly lower than the number of people who self-identify as Hispanic in WA State and the U.S.

Regional significance

Hispanics are one of the fastest growing segments of the U.S. population. The Census Bureau reported that 15 percent of the population in the U.S. self-identified as being Hispanic in 2010. The Census Bureau predicts that 24.4 percent of the population in the U.S. will be Hispanic by 2050. Between 2000 and 2010, Hispanics accounted for over one-half of the nation's population growth.

According to the Census Bureau, "Many federal programs are put into effect based on the race data obtained from the decennial census (i.e., promoting equal employment opportunities; assessing racial disparities in health and environmental risks)". Therefore, data on ethnic groups are important for putting into effect a number of federal statutes (i.e., enforcing bilingual election rules under the Voting Rights Act; monitoring and enforcing equal employment opportunities under the Civil Rights Act), as well as for data needs of local governments to run programs and meet legislative requirements

3.2 Employment

Occupations and industries

Employment statistics are usually reported by industry. This is a useful way to show the relative diversity of the economy and the degree of dependence on certain sectors. Employment by occupation offers additional information that describes what people do for a living and the type of work they do, regardless of the industry.

For example, management and professional occupations are generally of higher wage and require formal education, and these occupations could exist in any number of industries (for example, managers could be working for a software firm, a mine, or a construction company). Occupation information describes what people do, while employment by industry describes where people work.

This section covers the Tri-County Region's employment related data, describing what people do for work in terms of the type of work (occupation) and where they work (by industry).

Occupational and industry figures used in this section reflect information based on interpolation of responses of household members.

Employment by Occupation: Refers to the Standard Occupational Classification (SOC) system, where workers are classified into occupations with similar job duties, skills, education, and/or training, regardless of industry.

Employment by Industry: Refers to the employment by industry, listed according to the North American Industry Classification System (NAICS).

Employment by Occupation, 2011*

	Ferry County WA	Perki Orellie County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Civilian employed population > 16 years	2,230	4,139	6,666	176,126	3,135,962	23,431	141,832,499
Management, professional, & related	679	1,251	5,622	208,257	1,200,765	7,552	50,572,279
Service	354	923	3,088	90,016	529,816	4,365	24,790,091
Sales and office	511	727	3,885	126,137	744,277	5,123	35,612,518
Farming, fishing, and forestry	114	107	281	20,721	48,950	502	1,034,057
Construction, extraction, maint., & repair	270	692	1,851	61,164	265,681	2,813	12,502,151
Production, transportation, & material moving	311	626	2,139	69,231	346,493	3,076	17,321,403
Percent of Total							
Management, professional, & related	30.3%	28.9%	33.3%	36.2%	38.3%	32.2%	35.7%
Service	15.8%	21.3%	18.3%	15.8%	16.9%	18.6%	17.5%
Sales and office	22.8%	16.8%	23.0%	21.9%	23.7%	21.9%	25.1%
Farming, fishing, and forestry	5.1%	2.5%	1.7%	3.6%	1.6%	2.1%	0.7%
Construction, extraction, maint., & repair	12.1%	16.0%	11.0%	10.6%	8.5%	12.0%	8.8%
Production, transportation, & material moving	13.9%	14.5%	12.7%	12.0%	11.0%	13.1%	12.2%

*The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period. These estimates include persons identifying themselves as "self-employed."

Employment data from the ACS are obtained from respondents in households and they differ from statistics based on reports from individual businesses, farm enterprises, and certain government programs. People employed at more than one job are counted only once in the ACS (although information on multiple job holders is collected). In statistics based on reports from business and farm establishments, people who work for more than one establishment may be counted more than once.

Employment by Industry, 2011*

	Ferry County WA	Pend Oreille County WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Indian reserved population 18 years					3,135,962	23,431	141,832,489
Agriculture, forestry, fishing & hunting, mining	295	297	973	38,591	79,925	1,565	2,889,572
Construction	205	527	1,494	51,357	220,452	2,226	9,642,450
Manufacturing	115	410	1,837	58,175	330,083	2,162	15,281,307
Wholesale trade	31	144	404	17,085	97,669	579	4,158,689
Retail trade	170	379	2,024	60,366	383,620	2,573	16,336,915
Transportation, warehousing, and utilities	104	321	1,019	33,759	180,705	1,444	7,171,438
Information	34	77	183	9,938	77,945	294	3,256,311
Finance and insurance, and real estate	42	183	753	29,224	188,888	978	9,738,275
Prof., scientific, mgmt., admin., & waste mgmt.	113	202	1,084	51,766	369,301	1,399	14,942,494
Education, health care, & social assistance	571	809	4,084	118,572	659,183	5,464	31,927,759
Arts, entertain., rec., accommodation, & food	122	398	1,301	41,924	275,131	1,821	12,779,583
Other services, except public administration	85	185	857	25,776	145,205	1,127	6,960,820
Public administration	352	394	1,053	36,993	187,657	1,799	6,966,886

Percent of Total

Agriculture, forestry, fishing & hunting, mining	13.2%	6.9%	5.8%	6.7%	2.5%	6.7%	1.9%
Construction	9.2%	12.2%	8.9%	8.9%	7.0%	9.5%	6.8%
Manufacturing	5.1%	9.5%	9.7%	10.1%	10.5%	9.2%	10.8%
Wholesale trade	1.4%	3.3%	2.4%	3.0%	3.1%	2.5%	2.9%
Retail trade	7.6%	8.8%	12.0%	10.5%	11.6%	11.0%	11.5%
Transportation, warehousing, and utilities	4.6%	7.4%	6.0%	5.9%	5.1%	6.2%	5.1%
Information	1.5%	1.8%	1.1%	1.7%	2.5%	1.3%	2.3%
Finance and insurance, and real estate	1.9%	4.2%	4.5%	5.1%	6.0%	4.2%	6.9%
Prof., scientific, mgmt., admin., & waste mgmt.	5.0%	4.7%	6.4%	9.0%	11.8%	6.0%	10.5%
Education, health care, & social assistance	25.5%	18.7%	24.2%	20.6%	21.0%	23.3%	22.5%
Arts, entertain., rec., accommodation, & food	5.4%	9.2%	7.7%	7.3%	8.8%	7.8%	9.0%
Other services, except public administration	3.8%	4.3%	5.1%	4.5%	4.6%	4.8%	4.9%
Public administration	15.7%	9.1%	6.2%	6.8%	5.4%	7.7%	4.9%

*The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.

Tri-County Employment by Industry, 2001-2010

	2001	2010	Change 2001-2010
Total Employment (number of jobs)	22,169	22,229	60
Non-services related	6,673	5,395	-1,279
Fam	1,877	1,737	-140
Forestry, fishing, & related activities	897	722	-175
Mining (including fossil fuels)	208	224	16
Construction	1,170	1,243	73
Manufacturing	2,522	1,469	-1,053
Services related	9,604	10,103	499
Utilities	na	10	na
Wholesale trade	36	52	16
Retail trade	2,219	2,313	94
Transportation and warehousing	588	506	-81
Information	183	207	24
Finance and insurance	474	506	32
Real estate and rental and leasing	719	741	22
Professional and technical services	562	685	123
Management of companies and enterprises	na	na	na
Administrative and waste services	392	470	78
Educational services	130	162	32
Health care and social assistance	1,697	2,144	447
Arts, entertainment, and recreation	285	288	3
Accommodation and food services	993	696	-297
Other services, except public administration	1,327	1,322	-5
Government	5,230	5,792	562
Percent of Total			% Change 2001-2010
Total Employment			0.3%
Non-services related	30.1%	24.3%	-19.2%
Fam	8.5%	7.8%	-7.5%
Forestry, fishing, & related activities	4.0%	3.2%	-19.5%
Mining (including fossil fuels)	0.9%	1.0%	7.8%
Construction	5.3%	5.6%	6.2%
Manufacturing	11.4%	6.6%	-41.8%
Services related	43.3%	45.4%	5.2%
Utilities	na	0.0%	na
Wholesale trade	0.2%	0.2%	45.5%
Retail trade	10.0%	10.4%	4.2%
Transportation and warehousing	2.7%	2.3%	-13.8%
Information	0.8%	0.9%	13.0%
Finance and insurance	2.1%	2.3%	6.9%
Real estate and rental and leasing	3.2%	3.3%	3.1%
Professional and technical services	2.5%	3.1%	21.9%
Management of companies and enterprises	na	na	na
Administrative and waste services	1.8%	2.1%	19.9%
Educational services	0.6%	0.7%	24.6%
Health care and social assistance	7.7%	9.6%	26.4%
Arts, entertainment, and recreation	1.3%	1.3%	1.1%
Accommodation and food services	4.5%	3.1%	-29.9%
Other services, except public administration	6.0%	5.9%	-0.4%
Government	23.6%	26.1%	10.7%

*The data in this table are calculated by ACS using annual surveys conducted during 2007-2011.

Regional significance

Recent employment trends organized by NAICS offer more detail than the old Standard Industrial Classification (SIC) system, particularly with regard to services related industries. This is especially useful since in most geographies the majority of new job growth in recent years has taken place in services related industries.

Although NAICS captures much more detail on employment in services related sectors, these industries still encompass a wide variety of high and low-wage occupations ranging from jobs in accommodation and food services to professional and technical services. The section in this report titled "How do wages compare across industries?" shows the difference in wages between various services related industries and compared to non-services related sectors.

It can be useful to ask whether the historical employment trends shown earlier in this report continues more recently, and what factors are driving a shift in industry makeup and competitive position. It may be the case that the economic role and contribution of public lands have changed along with broader economic shifts in many geographies.

In 2001, the Bureau of Economic Analysis (BEA) switched to organizing industry-level information according to the newer North American Industrial Classification System (NAICS). An advantage of the NAICS method is the greater amount of detail to describe changes in the service related sectors.

The terms non-services related and services related are not terms used by the U.S. Department of Commerce. They are used in these pages to help organize the information into easy-to-understand categories.

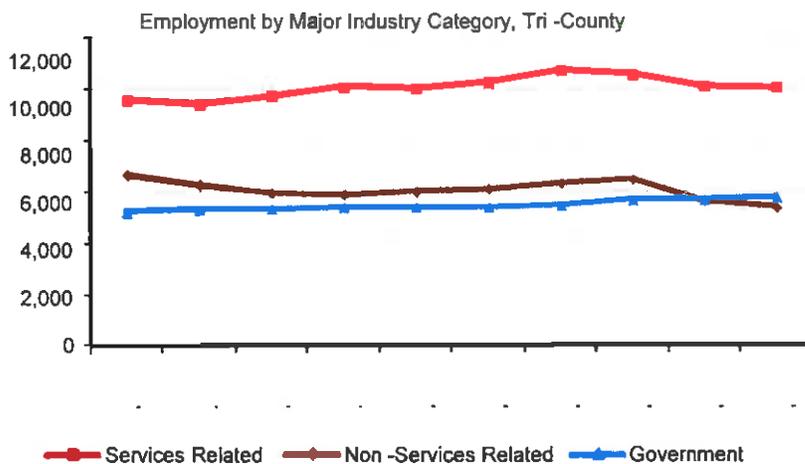
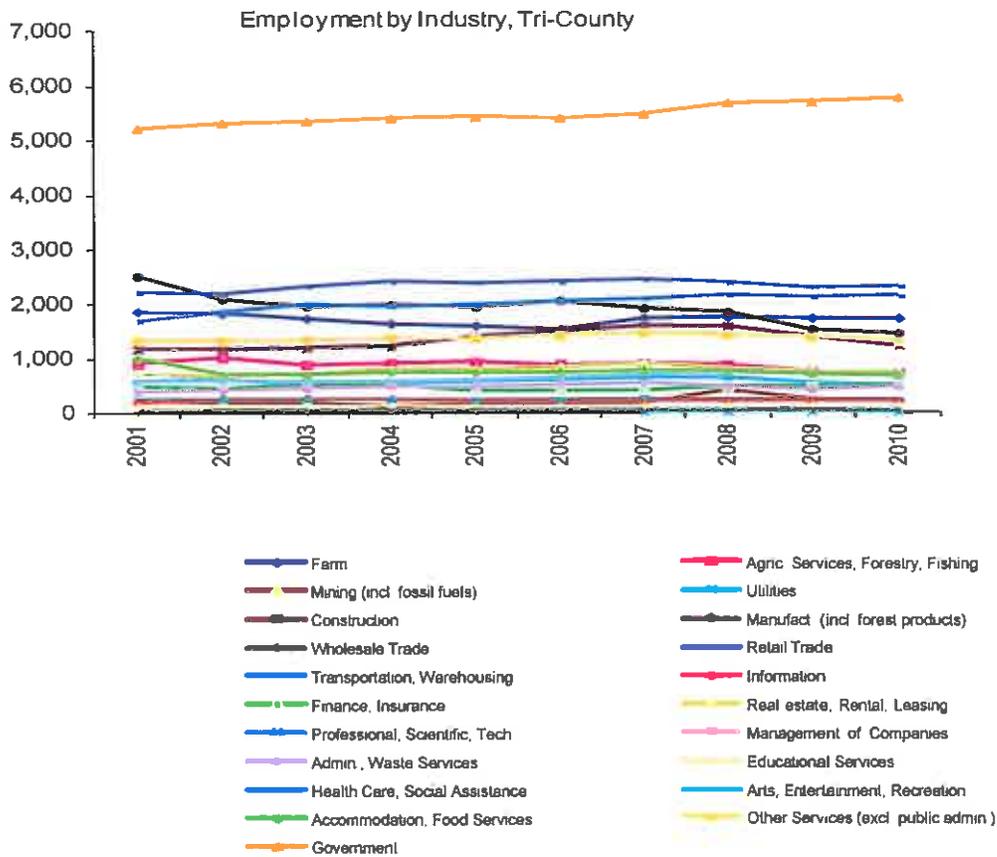
Changes in employment by industry

This section describes recent employment trends by major industry category (non-services related, services related, and government) and by industry. Employment includes wage and salary jobs and proprietors. The employment data are organized according to the North American Industrial Classification System (NAICS) and reported by place of work.

Non-Services Related: Consists of employment in industries such as farm, mining, and manufacturing.

Services Related: Consists of employment in industries such as retail trade, finance, insurance and real estate, and services.

Government: Consists of federal, military, state and local government employment, and government enterprise.



In the Tri-County Region, from 2001 to 2010, jobs in services related industries grew from 9,604 to 10,103, a 5% increase.

From 2001 to 2010, jobs in non-services related industries shrank from 6,673 to 5,395, a -19% decrease.

From 2001 to 2010, jobs in government jobs grew from 5,230 to 5,792, an 11% increase.

Components of employment: Wage and salary and proprietors (self-employed)

A high level of growth in proprietors' employment could be interpreted as a sign of entrepreneurial activity, which is a positive indicator of economic health. However, in the Tri County area, the high proportion of self-employed is an indication that there are few jobs available. People work for themselves because it is the only alternative and they may work for themselves in addition to holding a wage and salary job.

One way to see whether growth and a high-level of proprietors' employment is a positive sign for the local economy is to look at the long-term trends in proprietors' personal income. If proprietors' employment and real personal income are both rising, this is a healthy indicator of entrepreneurial activity. If, on the other hand, proprietors' employment is rising and real personal income is falling, this can be a sign of economic stress. The following section of this report examines this relationship.

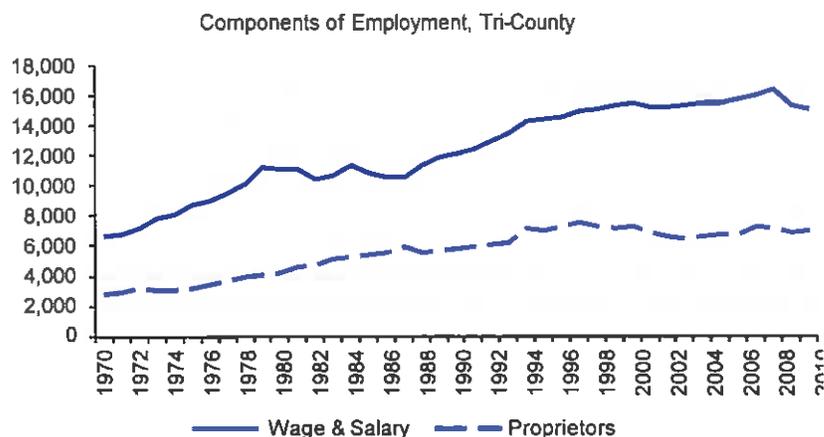
Wage and Salary: This is a measure of the average annual number of full-time and part-time jobs by place of work. All jobs for which wages and salaries are paid are counted. Full-time and part-time jobs are counted with equal weight.

Proprietors: This term includes the self-employed in nonfarm and farm sectors by place of work. Nonfarm self-employment consists of the number of sole proprietorships and the number of individual business partners not assumed to be limited partners. Farm self-employment is defined as the number of non-corporate farm operators, consisting of sole proprietors and partners.

Components of Employment Change, 1970-2010

	1970	1980	1990	2000	2010	Change 2000-2010
Total Employment	9,524	15,520	18,023	22,899	22,229	-670
Wage and salary jobs	6,665	11,192	12,200	15,529	15,219	-310
Number of proprietors	2,859	4,328	5,823	7,370	7,010	-360
						% Change
						2000-2010
Total Employment						-2.9%
Wage and salary jobs	70.0%	72.1%	67.7%	67.8%	68.5%	-2.0%
Number of proprietors	30.0%	27.9%	32.3%	32.2%	31.5%	-4.9%

All employment data in the table above are reported by place of work. Includes full-time and part-time workers. (Source: ACS)



Review of figures from 1970 to 2010, shows that wage and salary employment (people who work for someone else) grew from 6,665 to 15,219, a 128% increase and during the same period, proprietors (the self-employed) grew from 2,859 to 7,010, a 145% increase.

Income trends in wage and salary and proprietors income

This section describes the components of labor earnings (in real terms): income from wage and salary, and proprietors' employment. It also looks more closely at proprietors, comparing long-term trends in proprietors' employment and personal income.

Labor Earnings: This represents (on this page) net earnings by place of work.

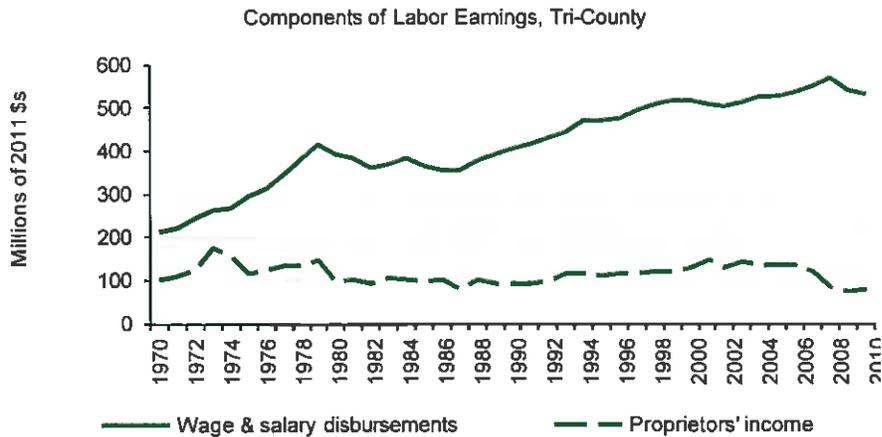
Wage and Salary: This is a measure of the average annual number of full-time and part-time jobs in each area by place of work. All jobs for which wages and salaries are paid are counted. Full-time and part-time jobs are counted with equal weight.

Proprietors: This term includes the self-employed in nonfarm and farm sectors. Nonfarm self-employment consists of the number of sole proprietorships and the number of individual business partners not assumed to be limited partners. Farm self-employment is defined as the number of non-corporate farm operators, consisting of sole proprietors and partners.

Components of Labor Earnings Change, 1970-2010 (Thousands of 2011 \$s)

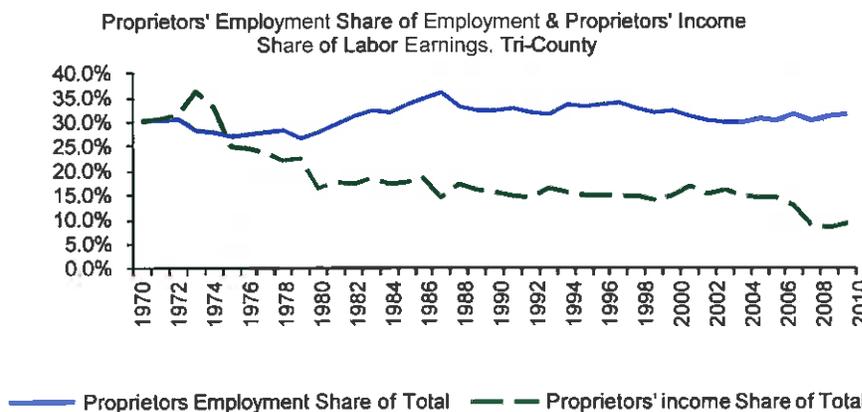
	1970	1980	1990	2000	2010	Change 2000-2010
Earnings by place of work	339,693	579,024	607,651	774,907	774,999	92
Wage & salary disbursements	211,449	393,831	406,356	517,291	529,611	12,320
Supplements to wages & salaries	26,674	89,563	106,172	127,634	165,763	38,129
Proprietors' income	101,570	95,629	95,123	129,982	79,625	-50,357
						% Change 2000-2010
Percent of Total						0.0%
Earnings by place of work						
Wage & salary disbursements	62.2%	68.0%	66.9%	66.8%	68.3%	2.4%
Supplements to wages & salaries	7.9%	15.5%	17.5%	16.5%	21.4%	29.9%
Proprietors' income	29.9%	16.5%	15.7%	16.8%	10.3%	-38.7%

All income data in the table above are reported by place of work, which is different than earnings by place of residence shown on the following page of this report. (Source: ACS)



From 1970 to 2010, labor earnings from wage and salary employment grew from \$211.4 million to \$529.6 million (in real terms), a 150% increase.

