



Comprehensive Economic Development Strategy 2011-2015

Peninsula Development District
Clallam & Jefferson Counties
P.O. Box 894, Port Townsend, WA 98368
360-3011750
peninsula.development.district@gmail.com
www.noprdd.org



The Peninsula Development District (PDD) is a non-profit corporation formed in October 1984 to advance economic and community development on the North Olympic Peninsula of northwestern Washington State. The PDD works in collaboration with local governments, businesses, tribal nations, and non-profit organizations to serve the people of Clallam and Jefferson Counties.

PDD's Mission

PDD's mission is to foster a cooperative effort in the development and implementation of local and regional plans, supporting programs and projects that will increase the economic activity in the region.

PDD's Vision

The North Olympic Peninsula will become a region noted for its highly-educated and trained workforce, healthy citizens who are positively engaged with their communities, a sound physical infrastructure, a diverse and dynamic economic base, and the local and regional capacity to be economically self-sustaining.

Regional Goals and Objectives

The PDD serves the region by supporting the communities' recognition and response to changing conditions and opportunities. In the process, the PDD identifies regional goals and objectives to implement promising economic development strategies that will assist its partners in planning, funding and implementing projects that support the following:

1. Sustainable Infrastructure
2. Higher Education and Workforce Training
3. Job Retention and Expansion
4. Entrepreneurs and Innovations

PDD Structure

The PDD is comprised of representatives of the Counties of Jefferson and Clallam and includes representatives from the Board of Commissioners of each county, tribal communities, cities, chambers of commerce, ports, economic development organizations, and representatives at-large of employment, education, and labor.

Our Board of Directors oversees the administrative functions of the PDD effort. The Executive Board consists of not less than eleven (11) and not more than twenty-one (21) members. Fifty-one percent of the Board of Directors must be elected officials. Representatives selected to serve on the Executive Board are named at the first meeting of each fiscal year and serve for the respective fiscal year.

In 2015 the PDD and North Olympic Peninsula Resource Conservation & Development are merging operations to increase efficiencies, funding opportunities and strategic partnerships.

PDD Board of Directors

- | | | | |
|---|---|---|--|
| ▪ Deborah Stinson
President
City of Port
Townsend | Jefferson Co.PUD | ▪ Linty Hopie
Peninsula College | ▪ Doug Sellon
Jamestown S’Klallam
Tribe |
| ▪ Peter Quinn
Vice President
Team Jefferson EDC | ▪ Brad Collins
City of Port Angeles | ▪ Laura Lewis
WSU Jefferson
County | ▪ David Sullivan
Jefferson County |
| ▪ Bill Peach
Treasurer
Clallam County | ▪ Larry Crockett
Port of Port
Townsend | ▪ Mike Doherty
At Large | ▪ Teresa Verraes
Jefferson County
Chamber |
| ▪ Clea Rome
Secretary
WSU Clallam County
Extention | ▪ Mike Doherty
At Large | ▪ Patrick Downie
City of Port Angeles | ▪ Bill Greenwood
Clallam Economic
Development Council |
| ▪ Sissi Bruch
Lower Elwha Tribe | ▪ Laura Dubois
City of Sequim | ▪ John Calhoun
Port of Port Angeles | |
| ▪ Barney Burke | ▪ Rod Fleck
City of Forks | ▪ Jennier States
Port of Port Angeles | |
| | ▪ Jill TeVelde
Peninsula College | | |

Partner Organizations

- City of Forks
- City of Port Angeles
- City of Port Townsend
- City of Sequim
- Clallam County
- Jefferson County
- Jamestown S’Klallam Tribe
- Makah Tribe
- Lower Elwha
- Peninsula College
- Clallam Economic Development Council
- TEAM Jefferson
- Jefferson County PUD
- Jefferson County Chamber of Commerce
- Port of Port Angeles
- Port of Port Townsend
- PUD #1 of Clallam County
- WSU Jefferson & Clallam Extensions
- North Olympic Peninsula Resource Conservation & Development

Strategic Plan 2015

The combined organizations for the Peninsula Development District completed a five-year strategic plan in 2011 that resulted in the following efforts:

Vision (5-year): A diverse and vibrant region ready for the demands of the new economy, changing environment, and the next generation.

