

Guest Editorial for Daily Record
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OPPORTUNITY IS KNOCKING

by Debbie Strand

The population of Kittitas County has grown by 10% since 2000. Suncadia Resort in the Upper County is now a reality with 140 permanent employees and another 75 seasonal employees. The Prospector Golf Course, Prospector Inn, Discovery Center and several homes are complete with many additional homes under some form of development. The lodge and village will open in the next few years. Meanwhile, Shoemaker Manufacturing in Cle Elum completed a \$1 million expansion, while enrollment at CWU grew from just over 8,000 in 2000 to 9,600 in 2004; a 20% increase. The Daily Record acquired a new press and expanded into the vacant space next door, Canopy Country RV Center opened their new facility in June, and the Lakeshore Office Park is filling up. The numbers of building permits for both commercial and residential developments are up, in some cases double and triple that of a year ago. The unemployment rate is down and the labor force is increasing. Sales tax revenue in unincorporated Kittitas County was up 41% in calendar year 2004, and for Ellensburg and Cle Elum the sales tax revenue was up almost 11%. This is in spite of the recent reports that show somewhere in the range of \$80 million to \$200 million dollars leaving this county per year in retail sales leakage.

What does all this mean? It means that we have an opportunity right now to create a vibrant, healthy economy to serve the needs of the citizens of our county. We are truly at a crossroads. Based on the sales leakage figures, is it any wonder that larger retail entities are expressing interest in our area? But the opportunity they see exists just as much for the small entrepreneur. Let's build on the historic downtown area of Ellensburg and the energy of the Ellensburg Downtown Association. There are numerous vacant storefronts in our downtown area. This vacancy, combined with the amount of sales leakage, provides an opportunity for savvy entrepreneurs to create successful small businesses.

The residential housing market has exploded over the past year or so. What may come as a surprise to many, however, is that this growth is beginning to deplete the financial resources of our local governments. Far from an economic windfall, several studies have shown that for every \$1.00 of taxes paid by the residential sector, it demands \$1.15 to \$1.50 in governmental services. Commercial, industrial and farmland on the other hand demand only 30¢ - 65¢ of government services for every \$1.00 they pay in taxes. In other words, housing is a net drain on a government entity and residential growth must be subsidized by commercial and industrial growth in order to create a vibrant local economy. We have the opportunity now to capture retail sales through commercial development and to realize property taxes through industrial development. However, in order to be successful in this venture we need correctly zoned, developable property.

The City of Ellensburg is in the midst of revising its Comprehensive Plan, a process that occurs only every ten years. Ellensburg and Kittitas County were very different in 1995

when the last plan was written. The community is growing rapidly. This growth and development has already created exciting new economic opportunities and will create even more over the next ten years.

The Economic Development Group of Kittitas County is a membership based non-profit organization whose focus is creating jobs in our community through business expansion, retention, and recruitment. Our members understand the importance of investing in the community. They understand that opportunity is knocking, and they want to explore the prospects on the other side of the door. You too can help. Contact the City of Ellensburg during this process and let your voice be heard.

Debbie Strand is Executive Director of The Economic Development Group of Kittitas County. The Economic Development Group of Kittitas County is a private, non-profit organization whose mission is to provide leadership that stimulates business and promotes economic opportunities to support the needs of Kittitas County. For more information, please call 962-7244.