From 1970 to 2010, labor earnings from proprietors' employment shrank from \$101.6 million to \$79.6 million (in real terms), a -22% decrease.



In 1970, proprietors represented 30% of total employment. By 2010, proprietors represented 32% of total employment.

In 1970, proprietors represented 30% of total labor earnings. By 2010, proprietors represented 9% of total labor earnings.

Regional significance

Rapid growth and/or high proportions of proprietors' employment and income can be a sign of a healthy economy that is attracting entrepreneurs and stimulating business development.

Correlating this growth here with patterns of population growth (such as high levels of working age in-migration) and unemployment rates (robust business development activity tends to be associated with lower rates of unemployment) would indicate existence of a robust economy.

If proprietors' employment and real personal income are both rising, this is a healthy indicator of entrepreneurial activity. However, such an analysis for the Tri County region indicate that

proprietors' employment is rising and real personal income is falling, confirming a sign of economic stress.

Personal Income by Industry

Tri-County Regional Personal Income by Industry, 2001-2010 (Thousands of 2011 \$s)

	2001	2010	Change 2001 2010
Labor Earnings	791,637	774,999	-16,638
Non-services related	273,778	160,367	-113,411
Farm	15,022	1,445	-13,576
Forestry, fishing, & related activities	37,556	23,019	-14,537
Mining (including fossil fuels)	12,754	9,675	-3,079
Construction	35,165	38,967	3,802
Manufacturing	173,281	87,261	-86,020
Services related	251,028	269,947	18,919
Utilities	64	52	-12
Wholesale trade	488	1,552	1,064
Retail trade	50,584	56,982	6,398
Transportation and warehousing	19,984	17,776	-2,207
Information	4,002	5,553	1,551
Finance and insurance	15,567	15,049	-517
Real estate and rental and leasing	8,258	5,121	-3,138
Professional and technical services	14,359	20,499	6,141
Management of companies and enterprises	na	na	na
Administrative and waste services	5,948	9,375	3,427
Educational services	2,135	2,622	488
Health care and social assistance	57,067	84,473	27,406
Arts, entertainment, and recreation	2,737	2,581	-156
Accommodation and food services	14,831	11,246	-3,585
Other services, except public administration	55,005	37,065	-17,940
Government	240,070	316,574	76,504
Percent of Total			% Change 2001-2010
Labor Earnings			-2.1%
Non-services related	34.6%	20.7%	-41.4%
Farm	1.9%	0.2%	-90.4%
Forestry, fishing, & related activities	4.7%	3.0%	-38.7%
Mining (including fossil fuels)	1.6%	1.2%	-24.1%
Construction	4.4%	5.0%	10.8%
Manufacturing	21.9%	11.3%	-49.6%
Services related	31.7%	34.8%	7.5%
Utilities	0.0%	0.0%	-18.8%
Wholesale trade	0.1%	0.2%	218.1%
Retail trade	6.4%	7.4%	12.6%
Transportation and warehousing	2.5%	2.3%	-11.0%
Information	0.5%	0.7%	38.7%
Finance and insurance	2.0%	1.9%	-3.3%
Real estate and rental and leasing	1.0%	0.7%	-38.0%
Professional and technical services	1.8%	2.6%	42.8%
Management of companies and enterprises	na	na	na
Administrative and waste services	0.8%	1.2%	57.6%
Educational services	0.3%	0.3%	22.8%
Health care and social assistance	7.2%	10.9%	48.0%
Arts, entertainment, and recreation	0.3%	0.3%	-5.7%
Accommodation and food services	1.9%	1.5%	-24.2%
Other services, except public administration	6.9%	4.8%	-32.6%
Government	30.3%	40.8%	31.9%

All employment data are reported by place of work. Estimates for data that were not disclosed are shown in italics. (Source: ACS)

Regional significance

Recent personal income trends organized by NAICS offer more detail than the old Standard Industrial Classification (SIC) system, particularly with regard to services related industries. This is especially useful since in many geographies the majority of new personal income growth in recent years has taken place in services related industries.

Although NAICS captures much more detail on personal income from services related sectors, these industries still encompass a wide variety of high and low-wage occupations ranging from jobs in accommodation and food services to professional and technical services. The section in this report titled "How do wages compare across industries?" shows the difference in wages between various services related industries and compared to non-services related sectors.

It can be useful to ask whether the historical employment trends shown earlier in this report continues more recently, and what factors are driving a shift in industry makeup and competitive position. It may be the case that the economic role and contribution of public lands have changed along with broader economic shifts in many geographies.

The terms non-services related and services related are not terms used by the U.S. Department of Commerce. They are used in these pages to help organize the information into easy-to-understand categories.

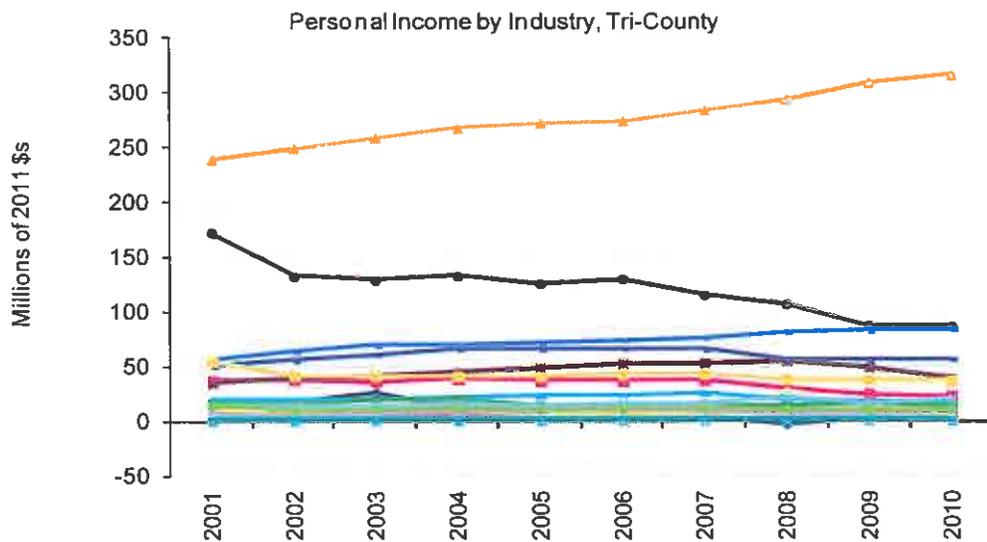
Changes in personal income by industry

This section describes recent personal income trends (in real terms) by major industry category (non-services related, services related, and government) and by industry. The personal income data are organized according to the North American Industrial Classification System (NAICS) and reported by place of work.

Services Related: Consists of employment in industries such as retail trade, finance, insurance and real estate, and services.

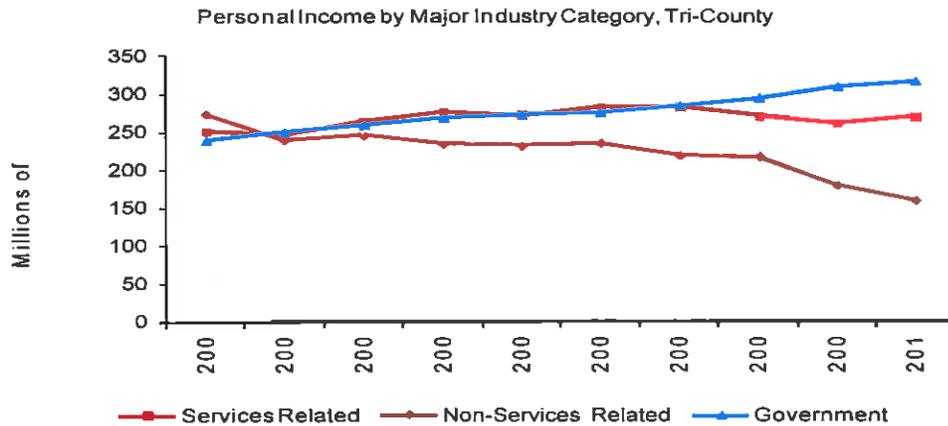
Non-Services Related: Consists of employment in industries such as farm, mining, and manufacturing.

Government: Consists of federal, military, state and local government employment, and government enterprise.



- Farm
- Mining (incl. fossil fuels)
- Construction
- Wholesale Trade
- Transportation, Warehousing
- Finance, Insurance
- Professional, Scientific, Tech
- Admin., Waste services
- Health Care, Social Assistance
- Accommodation, Food Services
- Government
- Agric. Services, Forestry, Fishing
- Utilities
- Manufact. (incl. forest products)
- Retail Trade
- Information
- Real estate, Rental, Leasing
- Management of Companies
- Educational Services
- Arts, Entertainment, Recreation
- Other Services (excl. public admin.)

From 2001 to 2010, the three industry sectors that added the most new personal income (in real terms) were government (\$76.5 million), health care, social assistance (\$27.4 million), and retail trade (\$6.4 million).



From 2001 to 2010, personal income from services related industries grew from \$251 million to \$270 million (in real terms), a 8% increase.

From 2001 to 2010, personal income from non-services related industries shrank from \$274 million to \$160 million (in real terms), a -42% decrease.

From 2001 to 2010, personal income from government jobs grew from \$240 million to \$317 million (in real terms), a 32% increase.

Labor participation

This page describes workers by hours worked per week and by weeks worked per year. Weeks worked per year and hours worked per week are irrespective of each other. For example, regardless of whether an individual worked 10 or 40 hours per week, if they worked 50 weeks per year, they will be recorded as having "worked 50 to 52 weeks per year".

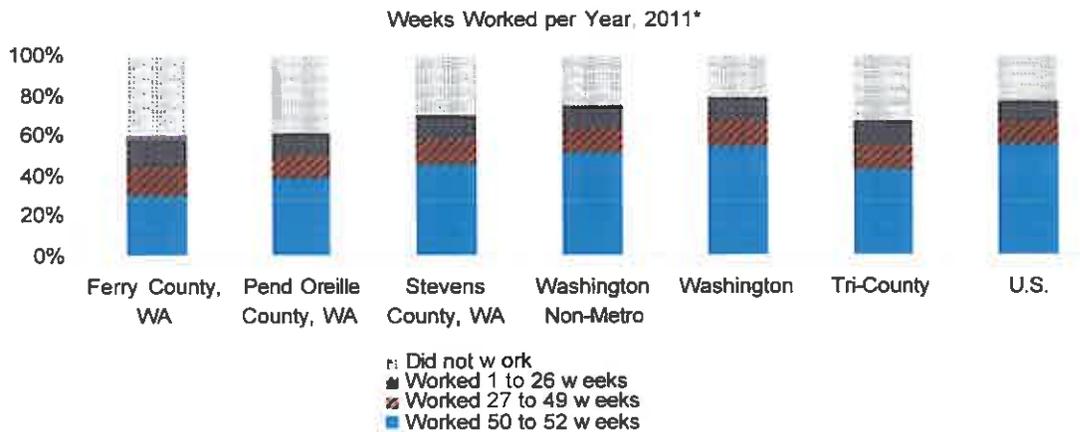
Labor Participation Characteristics, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Population 16 to 64	4,731	8,086	27,126	651,404	4,461,919	39,943	201,693,929
WEEKS WORKED PER YEAR:							
Worked 50 to 52 weeks	1,405	3,156	12,475	437,484	2,427,573	17,036	110,939,128
Worked 27 to 49 weeks	715	917	3,428	107,745	595,644	5,060	23,638,659
Worked 1 to 26 weeks	738	879	3,177	93,594	476,852	4,794	19,929,184
Did not work	1,873	3,134	8,046	212,581	961,850	13,053	47,186,958
HOURS WORKED PER WEEK:							
Worked 35 or more hours per week	1,885	3,631	13,706	477,307	2,626,406	19,222	118,855,055
Worked 15 to 34 hours per week	767	1,095	4,281	126,870	699,280	6,143	28,646,532
Worked 1 to 14 hours per week	206	226	1,093	34,646	174,383	1,525	7,005,384
Did not work	1,873	3,134	8,046	212,581	961,850	13,053	47,186,958
Mean usual hours worked for workers	36.9	38.5	37.6	38.5	38.2	37.7	38.7

Percent of Total

WEEKS WORKED PER YEAR:							
Worked 50 to 52 weeks	29.7%	39.0%	46.0%	51.4%	54.4%	42.7%	55.0%
Worked 27 to 49 weeks	15.1%	11.3%	12.6%	12.7%	13.3%	12.7%	11.7%
Worked 1 to 26 weeks	15.6%	10.9%	11.7%	11.0%	10.7%	12.0%	9.9%
Did not work	39.6%	38.8%	29.7%	25.0%	21.6%	32.7%	23.4%
HOURS WORKED PER WEEK:							
Worked 35 or more hours per week	39.8%	44.9%	50.5%	56.1%	58.9%	48.1%	58.9%
Worked 15 to 34 hours per week	16.2%	13.5%	15.8%	14.9%	15.7%	15.4%	14.2%
Worked 1 to 14 hours per week	4.4%	2.8%	4.0%	4.1%	3.9%	3.8%	3.5%
Did not work	39.6%	38.8%	29.7%	25.0%	21.6%	32.7%	23.4%

*The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.



In the 2007-2011 period, the U.S. had the highest estimated percent of people that worked 50 to 52 weeks per year (55.0%), and Ferry County, WA had the lowest (29.7%).

Regional significance

Often, if too few weeks worked per year, the local economy may suffer from underemployment of labor and human capital, translating to lower real incomes and a lower standard of living. For example, labor incomes in agriculture and other seasonal sources of employment have consistently been among the lowest of the industrial classes as reported by the U.S. Census.

However, shorter work weeks and fewer weeks worked per year can be indicative of worker preference. Part-time jobs (those that average less than 35 hours/week) are often ideal for students, people who are responsible for taking care of their dependents, and the elderly who

wish to remain active in the workplace but do not want to work a full schedule. Advances in computer technologies have also enabled workers to telecommute and work shorter and more flexible hours. And, in some cases, young adults seek out seasonal, tourism, or recreation related employment by choice. Since the 1960s, during periods of economic stability, the vast majority of part-time workers have been voluntary. For example, in 2006, only about one in seven part-time workers were involuntary (individuals wanting full-time jobs but working less than 35 hours/week).

Most employment statistics count full time, part time, and seasonal employment as the same, a single job. In places where a relatively large percent of the employment base is either part time or seasonally employed this may explain falling wages or rates of employment that outpace population change (see the Socioeconomic Measures report for changes in wages, employment, and population over time).

Commuting patterns

This section covers an analysis of workers who do not work from home, therefore are considered to be commuters. It provided information on cross-county work patterns and travel time to work.

Place of Work: The values reported under "place of work" describe the number of workers that live in the selected geographic area who worked either in or outside the county they live in.

Commuting Characteristics, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Workers 16 years and over	2,200	4,313	16,408	566,868	3,109,613	22,921	139,488,206
PLACE OF WORK:							
Worked in county of residence	1,745	2,473	10,744	438,657	2,523,409	14,962	101,187,364
Worked outside county of residence	455	1,840	5,664	128,211	586,204	7,959	38,300,842
TRAVEL TIME TO WORK:							
Less than 29 minutes	1,446	2,332	8,823	313,561	1,894,424	12,601	86,284,559
30 or more minutes	754	1,981	7,585	253,307	1,215,189	10,320	53,203,647
Mean travel time to work (minutes)	22	30	28	28	26	28	25

Percent of Total

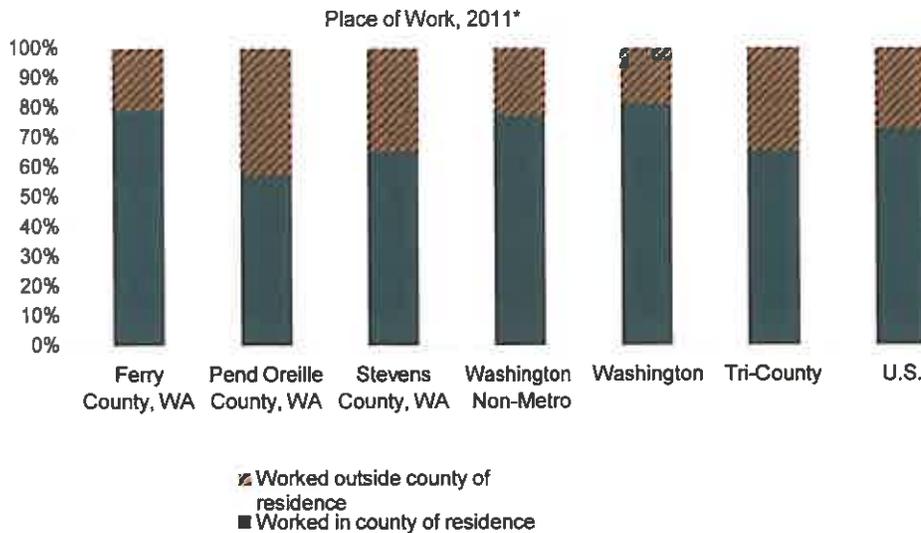
PLACE OF WORK:

Worked in county of residence	79.3%	57.3%	65.5%	77.4%	81.1%	65.3%	72.5%
Worked outside county of residence	20.7%	42.7%	34.5%	22.6%	18.9%	34.7%	27.5%

TRAVEL TIME TO WORK:

Less than 29 minutes	65.7%	54.1%	53.8%	55.3%	60.9%	55.0%	61.9%
30 or more minutes	34.3%	45.9%	46.2%	44.7%	39.1%	45.0%	38.1%

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.



In the 2007-2011 period, Pend Oreille County, WA had the highest estimated percent of people that worked outside the county of residence (42.7%), while close to 80% of workers in Stevens County worked in-County.

Majority of travel time for the Tri-County workers (55%) was less than half-hour, while 45% of the workers commuted more than half-hour of travel time.

Regional significance

High rates of out-commuting are more common in rural communities, as it is the case for Tri-County Regions workers. Economic development is sometimes affected by commuting in unanticipated ways: strategies aimed at increasing jobs in a community will not necessarily mean jobs for residents. Conversely, creating job opportunities for residents does not always require bringing jobs into that community.

This information provides a perspective of the importance of regional economies where cross-county commuting to take advantage of available jobs elsewhere is an important factor when considering regional comparative advantages for purposes of incentives, infrastructure development, training and other facilities development in economic development planning.

High out-commuting rates can also separate tax revenues from demands for services, complicating fiscal planning for local governments. "Bedroom communities," those with high levels of out-commuting, may struggle to provide social services, housing, and water and sewer facilities without an adequate source of revenue. Higher levels and longer distance of commuting likely indicate a housing-job imbalance. This can result from unaffordable housing prices or other residential constraints.

3.3 Income

Income distribution

This section covers the distribution of household income.

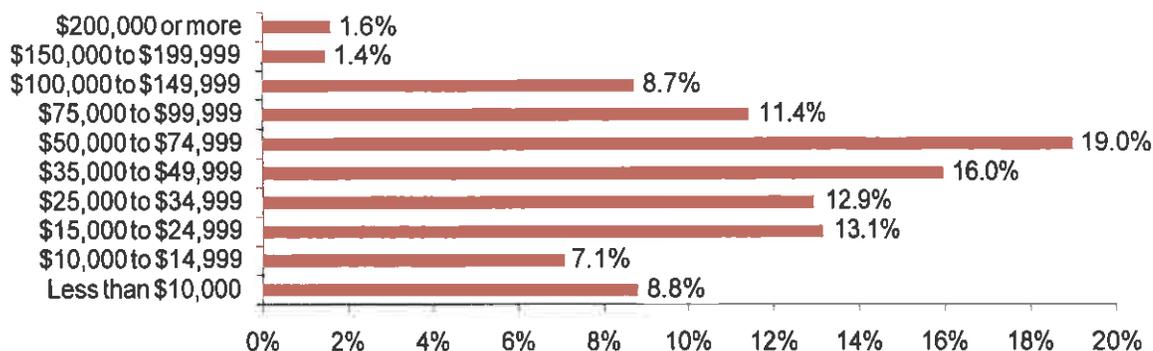
Per Capita Income: Total personal income divided by total population of an area.

Household: A household includes all the people who occupy a housing unit as their usual place of residence.

Household Income Distribution, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Per Capita Income (2011 \$s)	\$18,937	\$22,458	\$22,232	\$29,406	\$30,481	\$21,978	\$27,915
Median Household Income^ (2011 \$s)	\$35,684	\$38,922	\$44,354	\$61,730	\$58,890	\$39,653	\$52,762
Total Households	2,825	5,450	17,652	490,119	2,602,568	25,927	114,761,359
Less than \$10,000	304	557	1,419	23,996	155,477	2,280	8,176,081
\$10,000 to \$14,999	201	496	1,136	18,753	112,068	1,833	6,248,397
\$15,000 to \$24,999	538	797	2,071	41,142	234,459	3,406	12,217,054
\$25,000 to \$34,999	329	680	2,342	45,022	248,756	3,351	11,944,165
\$35,000 to \$49,999	439	816	2,881	66,289	353,286	4,136	15,874,513
\$50,000 to \$74,999	460	862	3,601	98,720	502,735	4,923	21,057,656
\$75,000 to \$99,999	269	586	2,099	71,602	357,494	2,954	14,181,160
\$100,000 to \$149,999	216	491	1,551	76,967	383,442	2,258	14,551,369
\$150,000 to \$199,999	30	92	253	26,324	136,439	375	5,354,595
\$200,000 or more	39	73	299	21,304	118,412	411	5,156,369
Percent of Total							
Less than \$10,000	10.8%	10.2%	8.0%	4.9%	6.0%	8.8%	7.1%
\$10,000 to \$14,999	7.1%	9.1%	6.4%	3.8%	4.3%	7.1%	5.4%
\$15,000 to \$24,999	19.0%	14.6%	11.7%	8.4%	9.0%	13.1%	10.6%
\$25,000 to \$34,999	11.6%	12.5%	13.3%	9.2%	9.6%	12.9%	10.4%
\$35,000 to \$49,999	15.5%	15.0%	16.3%	13.5%	13.6%	16.0%	13.8%
\$50,000 to \$74,999	16.3%	15.8%	20.4%	20.1%	19.3%	19.0%	18.3%
\$75,000 to \$99,999	9.5%	10.8%	11.9%	14.6%	13.7%	11.4%	12.4%
\$100,000 to \$149,999	7.6%	9.0%	8.8%	15.7%	14.7%	8.7%	12.7%
\$150,000 to \$199,999	1.1%	1.7%	1.4%	5.4%	5.2%	1.4%	4.7%
\$200,000 or more	1.4%	1.3%	1.7%	4.3%	4.5%	1.6%	4.5%

Household Income Distribution, Tri-County, 2011*



In the 2007-2011 period, the income category in the Tri-County with the most households was \$50,000 to \$74,999 (19.0% of households). The income category with the fewest households was \$150,000 to \$199,999 (1.4% of households).