Mission: Empower the North Olympic Peninsula to pursue and invest in its own economic and environmental destiny.

Audience: *Primary:* Government agencies, tribes, educational institutions, and economic, business, and community development organizations. *Secondary:* Current and prospective commercial enterprises in Clallam and Jefferson counties.

Objectives	Goals	Strategies	Actions / Measures (18-month horizon)
<p>1. Create a healthy, mission-driven and action-oriented NODC organization</p>	<ul style="list-style-type: none"> Secure \$120,000 annual funding for operations and programs 100% NODC Board actively involved in development projects and/or outreach 	<ul style="list-style-type: none"> Articulate clear NODC role(s) and responsibilities and ensure sufficient human resources support Align board structure and organizational operations with strategic plan Be known as the leader, convener and facilitator for advancing regional initiatives Focus on regional capacity building; networking and communicating community-based solutions Ensure we maintain EDD designation 	<ul style="list-style-type: none"> <input type="checkbox"/> Map regional partnerships and stakeholders and define NODC role in relation to other entities by Sept 2015 <input type="checkbox"/> Define membership roster and recruit new members by Sept 2015 <input type="checkbox"/> Capture and publish 12-15 regional economic development success stories that will lead to NOP rebranding by Dec 2015 <input type="checkbox"/> Launch new NODC website as source for regional statistics, information, and networking by Sept 2016
<p>2. Improve infrastructure to:</p> <ul style="list-style-type: none"> Support development of diverse economic endeavors in urban growth areas and rural centers Strengthen regional resiliency to adverse impacts 	<ul style="list-style-type: none"> 10 new business success stories in key UGAs and rural centers Address climate change vulnerabilities identified in June 2015 report 	<p>Identify resources and provide support for infrastructure projects that:</p> <ol style="list-style-type: none"> Stimulate business development, improvement and expansion Focus on preparing the region for the effects of climate change 	<ul style="list-style-type: none"> <input type="checkbox"/> Advance and document 2015 scope of work projects by Mar 2016 <input type="checkbox"/> Complete an approved CEDS that provides coordinated strategy for priority NOP infrastructure by June 2016 <input type="checkbox"/> Sponsor grant(s) for projects prioritized in June 2015 report: 'Projected Climate Change and Impacts for the NOP'

Objectives	Goals	Strategies	Actions / Measures (18-month horizon)
3. Be a leader in the innovative use and conservation of resources	<ul style="list-style-type: none"> • Develop 4 new environmentally-driven economic opportunities 	Pave the way for the NOP to be a mecca for: <ul style="list-style-type: none"> • Renewable energy & clean technology • Eco tourism opportunities • Agricultural value-added processing • New farmers • Innovative forest product production 	<ul style="list-style-type: none"> <input type="checkbox"/> Convene annual business innovation symposia and invite current and prospective energy, eco-tourism, and agricultural entrepreneurs from the Pac NW (start 2016) <input type="checkbox"/> Identify the top 3 issues facing renewable energy, eco-tourism and ag business expansion in the NOP. Provide guidance for adopting new policy to facilitate start-up and commerce activity. <input type="checkbox"/> Sponsor grant(s) for innovative and emergent opportunities
4. Increase the NOP's capacity to overcome challenges and seize opportunities	<ul style="list-style-type: none"> • Annually identify and address at least 1 regional challenge and/or opportunity 	Convene stakeholders to identify, develop and implement solutions to regional challenges considering: <ul style="list-style-type: none"> • Cross sector workforce readiness • Technology – how to leverage and/or adapt • Streamlined regional distribution and supply chain systems • Regional leadership succession planning 	<ul style="list-style-type: none"> <input type="checkbox"/> Conduct member/partner/stakeholder survey to identify and prioritize challenges and opportunities by Sept 2015 <input type="checkbox"/> Conduct one community forum on a prioritized issues by end of 2015 <input type="checkbox"/> Develop strategy and execute follow-up actions to address prioritized issues by June 2016

The PDD will be implementing this strategic plan in 2015-2016.