In the 2007-2011 period, the bottom 40% of households in the Tri-County accumulated approximately 12.7% of total income, and the top 20% of households accumulated approximately 53.8% of total income.

Regional significance

The distribution of income can help to highlight several important aspects of economic well-being. A large number of households in the lower end of income distribution indicate economic hardship. A bulge in the middle distribution can be interpreted as the size of the middle class.

Understanding income differences within and between geographies helps to highlight areas where the population or a sub-population may be experiencing economic hardship.

Poverty levels

Following the Office of Management and Budget's Directive 14, the Census Bureau a set of income thresholds was used that vary by family size and composition to detect who is poor. If the total income for a family or an unrelated individual falls below the relevant poverty threshold, then the family or an unrelated individual is classified as being "below the poverty level."

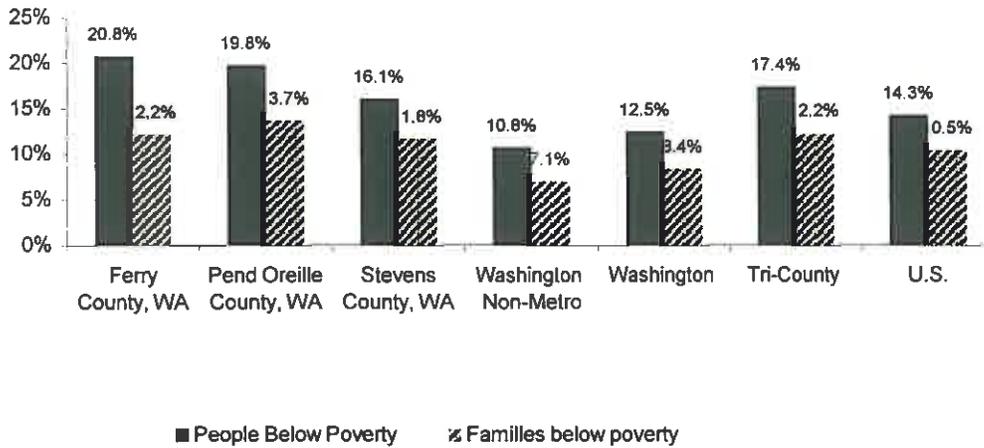
Family: A group of two or more people who reside together and who are related by birth, marriage, or adoption.

Poverty, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U S.
People	7,433	12,819	42,791	1,292,832	6,519,490	63,043	298,787,998
Families	1,978	3,630	12,423	362,675	1,683,102	18,029	76,507,230
People Below Poverty	1,547	2,538	6,900	138,177	816,509	10,986	42,739,924
Families below poverty	242	498	1,480	25,640	141,588	2,200	8,000,077
Percent of Total							
People Below Poverty	20.8%	19.8%	16.1%	10.8%	12.5%	17.4%	14.3%
Families below poverty	12.2%	13.7%	11.8%	7.1%	8.4%	12.2%	10.5%

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.

Individuals and Families Below Poverty, 2011*



In the 2007-2011 period, Ferry County, WA had the highest estimated percent of individuals living below poverty (20.8%). As a region, poverty rate of individuals, as well as of families of Tri-County, surpassed poverty levels of other rural WA counties, the State, as well as National averages.

Percent Below Poverty Level by Age & Family Type, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
People	20.8%	19.8%	16.1%	10.8%	12.5%	17.4%	14.3%
Under 18 years	23.0%	29.0%	23.2%	14.8%	16.5%	24.3%	20.0%
65 years and older	9.0%	11.0%	8.5%	6.0%	7.8%	9.1%	9.4%
Families	12.2%	13.7%	11.8%	7.1%	8.4%	12.2%	10.5%
Families with related children < 18 years	19.5%	28.5%	17.8%	12.0%	13.5%	19.8%	16.4%
Married couple families	5.2%	6.9%	7.4%	4.1%	4.2%	7.1%	5.1%
with children < 18 years	1.2%	12.1%	9.9%	6.3%	6.2%	9.3%	7.4%
Female householder, no husband present	48.0%	40.0%	35.3%	27.4%	27.1%	38.3%	29.4%
with children < 18 years	58.1%	56.6%	45.8%	35.9%	34.7%	50.5%	38.2%

Percent below poverty level by age and family type is calculated by dividing the number of people by demographic in poverty by the total population of that demographic.

Regional significance

Poverty is an important indicator of economic well-being. Poverty rates are often reported in aggregate, which can hide important differences. The bottom table shows poverty for various types of individuals and families. This is important because aggregate poverty rates (for example, families below poverty) may hide some important information, such as the poverty rate for single mothers with children, children under the age of 18, as well the aged.

Poverty levels and ethnicity

This page describes the number of people living in poverty by race and ethnicity. It also shows the share of all people living in poverty by race and ethnicity, and the share of each race and ethnicity living in poverty.

Race: Race is a self-identification data item in which Census respondents choose the race or races with which they most closely identify.

Ethnicity: There are two minimum categories for ethnicity: Hispanic or Latino, and Not Hispanic or Latino. The federal government considers race and Hispanic origin to be two separate and distinct concepts. Hispanics and Latinos may be of any race.

Poverty by Race and Ethnicity^A, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Total Population (all races) In Poverty	1,547	2,539	6,900	139,177	816,509	10,986	42,739,924
White alone	1,005	2,260	5,818	105,329	555,928	9,083	25,659,922
Black or African American alone	8	0	11	1,025	54,590	19	9,472,583
American Indian alone	386	138	431	9,471	23,342	955	651,228
Asian alone	12	0	15	1,459	51,854	27	1,883,303
Native Hawaiian & Oth.Pacific Is. alone	5	0	3	352	8,588	8	85,348
Some other race	85	38	47	16,056	78,719	188	3,792,158
Two or more races	46	105	575	5,485	45,608	726	1,415,388
All Ethnicities In Poverty							
Hispanic or Latino (of any race)	102	28	181	32,445	185,613	311	11,197,648
Not Hispanic or Latino (of any race)	1,445	2,511	6,719	106,732	630,896	10,675	31,542,276

Percent of Total (Total = All individuals in poverty)

White alone	65.0%	89.0%	84.3%	75.7%	68.1%	82.7%	60.0%
Black or African American alone	0.5%	0.0%	0.2%	0.7%	6.7%	0.2%	22.2%
American Indian alone	25.0%	5.4%	6.2%	6.8%	2.9%	8.7%	1.5%
Asian alone	0.8%	0.0%	0.2%	1.0%	6.4%	0.2%	3.9%
Native Hawaiian & Oth.Pacific Is. alone	0.3%	0.0%	0.0%	0.3%	0.8%	0.1%	0.2%
Some other race	5.5%	1.4%	0.7%	11.5%	9.6%	1.5%	8.9%
Two or more races	3.0%	4.1%	8.3%	3.9%	5.6%	6.6%	3.3%

^A Percent of total population in poverty by race and ethnicity is calculated by dividing the number of people in poverty in each racial or ethnic category by the total population.

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.

Percent of People by Race and Ethnicity Who Are Below Poverty⁻, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
White alone	17.6%	19.5%	15.1%	9.3%	10.8%	16.3%	11.6%
Black or African American alone	47.1%	0.0%	5.8%	12.3%	24.5%	8.2%	25.8%
American Indian alone	29.8%	28.2%	22.9%	28.3%	25.7%	28.1%	27.0%
Asian alone	12.8%	0.0%	5.7%	5.1%	11.2%	6.7%	11.7%
Native Hawaiian & Oceanic alone	20.0%	na	4.5%	16.9%	30.0%	37.7%	24.6%
Some other race alone	84.2%	19.1%	29.9%	34.2%	16.0%	30.5%	18.7%
Two or more races alone	22.7%	22.3%	33.8%	13.6%	26.1%	17.6%	23.2%
Hispanic or Latino alone	48.8%	7.4%	15.5%	27.4%	9.7%	16.3%	8.9%
Non-Hispanic/Latino alone	17.9%	19.5%	15.1%	8.5%			

⁻Poverty prevalence by race and ethnicity is calculated by dividing the number of people by race in poverty by the total population of that race.

Regional significance

For policy decisions and planning, understanding whether different races and ethnicities are affected by poverty can be important. People with limited income and from different races and ethnicities may have different needs, values and attitudes, as they relate to public assistance, occupational training and other services, that may be provided.

The poverty thresholds are updated every year by the Census Bureau to reflect changes in the Consumer Price Index. The poverty thresholds are the same for all parts of the country. They are not adjusted for regional, state or local variations in the cost of living.

Components of household earnings

This section covers analysis of household earnings by source. It excludes investment and rental income sources.

Labor Earnings: Refers to households that receive wage or salary income and net income from self-employment.

Social Security: Refers to households that receive income that includes Social Security pensions and survivor benefits, permanent disability insurance payments made by the Social Security Administration before deductions for medical insurance, and railroad retirement insurance. It does not include Medicare reimbursement.

Retirement income: Consists of families that receive income from: (1) retirement pensions and survivor benefits from a former employer; labor union; or federal, state, or local government; and the U.S. military; (2) disability income from companies or unions; federal, state, or local government; and the U.S. military; (3) periodic receipts from annuities and insurance; and (4) regular income from IRA and Keogh plans. It does not include Social Security income.

Supplemental Security Income (SSI): Refers to households that receive assistance by the Social Security Administration that guarantees a minimum level of income for needy aged, blind, or disabled individuals.

Cash Public Assistance Income: Are households that receive public assistance that includes general assistance and Temporary Assistance to Needy Families (TANF). It does not include separate payments received for hospital or other medical care (vendor payments) or Supplemental Security Income (SSI) or noncash benefits such as Food Stamps.

Food Stamps/SNAP: Refers to households that receive coupons or cards that can be used to purchase food. This program was recently renamed the Supplemental Nutrition Assistance Program (SNAP). ACS does not report mean dollar amounts for this item.

Number of Households Receiving Earnings, by Source, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Total households:	2,825	5,450	17,852	490,119	2,802,588	25,927	114,761,359
Labor earnings	1,669	3,444	12,360	380,588	2,090,770	17,473	90,888,685
Social Security (SS)	1,314	2,123	6,632	152,375	663,000	10,069	32,005,143
Retirement income	821	1,222	4,176	110,985	466,941	6,219	20,126,378
Supplemental Security Income (SSI)	212	451	1,098	18,264	101,384	1,759	4,948,413
Cash public assistance income	171	222	870	16,395	101,415	1,263	2,948,651
Food Stamp/SNAP	430	1,003	2,698	43,959	266,377	4,131	11,759,700

Percent of Total^

Labor earnings	58.1%	63.2%	70.0%	77.7%	80.3%	67.4%	79.2%
Social Security (SS)	46.5%	39.0%	37.6%	31.1%	25.5%	38.8%	27.9%
Retirement income	29.1%	22.4%	23.7%	22.6%	17.9%	24.0%	17.5%
Supplemental Security Income (SSI)	7.5%	8.3%	6.2%	3.7%	3.9%	6.8%	4.3%
Cash public assistance income	6.1%	4.1%	4.9%	3.3%	3.9%	4.9%	2.8%
Food Stamp/SNAP	15.2%	18.4%	15.3%	9.0%	11.0%	15.9%	10.2%

In the 2007-2011 period, the highest estimated percent of public assistance in the Tri-County was in the form of Social Security (SS) (38.8%) and the lowest was in the form of Cash public assistance income (4.9%).

Comparisons of the Tri-County Region with that of other rural WA counties, the State and the Nation, indicate that the Region has a significantly higher percentage of its households being dependent on non-labor earnings for its subsistence.

Mean Annual Household Earnings by Source, 2011 (2011 \$s)

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Mean earnings	\$46,149	\$53,869	\$53,673	\$76,257	\$78,517	\$52,993	\$73,702
Mean Social Security income	\$16,259	\$16,864	\$16,379	\$17,519	\$16,745	\$16,424	\$16,213
Mean retirement income	\$20,964	\$20,472	\$20,895	\$24,553	\$23,107	\$20,821	\$22,490
Mean Supplemental Security Income	\$9,707	\$8,189	\$8,841	\$9,275	\$8,882	\$8,778	\$8,829
Mean cash public assistance income	\$2,581	\$3,038	\$3,115	\$3,842	\$3,756	\$3,029	\$3,729

With respect to average earnings from these sources, the Tri-County Region’s average earnings of \$52,993 is significantly less than other rural WA counties, the State as well as the Nation.

In the Tri-County Region, Ferry County ranks the lowest, at 88% of the Region’s and 69% of the rural WA counties and the state’s average earnings.

Regional significance

Labor earnings are not the only source of income, and for many families and communities, a significant portion of income can be in the form of additional sources, such as retirement, Social Security and public assistance. While some payments may be an indication of an aging population or an influx of retirees (retirement payments), other measures (for example, SSI or Food Stamps) are an indication of economic hardship.

3.4 Social Characteristics

Education and enrollment levels

This section describes levels of educational attainment.

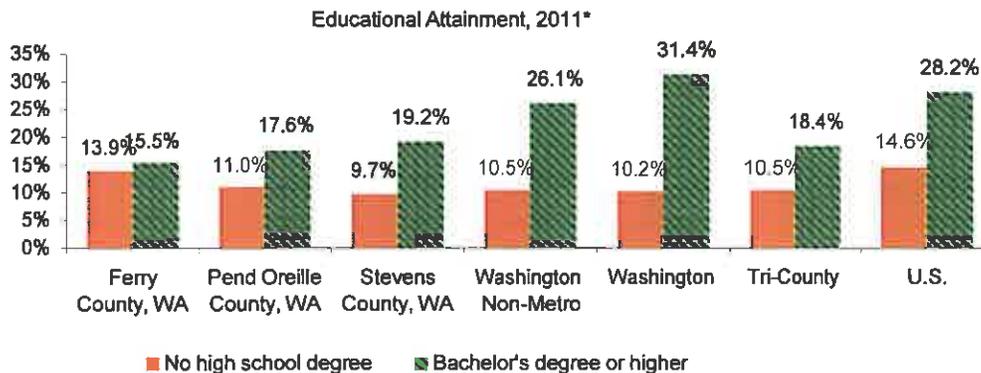
Educational Attainment: This refers to the level of education completed by people 25 years and over in terms of the highest degree or the highest level of schooling completed.

School Enrollment: The ACS defines people as enrolled in school if when the survey was conducted they were attending a public or private school or college at any time during the three months prior to the time of interview. People enrolled in vocational, technical, or business school such as post secondary vocational, trade, hospital school, and on job training were not reported as enrolled in school.

Educational Attainment, 2011*

	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Total Population 25 yrs or older	5,223	9,374	30,189	902,686	4,436,836	44,766	202,048,123
No high school degree	727	1,035	2,919	94,601	453,931	4,681	29,518,935
High school graduate	4,496	8,339	27,270	808,065	3,982,705	40,105	172,529,188
Associates degree	571	918	3,514	90,312	418,109	5,003	15,344,048
Bachelor's degree or higher	807	1,653	5,797	235,570	1,391,812	8,257	56,973,624
Bachelor's degree	478	1,095	4,002	150,786	891,470	5,575	35,852,277
Graduate or professional	329	558	1,795	84,784	500,342	2,682	21,121,347
Percent of Total							
No high school degree	13.9%	11.0%	9.7%	10.5%	10.2%	10.5%	14.6%
High school graduate	86.1%	89.0%	90.3%	89.5%	89.8%	89.5%	85.4%
Associates degree	10.9%	9.8%	11.8%	10.0%	9.4%	11.2%	7.6%
Bachelor's degree or higher	15.5%	17.6%	19.2%	26.1%	31.4%	18.4%	28.2%
Bachelor's degree	9.2%	11.7%	13.3%	16.7%	20.1%	12.4%	17.7%
Graduate or professional	6.3%	6.0%	5.9%	9.4%	11.3%	6.0%	10.5%

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.



In the 2007-2011 period, Tri-County Region, except Ferry County, shows similar high school attainment rates for population over the age of 25, as other rural WA Counties, the State and the Nation. However, with respect to higher education (those with at least a bachelor's degree) the Region falls behind significantly. We see that only about 18.4% of the adult population to have a university degree, compared to 26.1% in other rural counties, 31.4% in the State and 28.2% in the Nation.

Education level of a community is one of the most important indicators of the potential for economic success and an important indicator of the potential for future growth. Level of community's educational level is closely linked to types of business attraction and job opportunities, and income and poverty levels. Studies show that geographies with a higher than average educated workforce grow faster, have higher incomes, and suffer less during economic downturns.

3.5 Housing availability and affordability

Availability

This section reviews whether housing is occupied or vacant, for rent or seasonally occupied, and the year built.

Rent: The number of homes for rent was defined as occupied housing units that were for rent, vacant housing units that were for rent, and vacant units rented but not occupied at the time of interview.

For Seasonal, Recreational, or Occasional Use: Refers to vacant units used or intended for use only in certain seasons or for weekends or other occasional use throughout the year.

Housing Characteristics, 2011*

	Ferry County WA	Pend Oreille County WA	Stevens County WA	Washington Non-Metro	Washington	Tri-County	U.S.
Total Housing Units	4,368	7,816	20,892	589,677	2,861,985	33,076	131,034,946
Occupied	2,825	5,450	17,652	490,119	2,602,568	25,927	114,761,359
Vacant	1,543	2,366	3,240	99,558	259,417	7,149	16,273,587
For seasonal, recreational use	925	1,571	1,944	61,416	86,173	4,440	4,885,710
Other vacant	618	795	1,296	38,142	173,244	2,709	11,387,877
Year Built							
Built 2005 or later	209	246	1,284	52,338	177,228	1,739	6,658,492
Built 2000 to 2004	235	681	1,419	72,958	265,150	2,335	11,415,195
Built 1990 to 1999	757	1,315	4,292	124,772	502,879	6,364	18,307,034
Built 1980 to 1989	845	1,071	2,823	83,557	406,624	4,739	18,428,096
Built 1970 to 1979	1,044	1,790	5,136	105,879	507,651	7,970	21,251,589
Built 1960 to 1969	400	547	1,439	42,298	289,561	2,386	14,747,639
Built 1959 or earlier	878	2,166	4,499	107,875	712,892	7,543	40,226,901
Median year structure built^A	1979	1977	1979	1985	1978	197	1975
Percent of Total							
Occupancy							
Occupied	64.7%	69.7%	84.5%	83.1%	90.9%	78.4%	87.6%
Vacant	35.3%	30.3%	15.5%	16.9%	9.1%	21.6%	12.4%
For seasonal, recreational use	21.2%	20.1%	9.3%	10.4%	3.0%	13.4%	3.7%
Other vacant	14.1%	10.2%	6.2%	6.5%	6.1%	8.2%	8.7%
Year Built							
Built 2005 or later	4.8%	3.1%	6.1%	8.9%	6.2%	5.3%	5.1%
Built 2000 to 2004	5.4%	8.7%	6.8%	12.4%	9.3%	7.1%	8.7%
Built 1990 to 1999	17.3%	16.8%	20.5%	21.2%	17.6%	19.2%	14.0%
Built 1980 to 1989	19.3%	13.7%	13.5%	14.2%	14.2%	14.3%	14.1%
Built 1970 to 1979	23.9%	22.9%	24.6%	18.0%	17.7%	24.1%	16.2%
Built 1960 to 1969	9.2%	7.0%	6.9%	7.2%	10.1%	7.2%	11.3%
Built 1959 or earlier	20.1%	27.7%	21.5%	18.3%	24.9%	22.8%	30.7%

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.



Regional significance

Vacancy status is an indicator of the housing market and provides information on the stability and quality of housing. The data is used to assess the demand for housing, to identify housing turnover within areas, and to better understand the population within the housing market over time. These data also serve to aid in the development of housing programs to meet the needs of persons at different economic levels.

Seasonal or recreational homes (i.e., “second homes”) are often an indicator of the desirability of a place for recreation and tourism, as is seen in the data related to the Tri-County Region. This could also be used as an indicator of recreational and scenic amenities, which can be one of the economic contributions of public lands.

While the late 1990s and early 2000s were a period of rapid home development throughout the country, there have been other periods when housing grew at a fast rate (the late 1970s, for example, in some parts of the country). Understanding the relative growth rates of housing is relevant as an indicator of overall economic growth.

Housing affordability

This section describes whether housing is affordable for homeowners and renters.

Owner-Occupied Housing Unit: A housing unit is owner-occupied if the owner or co-owner lives in the unit even if it is mortgaged or not fully paid for.

Renter-Occupied Housing Unit: All occupied units which are not owner-occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter-occupied.

Household: A household includes all the people who occupy a housing unit as their usual place of residence.

Monthly Costs (owner-occupied): The sum of payment for mortgages, real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees.

Gross Rent: The amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid for by the renter (or paid for the renter by someone else).

Housing Costs as a Percent of Household Income, 2011*

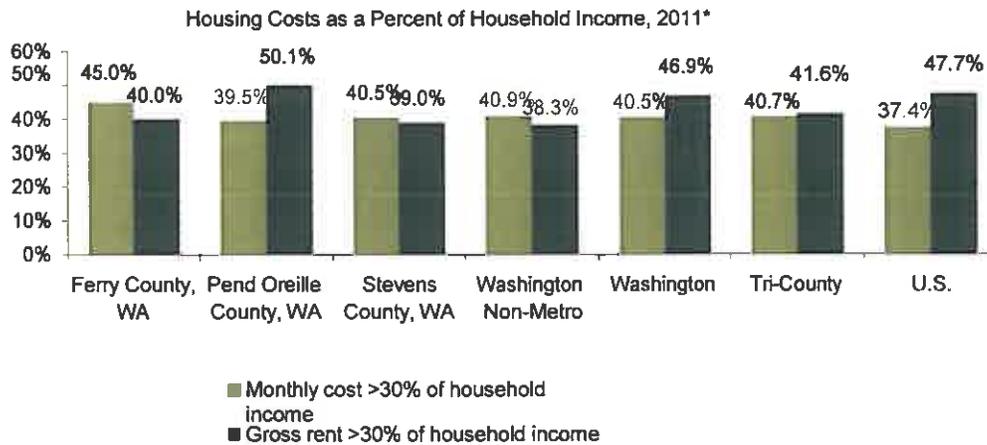
	Ferry County, WA	Pend Oreille County, WA	Stevens County, WA	Washington Non-Metro	Washington	Tri-County	U.S.
Owner-occupied housing units with a mortgage	980	2,258	8,569	266,928	1,219,063	11,807	51,321,962
Monthly cost <15% of household income	181	453	1,426	37,839	166,326	2,060	8,735,120
Monthly cost >30% of household income	441	891	3,468	109,084	483,363	4,800	19,171,992
Specified renter-occupied units	705	1,181	3,375	93,703	926,319	5,261	38,864,600
Gross rent <15% of household income	185	132	495	13,204	98,180	792	4,288,258
Gross rent >30% of household income	282	592	1,317	35,874	434,858	2,191	18,532,039
Median monthly mortgage cost [^]	\$520	\$541	\$819	\$1,230	\$1,451	na	\$1,148
Median gross rent [^]	\$528	\$599	\$584	\$834	\$923	na	\$871

Percent of Total

Monthly cost <15% of household income	18.5%	20.1%	16.6%	14.2%	13.6%	17.4%	17.0%
Monthly cost >30% of household income	45.0%	39.5%	40.5%	40.9%	40.5%	40.7%	37.4%
Gross rent <15% of household income	23.4%	11.2%	14.7%	14.1%	10.6%	15.1%	11.0%
Gross rent >30% of household income	40.0%	50.1%	39.0%	38.3%	46.9%	41.6%	47.7%

[^] Median monthly mortgage cost and median gross rent are not available for metro/non-metro or regional aggregations.

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.



In the 2007-2011 period, Ferry County had the highest estimated percent of owner-occupied households where greater than 30% of household income was spent on mortgage costs (45.0%) and Pend Oreille County had the highest estimated percent of renter-occupied households where greater than 30% of household income was spent on gross rent (50.1%).

Regional significance

An important indicator of economic hardship is whether housing is affordable. That is; measures of housing affordability in terms of the share of household income that is devoted to mortgage and related costs (for homeowners) and rent and related costs (for renters). The income share devoted to housing that is below 15 percent is a good proxy for highly affordable, while the income share devoted to housing that is above 30 percent is a good proxy for unaffordable.

3.6 Benchmarks

Comparisons of Tri-County demographic, income, and social characteristics to Washington State and the USA

This page compares key demographic, income, and social indicators from the region to Washington State and the Nation.

Race: Race is a self-identification data item in which Census respondents choose the race or races with which they most closely identify. The Office of Management and Budget revised the standards in 1997 for how the Federal government collects and presents data on race and ethnicity.

Poverty: Following the Office of Management and Budget's Directive 14, the Census Bureau uses a set of income thresholds that vary by family size and composition to detect who is poor. If the total income for a family or an unrelated individual falls below the relevant poverty threshold, then the family or an unrelated individual is classified as being "below the poverty level."

Baby Boomers: Baby boomers are defined as having been born between 1946-1964. The reported percent of population that are "baby boomers" has some associated error since ACS generally reports age classes in 5-year increments (55 to 59 years, 60 to 64 years, etc.).

Social Security: Refers to households who receive income that includes Social Security pensions and survivor benefits, permanent disability insurance payments made by the Social Security Administration before deductions for medical insurance, and railroad retirement insurance. It does not include Medicare reimbursement.

Retirement Income: Consists of families that receive income from: (1) retirement pensions and survivor benefits from a former employer; labor union; or federal, state, or local government; and the U.S. military; (2) disability income from companies or unions; federal, state, or local government; and the U.S. military; (3) periodic receipts from annuities and insurance; and (4) regular income from IRA and Keogh plans. It does not include Social Security income.

Tri-County vs. WA and US

Socioeconomic Benchmarks*

Relative Performance, 2000 – 2010		Tri-County	Washington	U.S.
Trends	Population (percent change (2000-2010))	8.2%	14.1%	9.6%
	Employment (percent change (2000-2010))	-2.9%	7.7%	5.1%
	Personal Income (percent change (2000-2010))	21.5%	18.4%	14.0%
	Average Earnings per Job (percent change (2000-2010))	3.0%	1.7%	2.3%
	Per Capita Income (percent change (2000-2010))	12.2%	3.8%	4.0%
Prosperity	Average Earnings per Job (2010)	\$34,864	\$56,547	\$53,347
	Per Capita Income (2010)	\$28,891	\$43,933	\$41,197
	Average Annual Wages - Services Related (2010)	\$25,568	\$48,231	\$46,017
	Average Annual Wages - Non-Services Related (2010)	\$44,088	\$55,949	\$56,216
	Average Annual Wages - Government Related (2010)	\$39,515	\$52,176	\$49,187
Unemployment	Unemployment Rate (change 2000-2011)	4.8%	4.2%	4.9%
	Unemployment Rate (2011)	12.4%	9.2%	8.9%
Structure	Percent of Employment in Proprietors (2010)	31.5%	20.5%	21.7%
	Percent of Personal Income in Non-Labor (2010)	52.9%	35.5%	35.2%
	Percent of Services Related Jobs (2010)	45.4%	67.4%	70.9%
	Percent of Non-Services Related Jobs (2010)	24.3%	15.9%	14.9%
	Percent of Government Jobs (2010)	26.1%	16.7%	14.2%
	Commuting (Worked outside county of residence. Source: 2011 ACS)	34.7%	18.9%	27.5%

* The data in this table are calculated using 2000 and 2010 Census and ACS annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.

Tri-County vs. WA and US

Demographic Benchmarks*

Indicators*		Tri-County	Washington	U.S.
Demographics	Population Growth (% change, 2000-2011*)	8.2%	12.9%	8.9%
	Median Age (2011*)	46.1	37.1	37.0
	Percent Population White Alone (2011*)	88.5%	79.0%	74.1%
	Percent Population Hispanic or Latino (2011*)	2.9%	10.9%	16.1%
	Percent Population American Indian or Alaska Native (2011*)	5.8%	1.4%	0.8%
	Percent of Population 'Baby Boomers' (2011*)	35.8%	28.7%	27.8%
Income	Median Household Income (2011*)	\$39,653	\$58,890	\$52,762
	Per Capita Income (2011*)	\$21,889	\$30,481	\$27,915
	Percent Individuals Below Poverty (2011*)	17.4%	12.5%	14.3%
	Percent Families Below Poverty (2011*)	12.2%	8.4%	10.5%
	Percent of Households with Retirement and Social Security Income (2011*)	62.8%	43.4%	45.4%
	Percent of Households with Public Assistance Income (2011*)	27.6%	18.8%	17.1%
Structure	Percent Population 25 Years or Older without High School Degree (2011*)	10.5%	10.2%	14.6%
	Percent Population 25 Years or Older with Bachelor's Degree or Higher (2011*)	18.4%	31.4%	28.2%
	Percent of Houses that are Seasonal Homes (2011*)	13.4%	3.0%	3.7%
	Owner-Occupied Homes where Greater than 30% of Household Income Spent on Mortgage (2011*)	40.7%	40.5%	37.4%
	Renter-Occupied Homes where Greater than 30% of Household Income Spent on Gross Rent (2011*)	41.6%	46.9%	47.7%

* The data in this table are calculated by ACS using annual surveys conducted during 2007-2011 and are representative of average characteristics during this period.

4. Opportunities and Challenges

4.1 Strengths, Weaknesses, Opportunities and Threats (S.W.O.T) of Regional Economy and TEDD's Role

STRENGTHS

- Loan Program(s)
- NEW RTPO
- Colville Incubator Facilities
- Partnerships (USDA-RD, Rural Resources, WorkSource, Horizons, EWU, WSU, SCORE)
- TEDD's Organization Structure / Longevity of Organization
- TEDD's Fiscal Responsibility / Financial Stability
- Community's Support of Family-Owned Businesses
- Large Employment Pool
- High Population of Vets
- Local Education Resources (Community College, KCTS, Job Corps)
- Community's Strong Agricultural and Timber Background
- Abundant Natural Resources
- Healthcare Network of hospitals, clinics, home health organizations, etc.
- Recognized area for hunting, fishing, skiing, hiking, etc.
- Tri-County area recognized as retirement area
- Strong community support of natural resource industry

WEAKNESSES

- Different county agendas
- Private Sector Minimally involved on TEDD Board
- Inadequate TEDD Staffing - cannot support the Tri-County area's economic development needs
- Some Compact Members not Adequately Represented, esp. Tribal Representation on TEDD Board
- Inadequate orientation for new members
- Some compact members not adequately represented / Tribal representation
- Perceived value / success of TEDD's and Associate Organizations
- Inadequacy of assessing Real Achievable Goals / Measurable Goals of TEDD and Associate Organizations
- Communications among public agencies and private entities
- Unequal distribution of TEDD's services and resources
- Marketing of region
- Perception and trust, objectivity and representativeness
- Weak Transportation Networks. Limited use of railways and no Regional Airport
- High unemployment
- Reduced Government Capacity, Responsiveness to Community Needs
- Regulatory permitting climate (state and federal) can be difficult, costly and time-consuming
- Cumbersome bureaucratic process of GMA

OPPORTUNITIES

- Tri-County Broadband Development
- Refocus economic development efforts via preparation and updating of CEDS

- Partnerships with chambers, business organizations, educational institutions
- Need for action on commonly agreed economic development objectives
- Available funding from public sources
- Recruitment of hi-tech businesses / entrepreneurs
- Working Committees involving Tourism, Transit, Agriculture, Transportation
- Expansion of Post High School Training to include more trade curriculums

THREATS

- Declining / no changes in State and Federal government funding
- Declining Local Government Funding
- Ageing population
- Economic recovery slower than State and Nation
- High Fuel and Other Energy Costs / Availability
- Effects of Changing Climate
- Lack of/Loss of Healthcare Professionals due to National Demand
- Rising Healthcare Costs
- Water Usage / Availability and Loss of Water Rights
- Overall sense of complacency among public regarding natural resource industries

4.2 Vision and Mission

The Vision

Developing a vision for TEDD and the Tri-County economy is continually one of the most challenging components of strategic planning. The vision requires a concise statement that presents a compelling picture of the future. The statement must be vibrant and passionate and it must create a picture in everyone's mind, not the minds of just a few people, of what our future holds. The key statements that have resulted during these vision discussions include:

- The Tri-County area will have a diverse economy able to support the highest quality of life that is sustainable and attractive.
- The Tri-county area will be a vital district in touch with the world, not isolated, with proactive, adaptive management of infrastructure to meet the rapidly changing needs of society.
- The Tri-County area has achieved economic stability while maintaining our rural quality of life.
- Other discussions brought forth ideas such as:
 - Affordable/available, high quality healthcare for everyone;
 - Diverse economy with more family wage jobs; and
 - Youth will be able to live and work here as adults.

Based on these ideas, the CEDS Committee and TEDD Board of Directors prioritized and voted on the most important concepts. The following vision statement resulted:

The Tri-County Economic Development District, representing Ferry, Stevens and Pend Oreille Counties, utilizes proactive infrastructure development and strategic management to meet the needs of our rapidly changing society. This focus will create an environment where family wage employment opportunities exist for everyone. As a result, the economic environment of the Tri-County area will be sustainable, attractive and diverse.*

* As per 13 CFR 304.1 and RCW 43.330.080.

The Mission

A mission statement is different than the vision statement. A well-written mission statement describes three things:

1. What the organization does;
2. How the organization does it; and
3. Why the organization does it.

During various planning sessions, the mission statement of TEDD was reviewed and discussed. In general, the groups, organizations and individuals involved in these sessions agreed that the mission statement is in line with their thinking. The TEDD mission statement is:

In order to sustain the highest quality of life for the people of Northeast Washington, the Tri-County Economic Development District strives to develop a stable and diverse economy; to build partnerships between businesses, government and communities; and to assist businesses to grow, invest, create and retain jobs.

Based on the vision and mission statements developed, the following goals and objectives were identified as essential in working toward the vision for the future of Northeast Washington. These goals and objectives are ongoing and include both short and long term concepts. Each one is designed for region-wide execution.

1. TEDD will be proactive and support infrastructure development initiatives and programs of communities and counties within the district.
 - a. Working with each county and community, TEDD will continue to refine and prioritize their respective infrastructure inventory matrices
 - b. TEDD will continue to work with each entity to identify potential funding sources for each infrastructure project identified.
 - c. TEDD will provide technical assistance to each county and community to help execute their top priorities as identified in the infrastructure matrix.
2. TEDD will provide platform for discussion of strategic management for economic development related activities within the district.
 - a. TEDD will continue to execute a public relations plan to educate partners and the public on economic development and TEDD's role in economic development.

- b. TEDD will facilitate training and education opportunities within the district for both businesses and individuals.
 - c. Each year, TEDD will develop, execute, update and evaluate a robust CEDS with specific, measurable action items.
- 3. TEDD will focus on projects that create an environment with a stable, yet diverse economy rich in family wage jobs and is sustainable and attractive.
 - a. TEDD will re-focus on business clusters that were identified and update information on prospective secondary, or emerging clusters for the region.
 - b. TEDD will research these clusters and identify the infrastructure required to support these business clusters.
 - c. TEDD will promote the region to targeted business clusters through business retention, expansion and recruitment activities.

5. Regional Survey and Forums

In the January 2013 survey of the CEDS Committee, in the Regional Needs and Concerns section, the planning committee identified more than 20 critical issues facing the Tri-County region. The group then discussed these issues and ranked them according to importance and potential impact to the economy. Critical development concerns under the 3 main headings covered 1.) Economic Development, 2.) Community Development and 3.) Planning and Management.

Listed in order of importance, they are summarized as follows:

Economic Development Concerns

1. Small Business Start-up Assistance
2. Job Skills
3. Streamline state, local and federal regulations
4. Downtown/Commercial Redevelopment
5. Public improvements
6. Marketing Assistance
7. Financing Programs
8. Other*

*Access to natural resources, tourism, water infrastructure, agricultural diversity/agritourism, sustainable tourism, resource industries, broadband access, new Regional Airport (Stevens C.), recognition and valuation of regional assets, including railroad access.

Community Development Concerns

1. Infrastructure/Public Works
2. Telecommunications
3. Cultural/Recreational Facilities
4. Affordable Housing
5. Educational Facilities

6. Public Transportation
7. Environmental Concerns/Protection
8. Health Care Facilities
9. *Other

* Vocational training, tourism, community identity, middle level income, new airport.

Planning and Management Concerns

1. Information Management
2. Federal/State Programs Opportunities
3. Administrative/Financial Assistance
4. Local Leadership Training for Elected Officials
5. Grant writing/Administration
6. Development Controls
7. Mapping/GIS
8. *Other

*Funding more of the implementing than planning, need diversity/new ideas, affective business licensing and assistance, public/private partnerships, one-stop shop to help start-ups and the elderly.

5.1 Regional Concerns: Opportunities and Challenges

Regional focus

Question: In which community are you located?	What are the major opportunities and challenges relating to economic development in the Tri-County Region?
City of Colville	The City of Colville is undergoing a revisioning, Strategic Planning effort to create a more attractive, economically vibrant community.
Chewelah	Major opportunity is to develop tourism and the industries required to support it. Challenge: To get the Tri-county area to work as a single entity.
Ferry County	Opportunities: Collaboration Challenges: Collaboration
Pend Oreille County	Opportunities: Logging, farming. Challenges: Lack of USFS timber sales and access to FS lands.
Stevens	Communication
Colville	Opportunities: The people, natural resources. Challenges: No regional airport.
Spokane Indian Reservation	FUNDING/STARTUP MONIES
Colville	Communication; Regional planning; Tracking metrics of change Infrastructure challenges (i.e., transportation, Internet access)

5.2 Project Proposals and Prioritization

Short Term (1-Year) Priorities for Economic Development

Priority	Proposal by:	Applicability	Priority*
Value added production of locally raised fruits, berries, vegetables and meats, through processing facilities and organized marketing and distribution, including: a.) Ag. Processing Feasibility and Marketing Research, and; b.) Berry Production Support	Stevens	Tri County	44.4%
Completion of the broadband upgrade.	Tri County	Tri County	27.8%
Entrepreneur Training Program development, covering curriculum development, marketing, etc.	Stevens	Tri County	27.8%
Conduct business retention, including strong Chamber involvement for business retention.	Ferry	Tri County	27.8%
Broadband Engineering Study to determine small business infrastructure needs and improvements.	Stevens	Tri County	22.2%
Development of 3 Small Business Resource Centers to provide support to small business owners and new business startups.	Stevens	Tri County	22.2%
Creation of jobs in any category/sector.	Stevens	Tri County	16.7%
Tourism sector development in a coordinated, cooperative, well planned fashion that identifies assets and supports and markets businesses in the tourism sector (water trails, outdoor recreation, shopping destination, signature events, etc.). The HUB Zone status and in-coming fiber can add to tourism assets.	Pend Oreille	Tri County	16.7%
Work with USFS to open up additional USFS lands for timber.	Pend Oreille	Tri County	16.7%
Implementation of the Microenterprise Program.	Tri County	Tri County	11.1%
Business start-up incentives, through commercial banks and publically assisted business development funds.	Stevens	Tri County	11.1%
Expanded multiple use of Colville National Forest, applying state of the art forest management practices for recreation, ATV use, wildlife protection and public access.	Pend Oreille	Tri County	11.1%
Work with Department of Ecology for less interference, to allow our farmers to farm, loggers to log and miners to mine.	Pend Oreille	Tri County	11.1%
Better understanding of employers training needs, or skills gaps for better productivity and expanded services.	Tri County	Tri County	5.6%
Support for the downtown cores towns and cities..	Stevens	Tri County	5.6%
Comprehensive and consistent assistance for small businesses.	Stevens	Tri County	0.0%
A new regional airport as soon as possible, that would encourage outside investors to locate into region.	Stevens	Tri County	0.0%
Tri-county detailed tourist brochure/book.	Pend Oreille	Tri County	0.0%

* Percent of survey respondents selecting project

Community specific:

Question: In which community are you located?	What are the major opportunities and challenges relating to economic development in your community?
Republic	Financial needs and excessive Regulations
City of Colville	The City of Colville is undergoing a revisioning, Strategic Planning effort to create a more attractive, economically vibrant community. This includes evaluating housing affordability, workforce development, accommodating retirees, and opportunities for parks/recreation.
Colville	Opportunity: Agriculture prices looks good for future. Challenges: Marketing opportunities are limited.
Springdale, Stevens County	Opportunities include developing a business mindset for local home businesses and to develop local/regional tourism
Chewelah	The majority of businesses in local and Tri-county area are sole-entrepreneurs. They need knowledge related to starting and operating a business.
Ferry County	Opportunities: The three listed challenges can be overcome for success Challenges: 1.) Retaining mining and timber jobs, 2.) Retaining the Job Corps program and 3.) Improving telecommunication access
Pend Oreille County	Opportunities: Close proximity to Idaho Challenges: Regulation and overregulation by state, federal government.
Colville	Need for financing start-up and expanding businesses, better marketing, and dedication by public agency representatives
Colville	Broadband/technology, transportation, financing, business incubator space and skilled labor.
Stevens	Transportation improvements both on the highway but also rail and air communication with broadband
Colville	Opportunities: The people, natural resources Challenges: No airport.
Stevens County, 12 miles outside of Colville	Opportunities: Agricultural land and water readily available, work force available, hundreds of farm families looking for additional income, hundreds of unemployed people available for work in subsidiary activities. Challenge: very little capital available for investment, political dead weight, resistance to change by small core of old established families.
Pend Oreille County	Job training, employable workforce (quantity and quality) Currently, lack of quality high school education that adequately prepares students for employment.
Spokane Indian Reservation	FUNDING
Colville	Communication between groups doing the same work.
Kettle Falls	Getting the work done - maintaining a constancy of purpose and having that vision embraced by a majority of the community.