This Comprehensive Development Strategy will be re-written in 2016 with input from PDD partners, the private sector and stakeholders throughout the region.



Industry Clusters

The Olympic Peninsula's economy is transitioning from its historical reliance on forestry, wood products, and fishing. A more diverse economy is emerging with innovations in the general areas mentioned below, as well as specific growth in natural and renewable resources, new technologies and manufacturing, tourism and destination development, and marine trades and services.

Clallam County

1. Innovative Manufacturing (Composites)
2. Marine Services
3. Natural Resources (Forest & Agriculture)
4. Renewable Energy
5. Tourism
6. Education
7. Healthcare
8. Building and Construction

Jefferson County

1. Arts and Culture
2. Education
3. Food and Farm
4. Forest Industries
5. Healthcare
6. Marine Trades
7. Building and Construction
8. Tourism
9. Advanced Technology and Manufacturing

Analysis of Economic Development and Opportunities

The Olympic Peninsula has a number of economic strengths, not the least of which is our remarkable natural setting – we are surrounded by the beauty of water, mountains and forests, including the internationally renowned Olympic National Park. Complimenting this is a culture of strong social capital and culture in the form of a well-educated population, self-starting industrious people, with a spirit of generosity and willingness to share their time and talents with others. In the process of development, maintaining the rural character and quality of life are important, as well as providing opportunities for youth. There are many exciting things happening within each of our identified industry clusters, but particular projects we would like to highlight include:

• Infrastructure

We have a strong and growing infrastructure, which includes new projects in 2014-2015:

- a new sewer in Carlsborg;
- Increased broadband to the West End, including tribal communities;
- The Composite Recycling Technology Center at the Port of Port Angeles;
- New Makah Fishing Dock;
- Funding for a new commercial kitchen at Finnriver Farm and Orchards.

• Higher Education and Workforce Training

There is a strong understanding on the Olympic Peninsula about the value of on-going education and life-long learning and its role in creating and maintaining a healthy economy. Our workforce must continually upgrade their skills to meet the changing demands of the economy. Our educational and instructional systems work closely with local industries to respond to emerging and promising opportunities. For example, Peninsula College has created flexible workforce training approaches that provide immediate response to industry needs, most notably the recent program begun in composite manufacturing. WSU Extension has led the way on educational programming related to online communication systems, leveraging the expertise of local youth to assist the business, government and non-profit sectors.

Vocational programs continue to grow throughout the region through creative partnerships between the Olympic Workforce Development Council, community colleges, public schools, extension offices, and non-profits. These include:

- The Maritime Discovery Schools initiative with Port Townsend School District, the Northwest Maritime Center and private maritime sector partners;
- \$4 Million grant to renovate Building 202 for Peninsula College at Fort Worden's Lifelong Learning Center;
- Peninsula College's new Eco-Tourism/Hospitality certificate program.



• Job Retention and Expansion

Biomass renewable energy shows promise of expanding jobs on the Olympic Peninsula through maximum use of forest materials that would have previously been left on the forest floor or burned.

In Port Angeles a co-generation facility has been built at Nippon Industries USA, which will help retain 240 family wage jobs. The management of this material will also support an 85-million dollar construction project for this co-generation facility. Clallam EDC secured WIA funding to train workers in the new co-gen process.

Battelle's Marine Science Laboratory in Sequim is also seeking to expand their facilities and to build an additional research and development facility at their Sequim Bay location. Battelle has received support in their request to be annexed into the City of Sequim,

which would enable them to access city infrastructure that is required for them to expand their laboratory's footprint.