Long Term (5-Year) Priorities for Economic Development

Priority	Proposal by:	Applicability	Priority*
Support of value added production of locally raised fruits, berries, vegetables and meats, through processing facilities and organized marketing and distribution, including: a.) Value Added Processing Support, and; b.) By-product Development	Stevens	Tri County	35.0%
Establish policies and programs for small business support, including training, finance and marketing, including opportunities for multi-use of USFS lands for logging and recreation.	Pend Oreille	Tri County	30.0%
Tourism Industry Development Program, including web site and marketing program.	Stevens	Tri County	30.0%
Transportation improvements on HWY 395 from I-90 freeway to the Canadian border for commerce,	Stevens	Ferry, Stevens	25.0%
Expanded access to enhanced bandwidth capacity for individuals and businesses.	Tri County	Tri County	25.0%
Community Planning, that incorporates social and economic needs of current and future population's needs	Stevens	Tri County	20.0%
Expand mining and timber jobs.	Ferry	Tri County	15.0%
Encourage development of bio-fuels/Green Energy, using forest products for jet fuel, gas and electricity.	Pend Oreille	Tri County	15.0%
Creation of jobs in any category/sector	Stevens	Tri County	15.0%
Sustainable, regionalized small business.	Stevens	Tri County	15.0%
Increased engagement with business leaders to identify economic opportunities to pursue.	Tri County	Tri County	15.0%
A new regional airport as soon as possible, that would encourage outside investors to locate into region.	Stevens	Tri County	10.0%
Housing availability for changing market and demographics.	Stevens	Tri County	10.0%
Increased and widely dispersed broadband/Internet .	Stevens	Tri County	10.0%
Establish policies making it easier for retirees to build their home and develop their land.	Ferry	Tri County	5.0%
Strengthen health care access.	Ferry	Tri County	5.0%
Retain current work force environment.	Ferry	Tri County	5.0%
Establish a local SBA Small Business Center / SCORE type of advising facility,	Pend Oreille	Pend Oreille	5.0%
Improvement or relocation of campground in the Pend Oreille Park (currently in process)	Pend Oreille	Pend Oreille	0.0%
Continued operation of Small Business Resource Centers	Stevens	Tri County	0.0%

* Percent of survey respondents selecting project

6. CEDS Plan of Action

CEDS Goals & Objectives

Associated with each of the critical economic development issues that were identified, TEDD staff will continue to incorporate them, as needed, in annual plans and work programs, on an on-going basis.

1. *Infrastructure:*
 - a. TEDD will utilize the Regional Transportation Planning Organization (RTPO) and other partners to develop the 5-year Regional Transportation Plan county by modes of transportation including:
 - i. Road
 - ii. Rail
 - iii. Air
 - iv. Waterway
 - v. Bike/Pedestrian
 - b. TEDD will work in collaboration with regional public agencies and private entities to help develop existing and planned telecommunications / broadband capabilities
 - c. TEDD will assist each county and community in establishing immediate and long-term infrastructure development plans.
2. *Lack of Value Added Production:*
 - a. TEDD will work with various partners to identify the region's unique resources and assets.
 - b. Business assistance will be provided to value added producers to improve their chances for long-term business success and growth.
3. *Workforce Development:*
 - a. Facilitate and improve partnerships with organizations that impact the workforce, including:
 - i. WorkSource/Employment Security Department
 - ii. Workforce Development Council
 - iii. Community Colleges of Spokane
 - iv. Kalispel Career Training Center
 - v. School districts
 - vi. Employers, and
 - vii. Community groups.
 - b. TEDD will work with local workforce training agencies to help research key "soft skills" needs (attitude, appearance, punctuality, attendance, teamwork, etc.) for incorporation into curriculum material that can be embedded into all of the workshops.
TEDD will work with partners to develop and implement soft skills training modules throughout the region and among diverse groups of potential employees.
4. *Easy Access to Education and Training:*
 - a. TEDD will facilitate the development of improved telecommunications infrastructure to support educational needs.
 - b. TEDD will investigate local business needs for apprenticeship and vocational type programs.
 - c. Education and training programs that support the needs of the key business clusters will be developed.

5. *Regulatory Climate Surrounding Natural Resource Based Economies:*
 - a. TEDD will work to facilitate and improve communication among government, businesses and the public.
 - b. A public education plan, including annual workshops, will be developed utilizing local leadership to enhance local, regional, state and federal support.
 - c. Options for “green industries” and bio-fuels will be investigated to provide middle ground for both sides of the natural resource issue.
6. *Improved Communication and Outreach:*
 - a. Ensure all TEDD members feel connected to TEDD and serve as ambassadors for the organization
 - b. Raise engagement, awareness and recognition across the region of TEDD, our mission and accomplishments
 - c. Help our community (government officials, citizens, businesses and other decision makers) better understand what our region is, our connections and develop a more regional perspective
 - d. Better position and communicate our aspirations and priorities from the Strategy

While this Plan of Action focuses on addressing the region’s critical issues as identified by the people and organizations within the region, it will be evaluated on a regular basis to ensure that it also meets the criteria of the Washington State Economic Development Commission.

7. Performance Measures – Evaluation Plan

Completion of the CEDS is an important annual achievement for TEDD. The CEDS is a way for TEDD Board to set priorities for the future and evaluate the success of priority projects.

In order to evaluate the success of the region in delivering the CEDS initiatives, the Tri-County Economic Development District will take several steps to measure and review the progress of the region. The steps used in the process will be conducted by TEDD staff and reviewed by the TEDD Board of Directors.

Each action item identified in the CEDS will have a specific, measurable and time related reference attached to it. Planned annual evaluations of the success of the CEDS will include, at minimum, the following metrics:

- Number of jobs created after implementation of the CEDS;
- Number and types of investment undertaken in the region;
- Number of jobs retained in the region;
- Amount of private sector investment in the region due to the CEDS.
- Overall average annual wage
- Median household income
- Per capita personal income

Additionally, as a regional organization set up primarily for promoting economic development, one of its important roles is to ensure that all new or revised regulation confers a net benefit on member communities. Therefore, where practicable, information from regulatory agencies will be periodically collated at the portfolio level, for review by TEDD Board.

These steps will be covered administratively, as follows:

- In August of each year, a mid-year status report will be presented to the TEDD Board of Directors to determine the progress toward achieving each deliverable.
- During September and October, TEDD staff plus a sub set of the full CEDS Committee will review the CEDS and determine whether or not it needs to be updated, revised or amended. If so, TEDD staff will make recommendations to the Board on these changes no later than the January Board meeting.
- Finally, in December of each year, a final progress report will be prepared and presented to the Board along with the final changes for updating the CEDS for the next year. The annual report will contain detailed information on the results achieved on each action item identified.

In addition, TEDD staff will identify key variables and establish an information clearinghouse associated with income and employment, occupations, and wages and salaries and available information on business movements (start-ups, expansions, closures) and investments and other changes in the economic environment. This information will be posted on the TEDD web site www.teddonline.org for public review and membership uses.

Appendix A

Regional Resources

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Regional Resources

SET – CEDS Community and Private Sector Participation

CEDS Committee

For purposes of CEDS preparation, EDA regulations specify that the district establish a Strategy Committee to guide the CEDS development process. The CEDS Strategy Committee represents an excellent opportunity to gather the economic development experts and those interested in economic development of the region around one table and in smaller work groups, to analyze the regional economy, determine regional goals and objectives, and develop a regional plan of action for implementation, while identifying investment priorities and funding sources.

The present CEDS Strategy Committee consists of thirty-one members from the three counties, representing private business concerns, local government, agriculture, education, utilities and banking. These members had also been participants to the Stronger Economic Together (SET) program that TEDD participated in, a program that was assisted by USDA – RD and WSU support, March – August 2012. It was at these monthly meetings, with participants from each of the three counties, where wide range of regional economic development topics were discussed, leading to creation of focus groups that would convene as needed, to help in identification of priorities and action planning.

The Committee members represent both the public sector and the private sector and are persons that have:

- Involvement and familiarity with TEDD
- Economic development experience
- Knowledge of the region
- Representative of main economic interests of the region

Local & Regional Partners for Economic Development

The CEDS Committee represents the main economic interest of the region and includes private sector representatives as a majority of its members. The CEDS Committee has provided advisory functions to the TEDD Board, reviewed reports, provided insight, feedback and participated in discussions about current needs and future direction of the Region. Their participation during the CEDS planning process has been extremely valuable.

CEDS Strategy Committee:

F. Name	L. Name	Interest	County
Steve	Konz	K Diamond K Ranch	Ferry
Ron	O'Halloran	Tri County	Ferry
Brad	Miller	Ferry County Commissioner	Ferry
Deana	Zakar	Kinross	Ferry
Ray	King	City of Newport	Pend Oreille
Jamie	Wyrobeck	Pend Oreille Economic Development Council	Pend Oreille
Valorie	Heil	Newport Chamber of Commerce	Pend Oreille
Mike	Lithgow	Pend Or Community Dev Director	Pend Oreille

John	Smith	Colville Farmers Market	Stevens
Dean	Hellie	Stevens County Conservation District	Stevens
Gloria	Flora	Biofuels USA	Stevens
Tom	Harrison	Harrison Homestead	Stevens
Barry	Lamont	Tri County	Stevens
Gabriel	Cruden	Valley School District	Stevens
Scott	Douglas	SCORE Volunteer	Stevens
Vaughn	Hintze	Colville National Forest	Stevens
Teanna	Star	Private	Stevens
Ralph	Walter	Chewelah Business Development Svc	Stevens
Sarah	Haden	Chewelah Horizons	Stevens
Lee	Pardini	Pardini Design Group	Stevens
Frank	Metlow	Spokane Tribe of Indians	Stevens
Krisan	LeHew	WSU Extension	Stevens
Angie	Crawford	Springdale Computer Center	Stevens
Duane	Hoover	Advanced Computers	Stevens
Richard	Shull	Small business owner	Stevens
Mark	Beck	Private	Stevens
Tony	Delgado	Private	Stevens
Debbie	Garringer	Colville Chamber of Commerce	Stevens
Steve	Gray	Kettle Falls Horizons	Stevens
Kathy	Hager	Private	Stevens
Debra	Hansen	WSU Stevens County Extension	Stevens
Lou	Janke	Colville City Council	Stevens
Jim	Lipinski	City Planner	Stevens
Wes	McCart	Business owner/farmer	Stevens
Lux	Devereaux	Spokane Tribe of Indians	Tribe
Terry	Knapton	Kalispel Tribe	Tribe
Eric	Siebens	USDA-Rural Development	Regional
Tamer	Kirac	Tri County	Regional
Craig	Newman	Colville National Forest	Regional
Jamie	Short	Department of Ecology Eastern Region	Regional
Sheila	Stalp	McMorris-Rodgers	Regional
Angela	Bennink	NoaNet	Regional

State & Federal Partners for Economic Development

Washington State Dept. of Commerce
Washington State Dept. of Transportation US State and Federal Legislators
Washington State Dept. of Ecology
Economic Development Administration
USDA Rural Development
US Forest Service

Strategic Regional Assets

The land area of the Tri-County region totals 6,226 square miles or about 9 percent of the state's total land expanse. Regional population stands at 63,883 people in 2011; recent population growth has been lower than the state average. Net population migration has played a significant role in the Tri-County, with much of the population gains attributable to in-migration of older / retired population. Of the total population, 11,054, or 17.3 percent are estimated to be those persons 65 years and older. This estimate for other rural Washington counties is 14.1 percent and 12.1 for WA State total. Moderate population growth is forecast for the Tri-County region; 90,000 people are estimated to be residing in the region by 2025.

Three-fifths of Tri-County region's entire land mass is under public ownership. Over one-third of region's land is managed by the Federal government, largely under the management of the US Forest Service. One National Forest, Colville, spans the Tri-County area. The U.S. Bureau of Land Management and U.S. Fish & Wildlife Service also have sizable land holdings in the region. Washington State government controls approximately 365 square miles of the Tri-County region's land mass.

Three tribes—Colville, Kalispel, and Spokane—have extensive land holdings in the Tri-County region. Combined, reservation lands for these tribes total 1,200 square miles in the three counties. Much of the Colville Indian Reservation is located in southern half of Ferry County, while the entire Spokane and Kalispel Indian Reservations are located within south Stevens County and Pend Oreille County respectively.

The Tri-County region's labor market is undergoing fundamental changes. While employment in the Tri-County region more than doubled between 1970 and 2010, employment growth has been virtually flat thus far in the 2010s.

Employment shares in agriculture, forestry, and mining continued to fall; and manufacturing downsized. Services, trade, transportation, and finance and insurance combined now employ about one in every two workers in the region.

Unemployment is a significant indicator of the vitality of a region's economy. The unemployment rate in the Tri-County region during the 2000-2011 time period was consistently higher—by between 3 ½ and 4 ½ percentage points—than the statewide rate.

Since the last 2000-2001 recession and improvements that followed soon afterwards, unemployment rates in the Tri-County region have once again increased significantly between 2008 and 2011. In the last 2 years, unemployment rates have improved and stabilized, paralleling the State and the Nation. While employers in the Tri-County region have not added much employment in recent years, there has been a marked increase in self-employment. Compared with the state and other counties, self-employed workers in the Tri-County region compose a significant share (nearly a third) of total employment.

Industry Clusters

Cluster analysis is a tool used to identify those areas of the local economy in which comparative advantage(s) exists. An industry cluster is considered to have a comparative advantage if the output, productivity and growth of a cluster are high relative to other regions.

Some of the principal features of an industry cluster include interdependence and shared benefits—businesses in clusters enjoy better access to supplies and equipment, skilled labor, and specialized infrastructure. Selection criteria for industry clusters in the Tri-County region include: substantial regional presence as indicated by the number of establishments and employees; industry employment within the Tri-County region is growing, it is relatively specialized and local employment in the industry growth exceeds the national average.

2007 TEDD Cluster Study

Based on the findings from the 2007 TEDD Industry Cluster Analysis, six industry clusters were identified as having good growth potential for the Tri-County region. These primary clusters include: forest products; healthcare services; mining; information and insurance; light manufacturing, with particular focus on machine manufacturing; and visitor services.

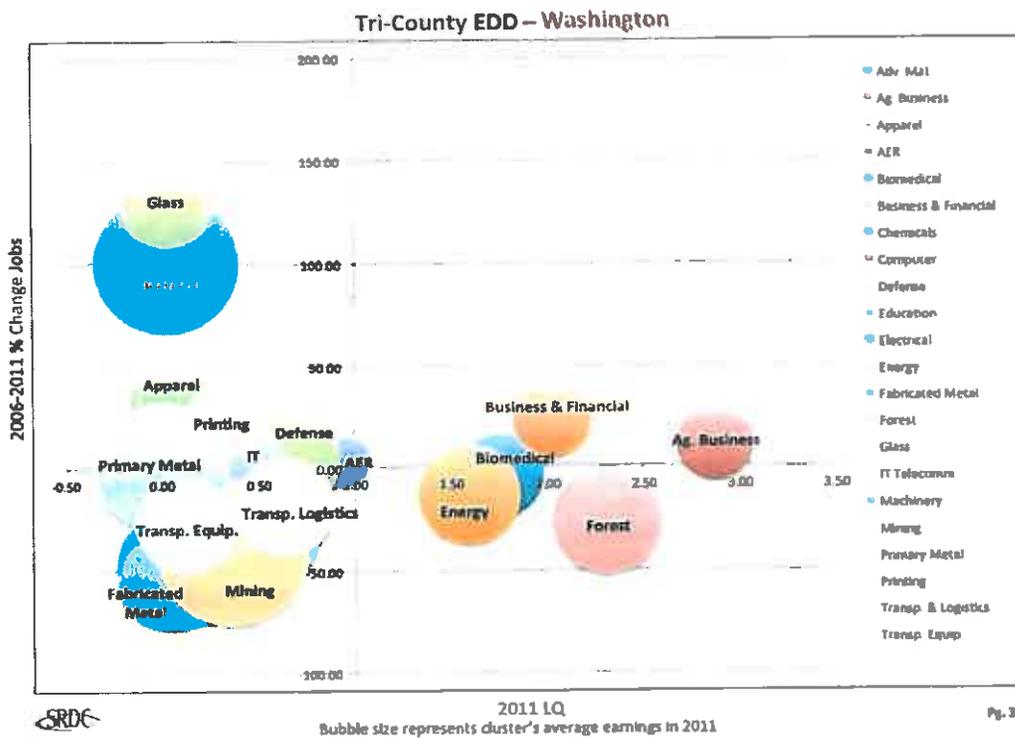
In addition, six industry clusters not already fully established within the region were identified as potential emerging clusters with good growth potential. These Tri-County emerging clusters are: value added agriculture; creative arts; bioproducts; transportation and logistics; professional and financial services; and e-commerce.

2012 SET Cluster Update

In order for the industry cluster initiative to have long-term impacts, it cannot be viewed as a single “point in time” initiative; but rather an ongoing assessment and reassessment of those industry clusters that comprise the foundation of the economy. It offers marketing organizations, the Tri-County Economic Development District is, its potential to identify compelling target industries that build upon existing economic strengths and specializations, or that represent significant gaps in industry supply chains with clear toeholds in the region.

A more recent update of the analysis, associated with the SET workshops, was conducted by Southern Rural Development Center, resulting in the following industrial activities:

1. Agribusiness, Food Processing & Technology
2. Arts, Entertainment, Recreation & Visitor Industries
3. Education & Knowledge Creation
4. Energy (Fossil & Renewable)
5. Forest & Wood Products
6. Information Technology & Telecommunications
7. Transportation & Logistics



Clearly, the data and analysis used to define this initiative and the various indices of competitiveness are important to the validity of the process. However, the ultimate goal of the cluster analysis has been to generate information that can be useful in application, primarily to drive workforce development investment, target business retention efforts and align regional resources in support of those industries that will generate wealth for the regional economy.

In summary, this industry cluster analysis approach provides local leaders with a list of industries for which the Tri-County region has a reasonable likelihood of attracting and nurturing; and information regarding the likely economic benefits associated with each industry cluster.

Kalispel Career Training Center

Kalispel Tribe, along with community partners developed the Kalispel Career Training Center (KCTC). KCTC educates young adults for jobs in metal fabrication, welding, auto body, auto shop, culinary arts, multimedia, carpentry, computer design, production and line assembly, shipping and receiving, and marketing.

Plans are underway for offering a two year Natural Resources degree program to local high school and adult students. The program is expected to be accredited through Salish Kootenai College (SKC), Pablo Montana.

Major employers*

Ferry County Major Employers

(Ranked highest number of employees to lowest)

Source: Reference USA, March 4, 2011

Company Name	City	Employees
Kinross Gold CORP	Republic	240
Ferry County Memorial Hospital	Republic	116
Ferry County	Republic	110
US Job Corps	Curlew	80
Republic School District 309	Republic	59
Curlew School District	Curlew	45
Inchelium School District	Inchelium	42
Ferry County Community Svc	Republic	38
Anderson's Grocery	Republic	35
US Public Health Svc	Inchelium	33

Company Name	City	Employees
Colville Tribal Forestry	Inchelium	30
Inchelium Sub Agency	Inchelium	30
Republic Ranger Distrct	Republic	25
Public Utility District	Republic	23
Colville Tribes Fire Mgmt	Keller	20
Ferry County Fire District 1	Curlew	20
Ferry Okanogan Fire District 13	Republic	33
Orient Fire Station	Orient	20
US Bureau Of Indian Affairs	Inchelium	20

Pend Oreille County Major Employers

(Ranked highest number of employees to lowest)

Source: Reference USA, March 4, 2011

Company Name	City	Employees
Newport Hospital & Health Svc	Newport	298
Newport School District	Newport	250
Ponderay Newsprint Co	Usk	200
Safeway	Newport	110
Kalispell Tribe Of Indians	Usk	100
Vaagen Brothers Lumber	Usk	85
Public Utility District 1	Newport	85
Teck Washington Inc	Metaline Falls	82
C & D Zodiac Inc	Newport	60
Cusick School District # 59	Cusick	60
Kalispel Tribe-Indians School	Cusick	45
Mc Donald's	Newport	45
James A Sewell & Assoc LLC	Newport	40

Company Name	City	Employees
Newport Ranger District	Newport	40
Jl Sherman Excavtg & Rock Inc	Newport	35
Selkirk High School	Ione	35
Jl Sherman Excavtg & Rock Inc	Newport	35
Selkirk High School	Ione	35
Western State Bus Svc	Newport	30
Social & Health Svc Dept	Newport	25
Newport Equipment Ent Inc	Newport	22
Sullivan Lake Ranger District	Metaline Falls	22
Pend Oreille Fire Department	Metaline Falls	20
Pend Oreille County Fire District	Metaline Falls	1
Metaline Falls Fire Dept	Metaline Falls	1

Stevens County Major Employers

(Ranked highest number of employees to lowest)
Source: Reference USA, March 4, 2011
(edited using local information and input)

Company Name	City	Employees
Stevens County	Colville	367
Walmart Supercenter	Colville	310
Boise	Colville	300
Colville School District	Colville	300
Forty Nine Degrees North Mtn	Chewelah	250
Mt Carmel Hospital	Colville	250
Providence St Joseph's Hospital	Chewelah	180
Chewelah Casino	Chewelah	158
Rural Resources Community	Colville	150
Spokane Tribe Of Indians	Wellpinit	139
Vaagen Brothers Lumber	Colville	126
Wellpinit School District	Wellpinit	101
Employment & Training Svc	Colville	100
Hearth & Home Technologies	Colville	100
Super One Foods	Colville	85
Colville National Forest/ Three Rivers Ranger District	Colville/ Kettle Falls	80

Company Name	City	Employees
Colville Public Works Dept	Colville	75
Hewes Marine Co Inc	Colville	75
Colmac Industries Inc	Colville	70
Chewelah School District	Chewelah	70
Columbia Virtual Academy	Valley	65
Onion Creek School District 30	Northport	65
Springdale Elementary/Middle	Springdale	65
Valley Consolidated School District	Valley	65
US Indian Affairs Bureau	Wellpinit	63
N.E.W. Alliance	Colville	60
Home Care Of Washington	Colville	58
City of Colville	Colville	52
BNSF Railway Co	Kettle Falls	50
Fogle Pump & Supply Inc	Colville	50
Safeway	Chewelah	50

*Note: These employment figures represent direct employment. Overall impacts to the region using employment multipliers as quick reference, estimated for Washington state industries, 1.8 for Trades and Services, 2.2 for Natural Resources/Utilities and 2.7 for Manufacturing and Construction, would provide summary measures of total impacts.