Fort Worden Public Development Authority has grown to be one of the largest employers in Jefferson County, paying out \$2.9 million in wages in 2014. The PDA has also recruited and attracted professional talent from the region for senior management positions.

• **Entrepreneurs and Innovations**

The Olympic Peninsula has a remarkable collection of nationally recognized entrepreneurs and innovators, including those working in the areas of wireless Internet

and security systems, organic farming, composite technologies, marine filter systems, aluminum vacuum technologies, evaporative cooling systems, precision machine work, historical airplane restoration, bio-medical sciences, video gaming, environmental management, sustainable agriculture, online educational programming, organizational development, classical and jazz music, live theatre production, green building construction, solar energy installation, video production, edu-tourism, agri-tourism, etc.

Valuable youth regional events and activities that excite interest in the sciences and business are sponsored through local community college and university extension efforts.

Economic Challenges

• **Capital Formation**

The current economy has severely tightened access to loans particularly for the small business sector on the Olympic Peninsula. In response, the Olympic Finance Development Authority (OFDA) was formed to assist small businesses and provide better access to obtaining capital. The OFDA will utilize micro lending resources in order to participate as a "gap fund" in partnership with local commercial banks.

In Jefferson County the Local Investment Opportunity Network (LION) was formed for the same purpose – to get necessary funding to small businesses. LION is not a bank, lending institution, or financial consultant. Its membership consists of local citizens who want to invest their money locally, thereby putting their investing money to work within our community. Keeping funds local facilitates greater economic self-sufficiency, job growth, economic development, and a dollar-multiplier effect whereby a dollar kept within the community can be spent many times over for a far greater benefit than a dollar invested away from our community.

• **Transportation**

The North Olympic Peninsula has multiple challenges related to transportation ease, access and

security. Its primary challenge is dependence on Highway 101 as the single highway entrance, thereby limiting road access to the area. Most visitors originate from the Seattle metropolitan area. They cross Puget Sound by ferry and then drive over the Hood Canal Bridge to reach the North Olympic Peninsula. Vulnerabilities included mudslides, bridge closures, and canceled ferries. Alternatives to road transportation include water (mostly ferries) and air access (Fairchild and Jefferson County Airports). Kenmore Air flies out of the Fairchild Airport and has felt the full impact of the economic downturn. Members of this Peninsula Development District serve on the Peninsula Regional Transportation Planning Organization (PRTPO) to support healthy transportation systems for the North Olympic Peninsula.

Turning Challenges Into Opportunities

• Regional “Borderless” Economic Development

The PDD recognizes that for the North Olympic Peninsula (NOP) to be able to strengthen the region’s economy, it must take a strong regional approach to economic development that blends its established processes with new planning strategies. The establishment of “industry clusters” is one way that has worked in the past. Through the various economic development organizations and their activities with clusters, there is the ability to provide technical assistance for entrepreneurs in industry sectors that are targeted for expansion or development within the region.

This approach will reflect a regional economic development process that supports the prioritized projects within the industry sectors.

• Location and Transportation Impacts

The PDD, as a regional economic development organization, supports efforts to explore transportation alternatives (e.g. water-based transportation systems for passengers, water transportation of supplies and/or raw materials on or off the Peninsula, air passenger and air cargo service).

The region’s location on the Strait of Juan de Fuca, is on the trade route from Puget Sound to Asia, which provides opportunities for expanded marine trade and ship repair activities.

• Developing Self-Sufficiency

The PDD is aware of the importance of businesses that are doing business on the Peninsula for the Peninsula.

The high fuel prices are causing businesses to become more innovative in their solutions of moving goods on and off the Peninsula. Many businesses are finding that their market can be in their own neighborhood, which not only benefits the business owner but also the local consumer. Therefore, e-commerce, alternative transportation, and innovative ideas must be explored to ensure self-reliance.