Infrastructure

Telecommunications / Broadband

The Tri-County area telecommunications infrastructure continues to be developed, improved and extended. Digital switches, fiber and redundancy are in place throughout the population centers in Newport and Colville. However, the infrastructure is lacking in the more rural areas, especially those in Ferry County. TEDD has made the advancement of telecommunications infrastructure a high priority for the entire region.



More recently, through the federal government's Broadband Technology Opportunities Program, NoaNet is expanding Northeast Washington State's high-speed broadband infrastructure, bridging the technology gap, and enabling better healthcare, reduced government costs, enhanced educational opportunities, expanded economic opportunities, improved public safety, and more dynamic business growth in the Tri-County region.

Pend Oreille County PUD and its community worked diligently soliciting and securing one of the few Fiber-to-the-Premises Grants availed by American Recovery & Reinvestment Act (ARRA) Broadband Technologies and Opportunity Program (BTOP) in the amount of \$27.3 million. This project will bring redundancy to the served anchor institutions and unbridled bandwidth capacity/opportunity to the business and home to spark economic recovery and growth.

Additionally, Kalispel Tribe in Pend Oreille County will also be benefiting from BTOP round II funding, that is expected to strengthen the Kalispel Tribe's Public Safety Department's infrastructure and allow them to connect to multiple state and local entities in order to provide better services to the community.

As a sub-participant of BTOP round II funding, Stevens County PUD will help strengthen the public safety infrastructure, school systems, libraries, and provide open access to affordable high speed Internet access to small and medium sized businesses.

Utilities

Tri-County businesses benefit from low-cost hydro-electric power generated from inland Northwest rivers and lakes. The region offers among the lowest energy costs in the nation. Publicly and privately owned utility providers include: Pend Oreille PUD, Avista Utilities, and Ferry County PUD. Avista also provides natural gas in several areas. Stevens County PUD provides wastewater treatment and public water in many small, unincorporated areas.

Wastewater

All the incorporated cities have wastewater systems. Connection policies and fees vary greatly. Some areas adjacent to cities are served by public sanitary sewer systems. In most unincorporated areas, sewage disposal is by means of on-site subsurface sewage disposal systems are operated by small PUDs and private entities.

Stormwater runoff in the cities are handled through a series of stormwater collection piping and open channels and the sanitary wastewater collection mains that primarily result in the runoff, roof drains, and sump pumps entering the cities' wastewater treatment systems. This method of stormwater runoff collection and disposal is unsatisfactory, as the volumes of water tend to overload wastewater collection mains and create extremely high water levels in the treatment lagoons.

Water-Surface or Subsurface Sources

The majority of water systems in the rural areas are private wells. These serve predominately residential uses. Unincorporated and incorporated towns/cities in all three counties have municipal water systems. Some private wells exist within incorporated areas.

Solid Waste Handling and Disposal

Solid waste includes all items, bulk, heavy and traditionally non-biodegradable. Many of these items are recyclable. The official solid waste disposal site for Ferry County was closed in 1996. A transfer station has been built on the site and is now in operation. While there are restrictions on what the transfer station will accept, there are no limits to the amount of waste that may be dumped during regular hours. The solid waste is then disposed of outside the county. Stevens has its own waste transfer station and Pend Oreille County has it all shipped out.

Residential and commercial garbage hauling services are available in both rural and urban areas of the three counties. In addition, each county maintains drop-box/recycle sites and/or transfer stations, where county residents from outlying areas may dispose of their solid waste.

Colville provides single-stream curbside recycling for its customers. This method allows the users to place all of their recyclable items into one container; it is then picked up and taken to a facility that sorts it.

Transportation

The tri-county region's eastern boundary extends to the Washington/Idaho border and north to the US/Canadian border. Several State Highways connect the region north to south: Hwy 395 (a NAFTA route), US 2, SR 25, SR 31 while SR 21 and SR 20 connect the region east to west. The tri-county region is served by three railroads: Burlington Northern Santa Fe (BNSF), Kettle Falls International Railway (KFR) and the Pend Oreille Valley Railroad (POVA).

Burlington Northern Railroad Company is the product of nearly 400 different railroad lines that merged or were acquired over the course of 160 years has 50 active spurs in Stevens County that carry wood products, rocks, limestone and fertilizer. Burlington Northern Santa Fe (BNSF) and Kettle Falls International Railway lines have two access points into British Columbia, Canada. Freight costs by rail vary depending on origin, destination, quantity, and product type.

Kettle Falls International Railway (KFR) operates over 160 miles of former Burlington Northern Santa Fe trackage in Northeastern Washington and Southeastern British Columbia. KFR operates from the BNSF interchange at Chewelah, Washington in Stevens County, to Columbia Gardens, British Columbia. BNSF then makes connections in Spokane County where there are direct lines from Union Pacific, Burlington Northern Santa Fe and Amtrak to Seattle and Chicago, serving as a gateway to and from the interior U.S. and the Pacific Rim. A second line operates from Kettle Falls, Washington to Grand Forks, British Columbia.

KFR has a very diverse traffic base, including lumber, plywood, wood products, minerals, metals, fertilizer, industrial chemicals, and abrasives. Key customers include ATCO Lumber, Teck Resources Ltd, Boise Cascade, International Raw Materials, Pacific Abrasives, Stimson Lumber, Vaagen Bros Lumber, and Columbia Gardens Reload. KFR works closely with local economic development agencies on new business opportunities and with five days per week rail connections with BNSF, KFR is an excellent choice for new plant locations.

The Port of Pend Oreille owns and operates the Pend Oreille Valley Railroad (POVA). There is freight rail service by the POVA from Newport to Metaline Falls. The line is mostly used for tourist rides between the towns of Lone and Metaline Falls. POVA provides freight services, including switching operations, to our shippers. Our line runs from Metaline Falls, WA to Newport, WA on tracks owned by the Port of Pend Oreille (POVA). POVA leases trackage from BNSF from Newport, WA to Dover, ID and operates over trackage rights into Sandpoint, ID in order to interchange with BNSF. POVA provides low cost rail transportation services, including switching services, to meet the needs of its shippers.

Several airports serve the tri-county region although none provide commercial passenger service. The Sand Canyon/Chewelah Airport has an airstrip that is 3,680 feet long and is used for charter and private use. The Colville Airport is accessed for charter, private and corporate use with a runway length of 2,700 feet. Pend Oreille and Ferry County each have paved airstrips as well. Approximately 75 miles south of Colville is the Spokane International Airport served by the following airlines: United/United Express, Frontier, Southwest, Alaska, Delta, & Horizon Air, and U.S. Airways. This regional facility is a federally recognized Foreign Trade Zone and has air cargo transport via Federal Express (FedEx) and United Parcel Service (UPS).

There are also 2 ferries operating in the Tri-County area.

The Gifford–Inchelium Ferry, also known as GIF, is a ferry across the Columbia River in Washington State. The Colville Confederated Tribes operate this ferry across Roosevelt Lake on the upper Columbia. It connects Inchelium, to State Route 25 across the river.

The *Martha S.*, also known as the Keller Ferry, is owned and operated by Washington State Department of Transportation (WSDOT). She crosses the Columbia River (Franklin D. Roosevelt Lake) between Lincoln County and Ferry County at the confluence of the Columbia and the Sanpoil River.

Table

County/Community	TELECOMMUNICATIONS				Provider(s)	WATER		WASTE WATER			Pr
	Type Available					Storage Capacity (gpd)	Pumping Capacity (gpm)	Permit Limits (gpd)	Peak Flow(gpd)	Excess Capacity (gpd)	
	Satellite	DSL	Wireless	Dial-Up							
Stevens	Yes	Some	Some	Yes	CenturyLink & ISP's						Vi
Colville	Yes	Yes	Yes	Yes	CenturyLink & ISP's	3,000,000	7,160	1,460,000	1,000,000	460,000	Cl
Chewelah	Yes	Yes	Yes	Yes	CenturyLink & ISP's	2,000,000		1,300,000			Cl
Kettle Falls	Yes	Yes	Yes	Yes	CenturyLink & ISP's	3,400,000	2,800	210,000	273,000	100,000	Cl
Northport	Yes	No	No	Yes	CenturyLink & ISP's						
Marcus	Yes	No	Some	Yes	CenturyLink & ISP's	86,000	410				
Springdale	Yes	Yes	Yes	Yes	CenturyLink & ISP's	90,000	600	45,000			
Addy/Blue Creek	Yes	Yes	Some	Yes	CenturyLink & ISP's	65,000	120	30,000	17,400	12,600	PI
Clayton	Yes	?	Yes	Yes	?	60,000	570	51,000	47,200	3,800	PI
Loon Lake	Yes	?	Some	Yes	?	291,665	671				PI
Valley	Yes	Yes	?	Yes	CenturyLink & ISP's	78,000	450	100,000	49,000	51,000	PI
Waitts Lake	Yes	?	?	Yes	CenturyLink & ISP's	130,000	185				PI
Jump Off Joe Lake	Yes	?	?	Yes	?	24,000	100	NA	NA	NA	
Deer Lake	Yes	?	?	Yes	?	290,000	375				
Suncrest	Yes	Yes	Yes	Yes	?	1,300,000	5,600				
Long Lake	Yes	?	?	Yes	?	270,000	750	NA	NA	NA	
Wellpinit	Yes	?	?	Yes	?						
Hunters	Yes	Yes	?	Yes	CenturyLink & ISP's						
Ferry	Yes	No	No	Yes							

Table

County/Community	TELECOMMUNICATIONS					WATER			WASTE WATER				ELECTRICITY		
	Type Available					Storage Capacity (gpd)	Pumping Capacity (gpm)	Permit Limits (gpd)	Peak Flow(gpd)	Excess Capacity (gpd)	Provider	Provider	P. Voltage	S. Voltage	
	Satellite	DSL	Wireless	Dial-Up	Provider(s)										
Republic	Yes	Yes	Yes	Yes	RTVA	900,000	1,000	160,000				FCPUUD	7.5 MVA	110,220	
Curlew	Yes	No	No	Yes	?	120,000	220	NA	NA	NA		FCPUUD	3.75 MVA	110,220	
Inchelium	Yes	No	No	Yes	?	170,000		62,250				FCPUUD	7.5 MVA	110,220	
Keller	Yes	No	No	Yes	?	125,000						FCPUUD			
Orient	Yes	No	No	Yes	?	150,000	120	NA	NA	NA		Avista			
Pine Grove	Yes	No	?	Yes	RTVA	20,000	100					FCPUUD			
Pend Oreille	Yes	Some	Some	Yes	?										
Newport	Yes	Yes	Yes	Yes	Pend Oreille Tel.	1,500,000	City	500,000			City	PO PUD			
Cusick	Yes	?	Verizon Wireless	Yes	Pend Oreille Tel.		City	60,000	300,000		City	PO PUD			
Ione	Yes	?	Verizon Wireless	Yes	Pend Oreille Tel.	500,000	City	11,000	215,000	(105,000)	City	PO PUD			
Metaine	Yes	?	Verizon Wireless	Yes	Pend Oreille Tel.		City				City	PO PUD			
Metaine Falls	Yes	?	Verizon Wireless	Yes	Pend Oreille Tel.		PUD	85,000	12,000	73,000	City	PO PUD			
Usk	Yes	Concept Cable	Verizon Wireless?	Yes	Pend Oreille Tel.		Cusick				Cusick	PO PUD			

Tri-County Economic Development District (TEDD)

Rural Opportunities Loan Fund (ROLF)

The Rural Opportunities Loan Fund (ROLF) is the lending arm of Tri-County Economic Development District (TEDD). After making its first loan in 1985 servicing the tri-county area of Stevens, Ferry, and Pend Oreille, TEDD expanded its operations in 1993 to include the seven additional counties of Asotin, Adams, Garfield, Grant, Lincoln, Whitman, and rural Spokane by securing funding from the United States Department of Agriculture, Rural Development and Washington State Department of Community, Trade, and Economic Development.

The ROLF is designed to help finance the creation, retention, or expansion of rural businesses with the primary goal of the loan fund being the creation or retention of jobs in rural Eastern Washington. TEDD's lending is tied directly to job creation or retention and has resulted in 1,799 jobs – 467 of which have been to minorities or women - being created or retained to date. Although the stated goal of job to cost ratio is 1 job for every \$20K to \$25K borrowed (depending upon the loan fund being used) the overall average cost per job, historically, for the entire loan fund is \$6,653 per job – significantly better than the stated goals of the program.

Since its first loan in 1985 the ROLF has disbursed over \$11.8 million to small businesses in Tri-Counties and has been able to leverage an additional \$46.3 million from other private and public sources and the addition of owner's equity in the project.

While the ROLF is prohibited from participating in agricultural lending and cannot lend to those who can get financing from commercial sources at reasonable rates and terms, loans have been made to wide variety of businesses: From child daycare centers and manufacturing, to logging operations, fast food franchises, and even a tortilla factory.

Through the Rural Opportunities Loan Fund financial assistance, 234 loans were realized, of which 106 were for commerce, 49 for manufacturing and 79 for service oriented operations.

Incubator Facilities

TEDD successfully maintains and operates incubator facilities in Colville, with physical space for at least a dozen clients in three buildings that are 15,000, 6,000 and 12,000 square feet in size, which are 90 percent occupied at the present time. The Colville Business Incubator (CBI) continues to nurture the development of local entrepreneurial companies, helping them survive and grow during the startup period, when they are most vulnerable.

Assets of the business incubator are quite extensive. They include real estate, office equipment and facilities. Real estate facilities include manufacturing space, office space, parking facilities. Parking is provided for well over 100 vehicles. Current incubator clients provide services and products in the construction, brewery, distribution, manufacturing and printing.

Northeast Washington Regional Transportation Planning Organization

The Northeast Washington Regional Transportation Planning Organization is the regional transportation planning organization for the Tri-County area. The communities, towns, cities and counties in the region are eligible for federal transportation planning funds to complete

required federal transportation planning activities. These activities include an annual Six-Year Transportation Improvement Program and a Regional Transportation Plan. The Tri-County Economic Development District serves as the lead agency for the Northeast Washington Regional Transportation Planning Organization.

Appendix B

Effects of Spokane MSA on Pend Oreille & Stevens Counties

Introduction

MSAs in Washington State

Use of Statistical Area Delineations

Mandatory Use of MSAs

Programs Affected by MSA Classification

Appendix B.1: A Summary Profile of the Spokane MSA

Addendum to 2013-2017 CEDS
Per Resolution No. 2014-002
Adopted May 28, 2014

Revised formatting per
Resolution No. 2016-001

Effects of Spokane MSA on Pend Oreille & Stevens Counties

Introduction to Spokane Metropolitan Statistical Area with the inclusion of Pend Oreille and Stevens Counties in 2013.

Prepared by Tri County Economic Development District (April 10, 2014)

Reference: "Spokane Metropolitan Statistical Area breaks into top 100 nationwide"
Journal of Business: December 19th, 2013

Introduction

OMB establishes and maintains the delineations of Metropolitan Statistical Areas, Metropolitan Divisions, Micropolitan Statistical Areas, Combined Statistical Areas, and New England City and Town Areas solely for statistical purposes. This classification is intended to provide nationally consistent delineations for collecting, tabulating, and publishing Federal statistics for a set of geographic areas. The Metropolitan and Micropolitan Statistical Area Standards do not equate to an urban-rural classification; many counties included in Metropolitan and Micropolitan Statistical Areas, and many other counties, contain both urban and rural territory and populations.

The general concept of a Metropolitan Statistical Area (MSA) is a U.S. Census Bureau-defined urbanized area of at least 50,000 inhabitants with a total metropolitan population of at least 100,000. Additional contiguous counties are included in the MSA if they meet certain requirements of commuting to the central counties and other selected requirements of metropolitan character (such as population density and percent urban).

Metropolitan Statistical Areas in Washington State

Bellingham, WA MSA

Whatcom County

Portland-Salem, OR-WA

CMSA* Clackamas

County, OR Clark

County, WA Columbia

County, OR Marion

County

Multnomah County, OR

Polk County

Portland-Vancouver, OR-WA PMSA

Salem, OR PMSA

Washington County, OR

Yamhill County, OR

Richland-Kennewick-Pasco, WA MSA

Benton County

Franklin County

Seattle-Tacoma-Bremerton, WA CMSA

- Bremerton, WA PMSA
- Island County
- King County
- Kitsap County
- Olympia, WA PMSA
- Pierce County
- Seattle-Bellevue-Everett, WA PMSA
- Snohomish County
- Tacoma, WA PMSA
- Thurston County

Spokane, WA MSA

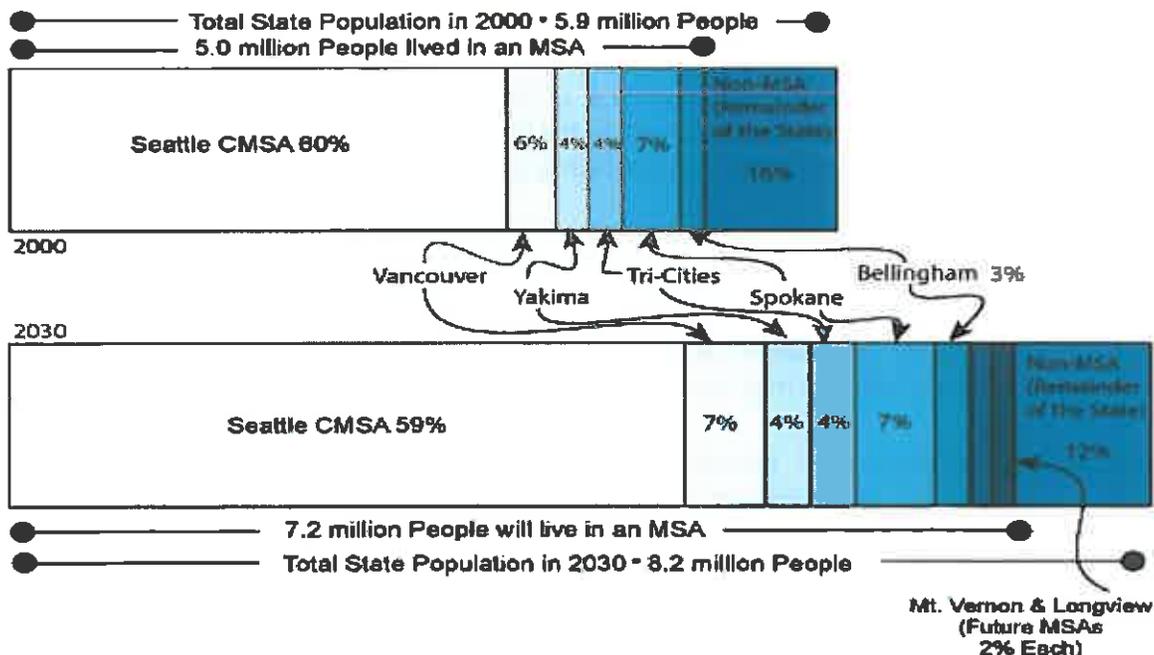
Spokane County (Pend Oreille and Stevens Counties included in 2013)

Yakima, WA MSA

Yakima County

* A metropolitan statistical area identified as a Consolidated Metropolitan Statistical Area (CMSA) has a population of one million or more and also has separate component areas (PMSAs - primary metropolitan statistical areas) meeting statistical criteria and supported by local opinion.

Metropolitan Statistical Areas* (MSAs) are generally "urbanized" areas that consist of a core area containing a large population nucleus, together with adjacent rural communities that have a high degree of economic and social integration with that core. In 2000, 84% of the state's population was concentrated within one of the six designated MSAs. By 2030, 88% of the state's population is expected to live within one of the eight designated MSAs (with 2 new MSAs forming between 2000 and 2030).



Washington CMSA & MSA Populations

2000 - 84% of States Total Population

2030 - 88% of States Total Population

	2000	2030
Seattle CMSA (Includes King, Snohomish, Island, Pierce, Thurston, & Kitsap Counties)	3,554,770	4,846,841
Vancouver MSA (Portion of Portland CMSA)	345,238	557,873
Yakima MSA	222,581	290,692
Tri Cities MSA (Includes Benton, Franklin, and Walla Walla Counties)	247,002	328,670
Spokane MSA	417,939	575,095
Bellingham MSA	166,826	252,550
Mt. Vernon (future MSA)	N/A	168,749
Longview (future MSA)	N/A	139,378
Total CMSA & MSA Population	4,954,356	7,159,848

Uses of Statistical Area Delineations

All agencies that conduct statistical activities to collect and publish data for Metropolitan Statistical Areas, Metropolitan Divisions, Micropolitan Statistical Areas, Combined Statistical Areas, and New England City and Town Areas should use the most recent delineations of these areas established by OMB.

In periodically reviewing and revising the delineations of these areas, OMB does not take into account or attempt to anticipate any nonstatistical uses that may be made of the delineations, nor will OMB modify the delineations to meet the requirements of any nonstatistical program.

Thus, OMB cautions that Metropolitan Statistical Area and Micropolitan Statistical Area delineations should not be used to develop and implement Federal, state, and local nonstatistical programs and policies without full consideration of the effects of using these delineations for such purposes. These areas should not serve as a general-purpose geographic framework for nonstatistical activities, and they may or may not be suitable for use in program funding formulas.