• Balancing Housing and Growth

Achieving a sustainable balance between employment growth, residential growth, and availability of affordable housing is one of the greatest challenges facing many regions in the U.S., including the North



Olympic Peninsula. Many regions that experienced dynamic growth in the boom years have struggled to strike that balance, resulting in a steep decline in affordability.

Affordable housing, despite how the term is often used, is not exclusively about building low-cost, in-fill development homes for low-income residents in the more urban parts of a region. Maintaining affordable housing requires a comprehensive approach to residential development that allows for a range of housing options, densities, costs, and locations. The challenge in the region is to address housing as part of a regional planning strategy that includes transportation, workforce development, and economic development programs.

• Aging Population

The North Olympic Peninsula has become well known as one of the top places to retire in the country. The influx of retirees to the area has brought a population of affluent, well-educated people that want to take advantage of the outdoor recreation, the proximity to cultural experiences, good medical services and the safe, “small town feel” that this region offers. These new residents are changing the demographics of the workforce in the region as well. The medical community is expanding across the region to meet the demands for services for these new residents. Regional collaboration and public-private partnerships are providing senior housing opportunities and are developing facilities geared to these older residents.

Current Condition of the Region

- Population growth in the region was slightly more than 13% from 2000 to 2013, lower than the state average of 15%.
- Unemployment in the region is regularly above the state average. For the two counties, the unemployment

rate was 9.2% at the end of 2013, and above the state average of 8.1%.

- An estimated 50% of business owners in the two-county area are 55 or older and the local workforce is aging.
- Median household income for the region was 25% lower (\$45,734) than the state average (\$58,577)

Source: Washington State Office of Financial Management

More detailed information and charts are listed in Appendix A.

Clallam and Jefferson Counties

• Population

Attracting and retaining people to live, work, raise a family, and retire underlies the economic growth of any region. Population growth is both a cause--and a consequence--of economic growth. Patterns of population growth and change reflect differences among regions to attract and retain people both as producers and consumers in their economy.

As of 2013, Clallam County has a population estimated at 72,350. Port Angeles is the largest incorporated city and with 19,080 residents accounts for 26% of the total population. Combined, the incorporated cities of Sequim at 6,606 residents and Forks at 3,532 residents account for less than 10% of the countywide population. In the past decade, population countywide has increased by about 11% (+7,000) residents, a rate of growth just slightly below the statewide increase of 14%. In 1969, Clallam County's population comprised 1.02% of the Washington population; in 2013, it comprised 1.06%.

As of 2013, Jefferson County has a population estimated at 30,245. As the county's only incorporated city, Port Townsend's 9,113 residents account for less than one-third (30.3%) of population countywide. In the past decade, population countywide has increased by about 14% (+3,000) residents, a rate of growth almost equal to the statewide increase of 15%. In 1969, Jefferson County's population consisted of 0.30% of the state's population; in 2013, it accounted for 0.44%.

Clallam County's population growth rate of 0.93% trailed Washington's overall average of 1.2% 2000-2013, and its 0.49% growth rate also trailed the statewide average of .95% over 2013. Accordingly,

Clallam County is classified as "lagging" in that its population growth recorded below the statewide average in 2013 and its longer-term average fell below that of the average statewide over 2000-2013. Clallam County is among the 18 of 39 (46%) Washington counties, whose population growth was classified as lagging



in 2013.

Jefferson County's population growth rate of 1.09% was also less than Washington's overall average of 1.2% over 2000-2013, while its 0.33% growth rate trailed the statewide average of .95% over 2013. Accordingly, Jefferson County is classified as "slipping" in that its longer-term average posted above that of the average statewide over 2000-2013. Jefferson County is among the 7 of 39 (18%) Washington counties, whose population growth was classified as slipping in 2013.