OMB recognizes that some legislation specifies the use of Metropolitan Statistical Areas for program purposes, including the allocation of Federal funds, and will continue to work with the Congress to clarify the foundations of these delineations and the resultant, often unintended consequences of their use for nonstatistical purposes. In cases where there is no statutory requirement and an agency elects to use the Metropolitan, Micropolitan, or Combined Statistical Area delineations in nonstatistical programs, it is the sponsoring agency's responsibility to ensure that the delineations are appropriate for such use. When an agency is publishing for comment a proposed regulation that would use the delineations for a nonstatistical purpose, the agency should seek public comment on the proposed use.

Mandatory Use of Metropolitan Statistical Areas

Some federal agencies are required by statute to use metropolitan statistical areas to allocate program funds and implement other aspects of their programs. In other instances, federal agencies are not required to use metropolitan statistical areas by statute, but elect to do so.

While OMB does not take into account or attempt to anticipate any of these nonstatistical uses in defining metropolitan or micropolitan statistical areas, it does advise agencies that use metropolitan areas for such nonstatistical purposes that the standards are designed for statistical purposes only and that changes to the standards may affect the implementation of their programs.

More specifically, OMB urges agencies, organizations, and policymakers to carefully review program goals to ensure that appropriate geographic entities are used to determine eligibility and allocation of federal funds for these programs.

A list of some programs that are affected by OMB's statistical areas to distribute funds as a result of the new statistical area are briefly covered below.

Programs affected by MSA Classification

Program: Loan and loan guarantees for facilities and equipment for broadband telecommunications service

In rural areas; term "eligible rural community" defined to exclude places located in MSAs.

Potential effect on federal funding: Communities formerly located outside an MSA may no longer qualify for loans or loan guarantees.

Program: Grants to regional planning organizations to improve infrastructure, services, and business development capabilities of local governments and local development organizations

Assessment credits for insured depository institutions engaged in qualifying activities related to distressed communities; Federal assistance (including grants) to states, coordinating committees, or state rural development councils; Federal assistance (including grants) to rural business investment companies.

Potential effect on federal funding: Boundary changes may affect which communities may qualify for participation in programs.

Program: Assistance to National Forest-dependent rural communities

Defines the term "rural community" to include certain population areas of no more than

10,000, or certain counties not contained within an MSA.

Potential effect on federal funding: Boundary changes may make some areas ineligible.

Program: Assessment credits for insured depository institutions

Those engaged in qualifying activities related to distressed communities establishes different population thresholds for a qualified distressed community based upon whether community is located within an MSA.

Potential effect on federal funding: May affect the population threshold of designated distressed communities. Depository institutions may apply for assessment credits for qualified activities (that include financing by various federal agencies).

Program: Designation and treatment of empowerment zones

Enterprise communities and rural development investment areas provides, with regard to the permissible number of areas to be designated, that there be a prescribed mix of rural and urban areas. A rural area is generally defined to mean any area outside of an MSA, and urban area is defined to mean an area that is not rural.

Potential effect on federal funding: Changing MSA boundaries affects whether a designated area is selected as urban or rural. Rural communities are subject to a lower population threshold. Therefore, a change in MSA status may affect eligibility of some communities.

Program: Designation and treatment of renewal communities

Provides that, of the permissible number of areas to be designated, a certain number must be in rural areas. Rural area is defined, in part, to mean an area outside of an MSA with a population of less than 50,000.

Potential effect on federal funding: Changing MSA boundaries affects whether a designated renewal community is selected as urban or rural. Rural communities are subject to a lower population threshold. Therefore, a change in MSA status may affect eligibility of some communities.

Program: Quentin Burdick grant program

To fund training projects aimed at enhancing rural health care defines "rural" as encompassing geographic areas that are located outside of an MSA;

Potential effect on federal funding: Some designated rural health care agencies may be located in newly designated MSA counties.

Program: Medicare

Special payment rules for ambulance and telehealth services originating in rural areas; provides an increased transitional fee schedule rate for ambulance services (furnished on or after July 1, 2001, and before January 2004) originating in a rural area, which is defined, provides for payment of facility fees for telehealth services (services provided via a telecommunications system) only when originating site is located in a designated rural health professional shortage area or a county that is not included in an MSA, or is a site participating in a telemedicine demonstration project as of December 31, 2000.

Potential effect on federal funding: MSA boundary changes may affect some originating sites.

Program: Medicare: Medicare+Choice Program

Authorizing geographic adjustments of these payment areas upon request by the state, including using a metropolitan-based system in which all the portions of each MSA in the state are treated as individual Medicare+Choice payment areas. All areas in the state that do not fall within an MSA are treated as single Medicare+Choice payment areas.

Potential effect on federal funding: MSA boundary changes may affect MSAs meeting minimum population threshold requirements.

Program: Medicare

Payments to hospitals for inpatient hospital services (prospective payment system) based on prospective rates (including adjustments). Under the labor component of the standardized payment amount must be adjusted to account for the geographic variation in hospitals' labor costs. This requirement is implemented by the Centers for Medicare and Medicaid Services by calculating a wage-related cost adjustment on an MSA/non-MSA basis.

Potential effect on federal funding: Changes in MSA boundaries could affect prospective payment rates.

Program: Farm Housing Assistance

Housing preservation grants for rural areas defining the terms "rural" and "rural area" to

mean any open country or any place, town, village, or city that (1) is not part of or associated with an urban area and has a population of from 10,000 to 20,000; (2) is not contained within an MSA; and (3) has a serious lack of mortgage credit for lower-and moderate-income families;

Potential effect on federal funding: MSA boundary changes may affect places losing population and falling below the 20,000 population threshold required for designation as a rural area.

Program: Rural Homelessness Grant Program

As defined in the terms "rural area" and "rural community" to mean (1) an area outside an MSA or (2) an area within an MSA but located in a rural census tract.

Potential effect on federal funding: MSA boundary changes could result in some areas losing eligibility unless they are located in designated rural census tracts.

Program: Alternative fuel low-interest loan program

Authorizes low-interest loans to fleets utilizing alternative fuels.

Potential effect on federal funding: Boundary changes may affect entities eligible for interest rate subsidies.

Appendix B.1: A Summary Profile

Spokane MSA:

Pend Oreille County WA, Stevens County WA, Spokane County WA

*Produced by: Tri County Economic Development District
Using Economic Profile System-Human Dimensions Toolkit
4/10/2014*

Table of Contents

Summary	How are geographies similar or different?
Trends	How have population, employment, and personal income changed?
Prosperity	How do unemployment, earnings, and per capita income vary across geographies?
Economy	How do non-labor income and employment in services and government vary across geographies?
Use Sectors	How does employment in commodity sectors vary across geographies? How does employment in commodity sectors and in industries that include travel and tourism, vary across geographies?
Federal Land	What is the extent and type of federal land, and how significant are federal land payments?
Development	How much private land has been developed, including in the wildland-urban interface (WUI)?
Data Sources & Methods	

Summary

Trends: Refers to general indicators of economic well-being (population, employment, and real personal income) measured over time.

Prosperity: Refers to common indicators of individual well-being or hardship (unemployment, average earnings per job, and per capita income).

Economy: Refers to three significant areas of the economy: non-labor income (e.g., government transfer payments, and investment and retirement income), and services and government employment.

Use Sectors: Refers to components of the economy (commodity sectors including timber, mining and agriculture, and industries that include travel and tourism) that have the potential for being associated with the use of public lands.

Federal Land: Refers to the amount and type of federal land ownership, and the dependence of county governments on payments related to federal lands. NPS = National Park Service; FS = Forest Service; BLM = Bureau of Land Management; FWS = Fish and Wildlife Service.

Development: Refers to the residential development of private lands, including the wildland-urban interface. The wildland-urban interface data are available and reported only for the 11 western public lands states (not including Alaska and Hawaii)

	Pend Oreille County, WA	Stevens County, WA	Spokane County, WA	Spokane MSA	U.S.
Trends					
Population % change, 1970-2011	112.2%	149.5%	63.9%	69.6%	52.9%
Employment % change, 1970-2011	110.5%	146.5%	118.4%	119.6%	92.6%
Personal income % change, 1970-2011	287.5%	293.4%	172.8%	180.0%	168.5%
Unemployment rate, 2012	11.6%	11.5%	8.6%	8.9%	8.1%
Average earnings per job, 2011 (2013 \$s)	\$39,955	\$34,719	\$47,465	\$46,661	\$55,704
Per capita income, 2012 (2013 \$s)	\$33,383	\$30,537	\$38,218	\$37,472	\$44,391
Non-Labor % of total personal income, 2012	54.8%	53.5%	42.6%	43.6%	35.4%
Services % of total private employment, 2011	769.5%	777.6%	786.9%	786.4%	85.0%
Government % of total employment, 2011	34.9%	20.7%	14.9%	15.6%	13.8%
Timber % of total private employment, 2011	215.1%	29.3%	20.4%	20.8%	0.7%
Mining % of total private employment, 2011	24.4%	20.9%	20.3%	20.4%	0.6%
Fossil fuels (oil, gas, & coal), 2011	0.0%	20.0%	20.0%	20.0%	0.5%
Other mining, 2011	24.4%	20.8%	20.3%	20.4%	0.1%
Agriculture % total employment, 2011	6.9%	7.9%	1.0%	1.4%	1.5%
Travel & Tourism % total private emp., 2011	212.0%	215.8%	215.0%	215.0%	15.2%
Federal Land*					
Federal Land % total land ownership	60.4%	20.2%	2.1%	24.8%	28.8%
Forest Service %	44.5%	12.4%	na	16.5%	8.4%
BLM %	0.2%	1.5%	0.1%	0.8%	11.1%
Park Service %	na	2.3%	na	1.0%	3.4%
Military %	15.8%	1.5%	0.4%	4.7%	1.1%
Other %	0.0%	2.5%	1.6%	1.6%	4.7%
Federal land % Type A**	7.8%	23.7%	75.9%	15.4%	38.5%
Federal payments % of gov. revenue, FY07	9.4%	2.9%	0.0%	0.8%	na
Development					
Residential land area % change, 2000-2010	37.5%	70.0%	19.0%	28.4%	12.3%
Wildland-Urban Interface % developed, 2010	9.6%	7.5%	34.9%	11.3%	16.3%

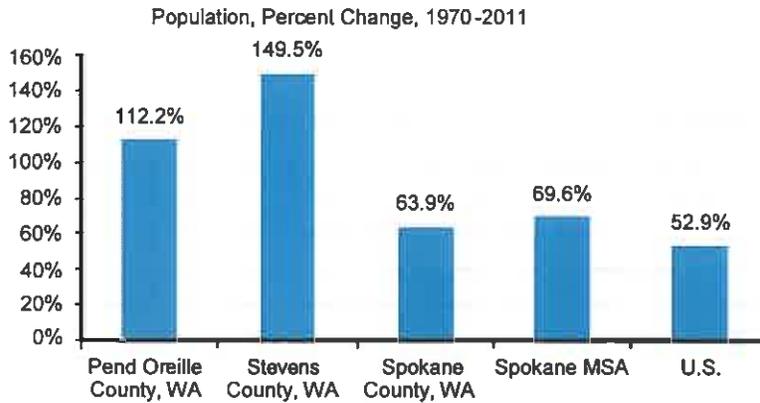
* Federal public lands that are managed primarily for natural, cultural, and recreational features. These lands include National Parks and Preserves (NPS), Wilderness (NPS, FWS, FS, BLM), National Conservation Areas (BLM), National Monuments (NPS, FS, BLM), National Recreation Areas (NPS, FS, BLM), National Wild and Scenic Rivers (NPS), Waterfowl Production Areas (FWS), Wildlife Management Areas (FWS), Research Natural Areas (FS, BLM), Areas of Critical Environmental Concern (BLM), and National Wildlife Refuges (FWS).

Trends

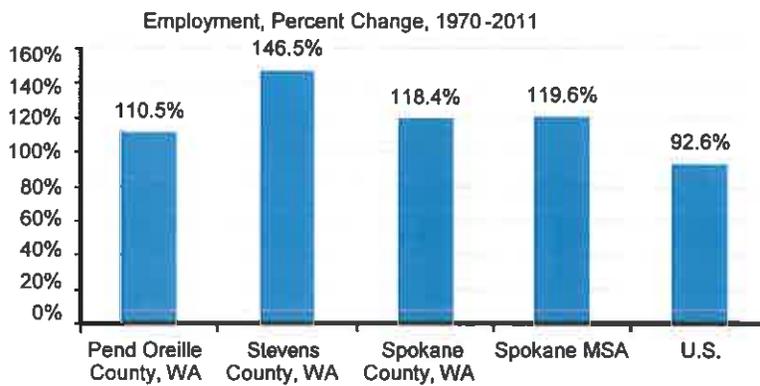
How have population, employment, and personal income changed?

What do we measure on this page?

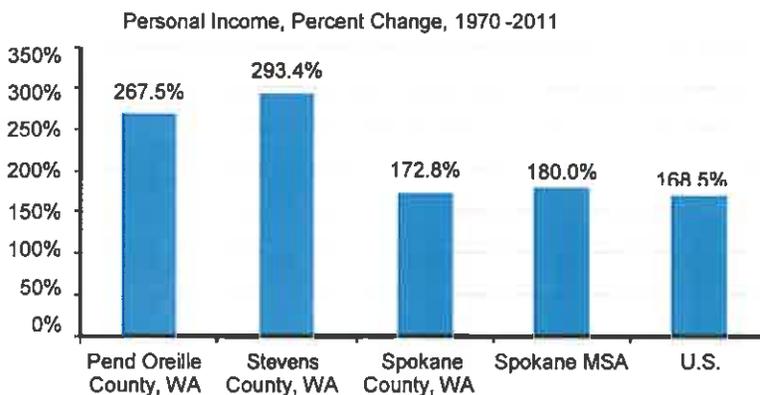
This page describes percent change in population, employment, and real personal income.



Between 1970 and 2011, Stevens County, WA in Spokane MSA had a larger percent change in population (149.5%), in comparison to the U.S. with 52.9%



Between 1970 and 2011, Stevens County, WA in Spokane MSA had a larger percent change in employment (146.5%), in comparison the U.S. with 92.6%



Between 1970 and 2011, Stevens County, WA in Spokane MSA had a larger percent change in personal income (293.4%), in comparison the U.S. with a smaller figure of 168.5%.

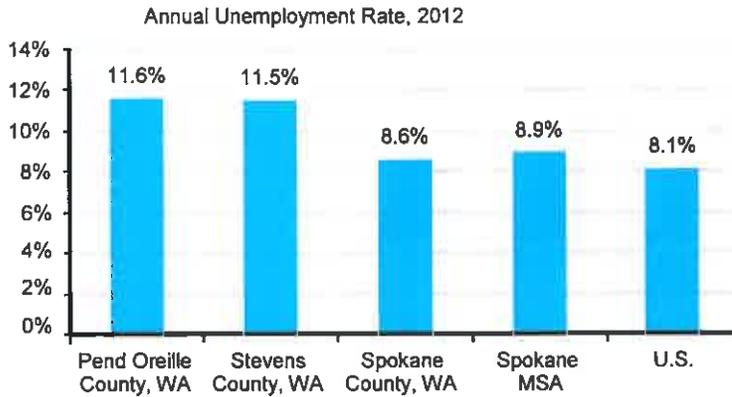
Prosperity

How do unemployment, earnings, and per capita income vary across geographies?

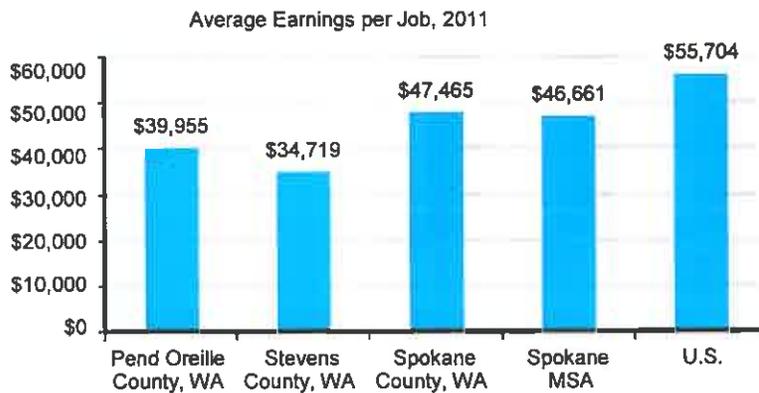
Unemployment Rate: The number of people who are jobless, looking for jobs, and available for work divided by the labor force.

Average Earnings per Job: Total earnings divided by total employment. Full-time and part-time jobs are counted at equal weight. Employees, sole proprietors, and active partners are included.

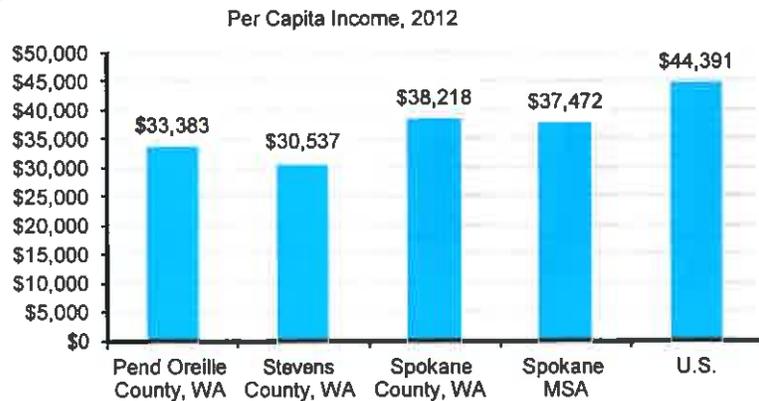
Per Capita Income: Total personal income (from labor and non-labor sources) divided by total population.



In 2012, Pend Oreille County, WA in Spokane MSA had a higher unemployment rate (11.6%), in comparison the U.S. with a lower figure of 8.1%.



In 2011, the U.S. had higher average earnings per job (\$55,704), in comparison to Stevens County, WA in the Spokane SMA with a lower figure of \$34,719

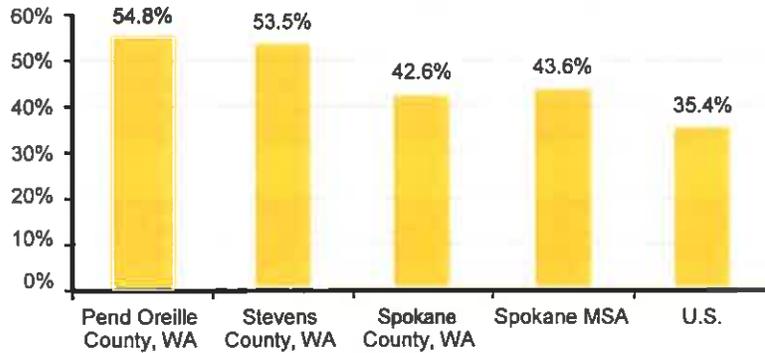


In 2012, the U.S. had a higher per capita income (\$44,391), in comparison to Stevens County, WA, in the Spokane MSA with a lower figure of \$30,537

Economy

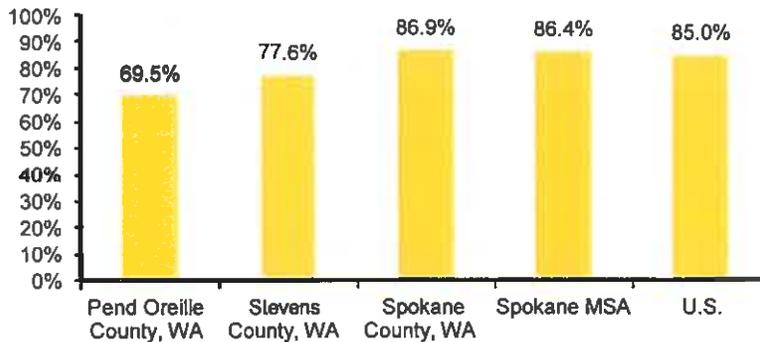
How do non-labor income and employment in services and government vary across geographies?

Non-Labor Income: Consists of dividends, interest and rent (money earned from investments), and transfer payments (includes government retirement and disability insurance benefits, medical payments such as mainly Medicare and Medicaid, income maintenance benefits, unemployment insurance benefits, etc.). Non-labor income is reported by place of residence. (2012)



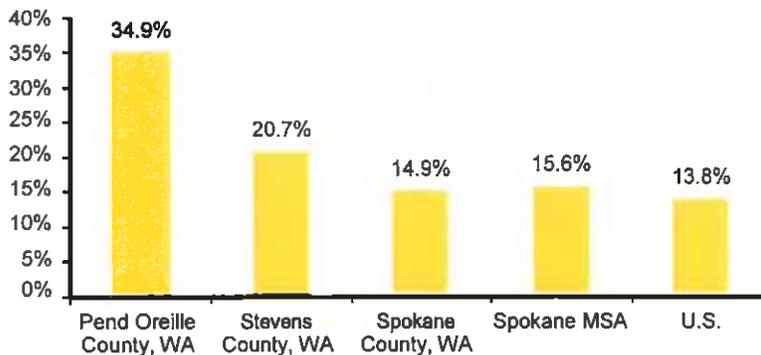
In 2012, Pend Oreille County, WA in the Spokane MSA had a larger percent of total personal income from non-labor income sources (54.8%), compared to the U.S. with 35.4%.

Services: Consists of employment in the following sectors: Utilities, Wholesale Trade, Retail Trade, Transportation & Warehousing Information, Finance & Insurance, Real Estate & Rental & Leasing, Professional, Scientific, & Tech., Mgmt. of Companies & Enterprises, Administrative & Support Services, Educational Services, Health Care & Social Assistance, Arts, Entertainment, & Recreation, Accommodation & Food Services, and Other Services. (2011)



In 2011, Spokane County, WA in the Spokane MSA had a larger percent of total jobs in services (86.9%), in comparison to Pend Oreille County, WA with a smaller figure of 69.5%.

Government: Consists of all federal, state, and local government agencies and government enterprises. (2011)



In 2011, Pend Oreille County, WA in Spokane MSA had a larger percent of total jobs in government (34.9%), in comparison to the U.S. with 13.8%.

Importance

In many counties non-labor income (e.g., retirement and investment income, government transfer payments) can be more than a third of all personal income. As the baby boomer generation retires, this source of income will continue to grow. A high dependence on non-labor income can be an indication of an aging population and/or the attraction of people with investment income. Public lands activities may affect these constituents.

Nationally, services account for more than 99 percent of new jobs growth since 1990. If services are a large proportion of existing jobs, and also a large portion of new jobs, it may be worth looking into whether and how public lands relate to service industries. For example, public lands may play a role in creating a setting that attracts and retains service-related businesses. Or it may be that the recreational and environmental amenities of public lands serve to attract "footloose" service occupations (i.e., people who can work anywhere). A shift towards a service-based economy may be associated with a shift in values and expectations regarding how public lands should be managed and could place new demands on public land resources.

Government can be a major employer in some geographies, particularly in rural areas or where significant government facilities are located, such as Forest Service and Bureau of Land Management offices, military bases, prisons, or research facilities. Government jobs often pay high wages and offer good benefits. Federal employment related to public lands provide relatively stable and high wage jobs in many communities.

Use Sectors:

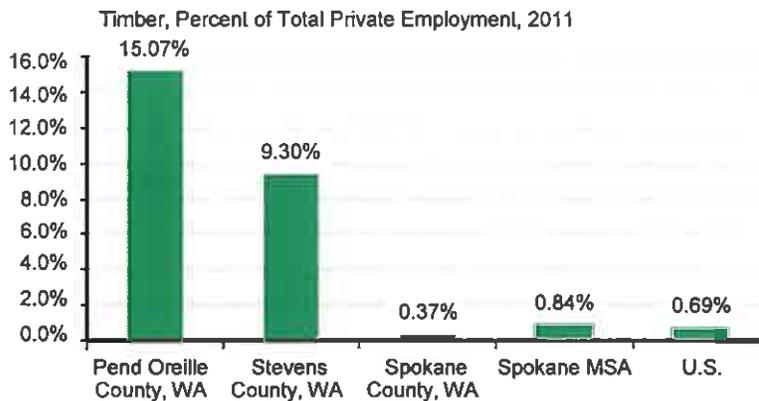
How does employment in commodity sectors vary across geographies?

Commodity Sectors: Consists of employment in timber, mining (including oil, gas, and coal), and agriculture. These are sectors of the economy that have the potential to use federal public lands (for example, for timber harvesting, energy development, and grazing) for the extraction of commodities.

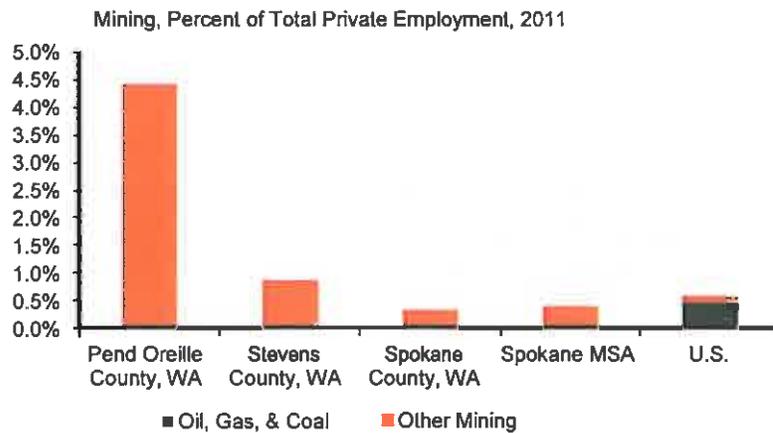
Timber: Jobs associated with growing and harvesting, sawmills and paper mills, and wood products manufacturing.

Mining: Jobs associated with oil and gas extraction, coal mining, metals mining, and nonmetallic minerals mining.

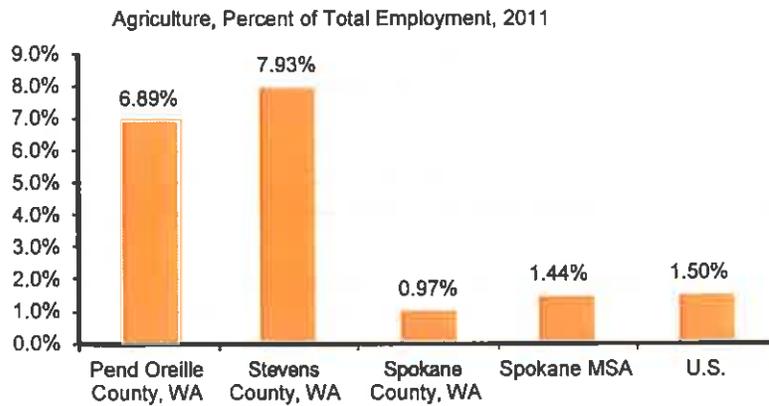
Agriculture: Jobs associated with all forms of agriculture, including farming and ranching.



In 2011, Pend Oreille County, WA in Spokane MSA had a larger percent of total jobs in timber (15.07%), in comparison to Spokane County, WA with 0.37%.



In 2011, Pend Oreille County, WA in Spokane MSA had a larger percent of total jobs in mining unrelated to fossil fuels (4.41%), in comparison to the U.S. with 0.12%.

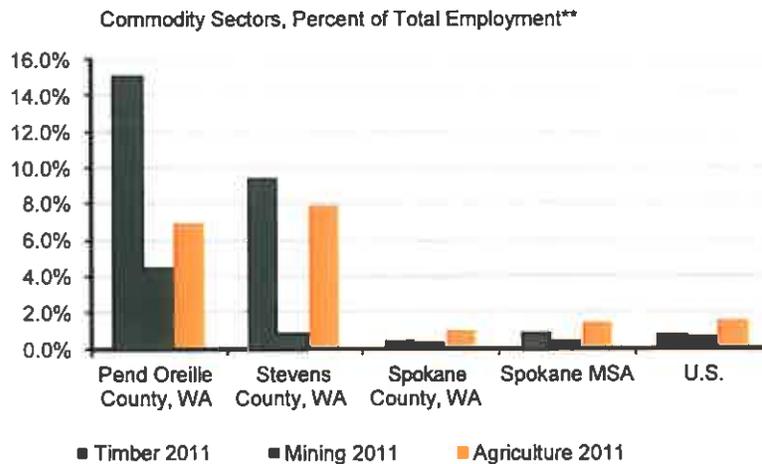


In 2011, Stevens County, WA in Spokane MSA had a larger percent of total jobs in agriculture (7.93%), in comparison to Spokane County, WA with a smaller percent of 0.97%

How does employment in commodity sectors and in industries that include travel and tourism, vary across geographies?

Travel and Tourism: Consists of sectors that provide goods and services to visitors to the local economy, as well as to the local population. These industries are: retail trade; passenger transportation; arts, entertainment and recreation; and accommodation and food services. The exact proportion of jobs in these sectors attributable to expenditures by visitors, including business and pleasure travelers, is not known without additional research such as surveys. Some researchers refer to these sectors as "tourism-sensitive." They could also be called "travel and tourism-potential sectors" because they have the potential of being influenced by expenditures by non-locals. In this report, they are referred to as "industries that include travel and tourism."

Commodity Sectors: Consist of employment in timber, mining (including oil, gas, and coal), and agriculture. These are sectors of the economy that have the potential to use federal public lands (for example, for timber harvesting, energy development, and grazing and recreation) for the extraction of commodities.



** Data for timber and mining are from County Business Patterns which excludes proprietors, government, and railroad. Data for agriculture are from Bureau of Economic Analysis. The latest year for each data source may vary due to different data release schedules.

Pend Oreille County, WA in Spokane MSA had a larger percent of total jobs in commodity sectors (26.37%), in comparison to Spokane County, WA and the U.S, with less percentages (less than 2%).

Agriculture was the largest component of commodity sector employment (1.44% of total jobs) in the Spokane MSA, and mining was the smallest component (0.38% of total jobs).

Industries that include Travel & Tourism, Percent of Total Private Employment, 2011



In 2011, Stevens County, WA in Spokane MSA had a larger percent of total jobs in industries that include travel and tourism (15.8%), in comparison to Pend Oreille County, WA with 12%.

In 2011, accommodations & food* was the largest component of travel and tourism-related employment (9.4% of total jobs) and in Spokane MSA, passenger transportation was the smallest (0.2% of total jobs).

Travel and Tourism: Consists of sectors that provide goods and services to visitors to the local economy, as well as to the local population. These industries are: retail trade; passenger transportation; arts, entertainment and recreation; and accommodation and food services. It is not known, without additional research such as surveys, what exact proportion of the jobs in these sectors is attributable to expenditures by visitors, including business and pleasure travelers, versus by local residents. Some researchers refer to these sectors as "tourism-sensitive." They could also be called "travel and tourism-potential sectors" because they have the potential of being influenced by expenditures by non-locals.

Importance:

Public lands can play a key role in stimulating local employment by providing opportunities for commodity extraction. Timber, mining, and agriculture are together referred to in this report as commodity sectors because they have the potential for using public lands for the extraction of commodities. For example, timber may be harvested from Forest Service lands, and oil and gas development and cattle grazing may occur on Bureau of Land Management lands. While it is not possible to measure the exact number of jobs that rely on the commodity use of public lands, it is important to understand the relative size of these sectors to put the economy related to commodity extraction in perspective. For example, a county with 90 percent of its employment in the commodity sectors has a higher chance of being impacted by decisions that permit (or restrict) timber, mining, and grazing activities on public lands than a county where only 10 percent of the workforce is in these sectors.

Public lands can also play an important role in stimulating local employment by providing opportunities for recreation. Communities adjacent to public lands can benefit economically from visitors who spend money in hotels, restaurants, ski resorts, gift shops, and elsewhere. While the information in this report is not an exact measure of the size of travel and tourism sectors, and it does not measure the type and amount of recreation on public lands, it can be used to understand whether travel and tourism-related economic activity is present and if there are differences between geographies.

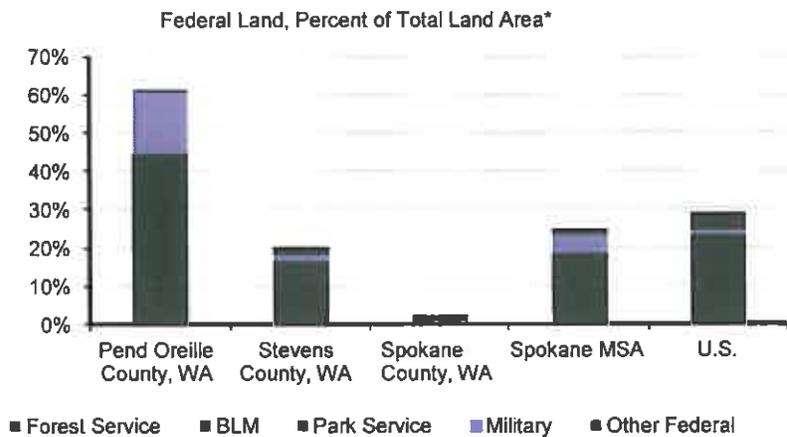
Federal Land

What is the extent and type of federal land, and how significant are federal land payments?

Type A : Federal public lands that are managed primarily for natural, cultural, and recreational features. There can be exceptions (e.g., oil and gas development in a particular National Monument), but generally these lands are less likely to be used for commodity production than other federal land types. These lands include National Parks and Preserves (NPS), Wilderness (NPS, FWS, FS, BLM), National Conservation Areas (BLM), National Monuments (NPS, FS, BLM), National Recreation Areas (NPS, FS, BLM), National Wild and Scenic Rivers (NPS), Waterfowl

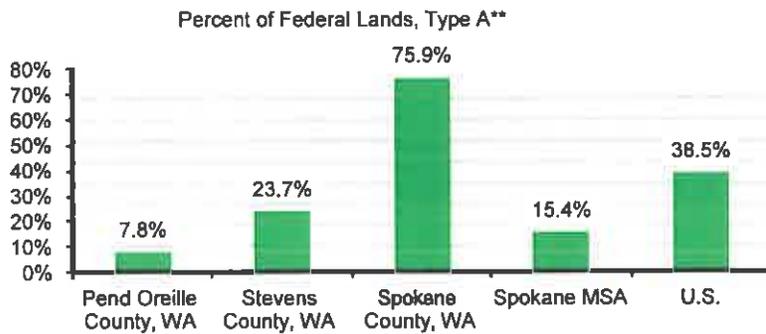
Production Areas (FWS), Wildlife Management Areas (FWS), Research Natural Areas (FS, BLM), Areas of Critical Environmental Concern (BLM), and National Wildlife Refuges (FWS). These definitions of land classifications are not legal or agency approved and adopted classifications, and are only provided for comparative purposes.

NPS = National Park Service; FS = Forest Service; BLM = Bureau of Land Management, FWS = Fish and Wildlife Service.



Pend Oreille County, WA in Spokane MSA had a larger percent of total land area in federal ownership (60.4%), in comparison to Spokane County, WA with a much smaller figure of 2.1%.

Forest Service lands were the largest component of federal land ownership (16.5%) in Spokane MSA, and BLM lands were the smallest (0.77%).



Spokane County, WA in Spokane MSA had a larger percent of federal lands in Type A (75.9%), in comparison to Pend Oreille County, WA that had a much smaller figure with 7.8%.

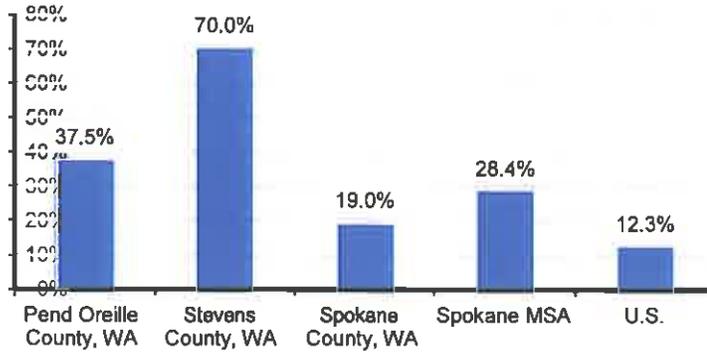
Development

How much private land has been developed, including in the wildland-urban interface (WUI)?

This information is available only for the 11 western public lands states (not including Alaska and Hawaii).

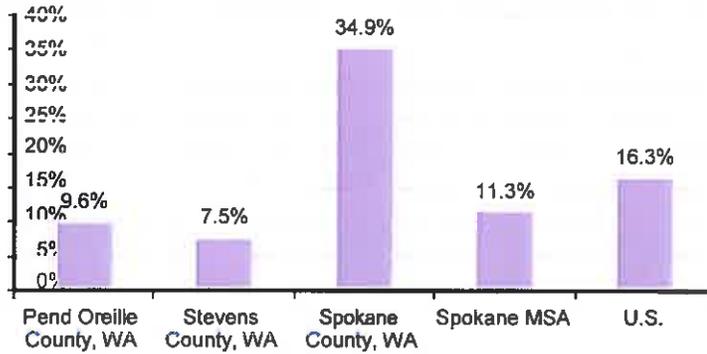
Wildland-Urban Interface (WUI): Defined as private forestlands that are within 500 meters of public forestlands. We use the threshold of 500 meters to identify both existing and potential WUI since guidelines for the amount of defensible space necessary to protect homes from wildfire range from 40 to 500 meters around a home. We focus on adjacency to public forests since roughly 70 percent of western forests are publicly owned and since wildfire is a natural disturbance in many of these forests, creating a potential risk to adjacent private lands.

Land Area Developed with Residences, Percent Change, 2000 -2010



Between 2000 and 2010, Stevens County, WA in Spokane MSA had the largest percent change in residential land area developed (70%), in comparison to the U.S. that had a smaller figure of 12.3%.

Wildland -Urban Interface (WUI), Percent Developed, 2010



In 2010, Spokane County, WA in Spokane MSA had a larger proportion of the wildland-urban interface that is developed (34.9%), in comparison to Stevens County, WA that had the smallest with 7.5%

Data Sources & Methods

Data Sources

County Business Patterns
Census Bureau, U.S. Department
of Commerce
<http://www.census.gov/econ/cbp/index.html>

Local Area Unemployment Statistics
Bureau of Labor Statistics, U.S. Department of Labor
<http://www.bls.gov/lau>

Regional Economic Information System*
Bureau of Economic Analysis, U.S. Department of Commerce
<http://bea.gov/bea/regional/data.htm>
<http://www.bea.gov/regional/docs/ImpactBudgetActLAPI.cfm>

2000 Decennial U.S. Census
Census Bureau, U.S. Department of
Commerce. <http://www.census.gov>

TIGER/Line County Boundaries 2012
Bureau of the Census, U.S.
Department of Commerce
<http://www.census.gov/geo/maps-data/data/tiger.html>

U.S. Geological Survey, Gap
Analysis Program
<http://gapanalysis.usgs.gov/padus/>

Adjusting dollar figures for inflation

Because a dollar in the past was worth more than a dollar today, data reported in current dollar terms should be adjusted for inflation. The U.S. Department of Commerce reports personal income figures in terms of current dollars. All income data are adjusted to real (or constant) dollars using the Consumer Price Index. Figures are adjusted to the latest date for which the annual Consumer Price Index is available.

Data gaps and estimation

Some data are withheld by the federal government to avoid the disclosure of potentially confidential information. Supplemental data from the U.S. Department of Commerce have been used to estimate these data gaps. These are indicated in italics in tables. Documentation explaining methods developed by Headwaters Economics for estimating disclosure gaps is available at www.headwaterseconomics.org/eps-hdt.

Appendix C

Economic Development Committee Project List

Addendum to 2013-2017 CEDS
Per Resolution No. 2015-003
Adopted April 22, 2015

Amended per Resolution No. 2016-001

Economic Development Committee Project List

The Economic Development Committee, a subcommittee of the TEDD Board, evaluated projects that they are aware of or involved with throughout the District.

These projects were placed into three categories based on the current status, at time of adoption of this addendum. It is understood that this is a "dynamic" list; the status of any of the projects listed or new projects proposed could change at any time. This project list will be re-evaluated and may be revised during the annual CEDS review and update.

The projects are listed alphabetically within each category.

These categories are:

- **Primary:** These are the considered the top projects and have a lead (contact person) actively pursuing them. Development of the project may be underway.
- **Secondary:** These projects are considered viable projects, yet may be at a dormant stage, waiting for circumstances to change and/or a project lead to pursue it.
- **Tabled:** These are desired projects, however, they have been determined to not be feasible at this time.

Primary:

Addy Industrial Complex (Electricity and Water)

Wes McCart (509)684-3751 wmccart@co.stevens.wa.us

Chewelah Airport (Acquisition and Expansion)

Dorothy Knauss (509)935-8311 mayor@cityofchewelah.org

Chewelah 49⁰ North Resort Master Plan (in Progress)

John Eminger, CEO/Owner (509)935-6649

Colville Mountain Recreation Area (Acquisition and Development)

Jake Wilson (509)684-6037 jake.wilson@colville.wa.us

City of Colville Strategic Plan for Capital Improvements (Development)

RJ Keetch (509)684-5096 plandir@colville.wa.us

Ferry County Economic Development Strategic Plan (in Progress)

Leah Vanderstoep (509)775-0953 lvanderstoep@teddonline.com

Northeast Washington Trails / Maps Website (Development)

Shelly Stevens (509)684-4571 sstevens@teddonline.com

Salmon behind the Grand Coulee-Chief Joseph Dams - Upper Columbia United Tribes (UCUT)

Jeff Koffel (509)684-4571 jkoffel@teddonline.com

Mike Tedesco (509)458-6502 tedesco@spokanetribe.com

Tri-County Region:

YMCA Facility being considered in conjunction with a new facility in Sandpoint, ID.

Avrum Baum (509)684-6323

Recruitment of Lodging Facilities; Various locations

Dorothy Knauss (509)935-8311 mayor@cityofchewelah.org

Mike Tedesco (509)458-6502 tedesco@spokanetribe.com

Shelly Stevens (509)684-4571 sstevens@teddonline.com

Secondary:

Chewelah: Industrial Park (marketing it to prospective businesses)

Clayton: Industrial Park

Clayton: Water System Enhancement/Fire Flow

Colville: Colville Mountain Recreation Area

Colville: Excell Building

Colville: Kettle Falls-Colville Trail (Rotary Club)

Pend Oreille: Lodging -- Additional high-quality lodging needed

Pend Oreille: North End Redevelopment Grant to offset mine impacts

Pend Oreille: Port Property has been cleaned up; needs marketed to businesses

Republic: Veteran's Training Center

Stevens County: Regional Airport

Suncrest: Enhance retail economic development due to Rosauer's addition

Tri County: AG Center/Food Hub -- Regional (Considering options)

Tri County: Methane Gas Research and Utilization (Avrum Baum)

Tri County: Little Pend Oreille River -- Little Spokane River (Mike Hermiston)

Tabled:

Spokane Tribe: Highway 231 Corridor "C" Store

Recent Successes:

Chewelah: Arts Facility, now being operated by the Performing and Cultural Arts (PACA) program with the assistance of loans acquired through TEDD.

Colville: Rural Resources has opened the Men's Homeless Shelter and Veterans Service Center in the former Border Patrol office on Juniper Street in Colville.

Lake Spokane: The Park & Recreation department has acquired 50 acres through a swap with the Department of Natural Resources (DNR) to develop a park and improve the shoreline.

Pend Oreille County: The South End Project has received grant funding to hire two rangers for the monitoring and enforcement of trail usage. The expansion of trail use within this project continues to be negotiated with the National Forest Service.

Tri County: The Northeast Washington Trails website is now online! There are over 200 maps available for use.