• Personal Income

The annual total personal incomes estimates compiled by the Bureau of Economic Analysis, (BEA) are among the most comprehensive, consistent, comparable and timely measures of economic activity available statewide and national levels. Personal income estimates are also the best available local level indicator of general purchasing power, and are therefore central to tracking and comparing county patterns of economic growth and change.

The following information highlights trends in the pattern of growth and change in the total personal income of Clallam County and Jefferson County. The data used are those compiled by the Bureau of Economic Analysis, U.S. Department of Commerce. The 2013 constant dollar (real) estimates of Clallam County and Jefferson County's total personal income reported are determined using Implicit Price Deflator for Personal Consumption.

Income is the sum of net earnings by place residence, rental incomes of persons, personal dividend payments, personal interest income, and transfer payments. Examples of transfer payments are Social Security payments, Medicare payments, unemployment insurance payments and veterans' pensions. Personal income is measured before the deduction of personal income taxes and other personal taxes.

In 2013 Clallam had a total personal income (TPI) of \$2,596,047,000. This TPI ranked 14th in the state and accounted for 0.9 percent of the state total. In 1999 the TPI of Clallam was \$1,254,416,000 and ranked 15th in the state. When measured in current dollars, Jefferson County's total personal income increased 3,442.5%, from \$36,106,000 in 1969 to \$1,254,416,000 in 2013. When measured in constant 2013 dollars to adjust for inflation, it advanced 632.8%, from \$159,754,000 in 1969 to \$1,193,663,000 in 2013.

Clallam County's real total personal income climbed 363.0% over 1969-2013, trailed the gain by Jefferson County (632.8%), outpaced the gain by Washington (332.7%), and outpaced the increase nationally (226.0%).

In 1969, Clallam County accounted for 0.84% of the state's total personal income; in 2013, it constituted 0.90%. In turn, in 1969 Jefferson County totaled 0.26% of the state's income; in 2013, it consisted of 0.45%.

• Per Capita Personal Income

Per capita personal income is one of the most widely used indicators for gauging the economic performance and changing fortunes of local economies. It is used as a yardstick to assess the economic well being of a region's residents and the quality of consumer markets. It serves as a barometer for calibrating the economic performance of a region over time and to judge differences in relative economic prosperity between regions. Shifting trends in local per capita income growth have important social and political ramifications

and significant implications in formulating local economic development strategies and initiatives.

Definition: Per Capita Personal Income (PCPI) is the total personal income of an area divided by its resident population as of July 1.

In 2013 Clallam had a per capita personal income (PCPI) of \$38,545. This PCPI ranked 11th in the state and was 84 percent of the state average, \$45,413, and 90 percent of the national average, \$42,693. The 2013 PCPI reflected an increase of 0.4 percent from 2012. The 2012-2013 state change was -2% percent and the national change was -2.6 percent. In 2000 the PCPI of Clallam was \$23,655 and ranked 16th in the state. The 2000-2013 average annual growth rate of PCPI was 4.2 percent. The average annual growth rate for the state was 3.6 percent and for the nation was 3.4 percent.

In 2013 Jefferson had a per capita personal income (PCPI) of \$44,946. This PCPI ranked 5th in the state and was 99% percent of the state average, \$5,413, and 104 percent of the national average, \$42,693. The 2013 PCPI reflected a decrease of 0.8 percent from 2012. The 2012-2013 state change was -1.9 percent and the national change was -2.6 percent. In 2000 the PCPI of Jefferson was \$27,907 and ranked 4th in the state. The 2000-2013 average annual growth rate of PCPI was 4.4 percent. The average annual growth rate for the state was 3.7 percent and for the nation was 3.6 percent.

Clallam County's real per capita income climbed 120.8% over 1969-2013, trailed the gain by Jefferson County (147.9%), outpaced the gain by Washington (117.1%), and outpaced the increase nationally (113.7%). In 1969, Clallam County's per capita income amounted to 87.57% of the national average; in 2013, it comprised 90.46%. Similarly, in 1969, Jefferson County's per capita income totaled 93.77% of the national average; in 2013 it consisted of 108.74%. In turn, Washington's per capita income in 1969 posted at 106.49% of the nation's average; in 2013 is accounted for 108.16%.



• Employment

Employment numbers remain the most popular and frequently cited statistics used for tracking local area economic conditions and trends. The Bureau of Economic Analysis employment estimates measure the number of full and part-time wage and salary employees, plus the number of proprietors of unincorporated businesses. People holding more than one job are counted in the employment estimates for each job they hold. This means BEA employment estimates represent a job count, not a people count. Also, BEA employment is by place-of-work, rather than by place-of-residence. Jobs held by neighboring county residents who commute to Clallam County to work are included in the employment count for Clallam County.

Over the entire 44-year period, Clallam County's employment rose from 13,628 in 1969 to 35,818 in 2013, for a net gain of 22,190, or 162.8%. In turn, Jefferson County's employment rose from 3,804 in 1969 to 14,184 in 2013, for a net gain of 10,380, or 272.9%.

Clallam County's employment posted a 162.8% gain over 1969-2013, trailed the growth of Jefferson County (272.9%), outpaced the growth of Washington (148.7%), and outpaced the increase nationally (90.9%). In 1969, Clallam County's employment made up 0.89% of total employment statewide and in 2013, it accounted for 0.94%. In turn, Jefferson County's employment made up 0.25% of total employment statewide, and in 2013 it accounted for 0.37%.

Clallam County's employment growth over 2000-2013 of 11.69% surpassed the 5.01% growth of employment

nationally by 6.68%. Accounting for this difference was an industry mix inclined toward industries that experienced faster growth, coupled with the fact that a large share of local industries outperformed their counterparts nationally.

Jefferson County's employment growth over 2000-2013 of 5.40% surpassed the 5.01% growth of employment nationally by 0.39%. Accounting for this difference was an industry mix inclined toward industries that experienced faster growth, coupled with the fact that a large share of local industries outperformed their counterparts nationally.

Over the last two years, unemployment rates have risen, but have recently begun to level off. – to 10.7% for Jefferson County, 10.8% for Clallam County and 9.2% for the state of Washington as of April 2013.

When measured by number of employees, government represents the largest overall sector, as is the case statewide. Other sectors that are strongly represented include accommodations, food services, retail, new technologies & manufacturing, and health care/social assistance.

Port Townsend and Jefferson County residents tend to have lower household incomes but higher housing prices and higher levels of education than is typical throughout the rest of the state.

From 2000 and 2013, the number of firms in Jefferson County has declined (by 0.8% annually), the total number of jobs have remained essentially flat (reflecting substantial job losses from 2007-09), but average wages have increased at a moderate pace

(averaging 3.4% annual gains). When adjusted for inflation, median wages for workers in Jefferson County have increased at a much more modest rate averaging less than 1% per year since 1990 – with wages peaking in 2005, before the most recent economic downturn. Compared to the rest of the state, Jefferson County wage levels appear to be disproportionately and adversely affected during recessionary time periods – as in 2001 and again in 2007-08.

• Industry Earnings

Industry earnings are incomes received by people who are directly involved with producing goods and services. Earnings, referred to also as labor and proprietors' income, include (1) wage and salary disbursements, (2) other labor income such as employer contributions to private retirement and medical insurance programs, and (3) the net incomes of proprietors (i.e., the owners of unincorporated enterprises).

In contrast to the more frequently cited employment data, earnings data more accurately reflect qualitative differences in labor's contributions toward the production of goods and services, namely the productivity differences reflected in variations in earnings per job. Earnings data, therefore, are better for comparing and tracking long-term trends and identifying short-run shifts in the level and composition of economic activity within and among counties.

Clallam County's real total industry earnings climbed 180.4% over 1969-2013, trailed the gain of Jefferson County (241.9%), fell below the gain of Washington (269.6%), and fell below the increase nationally (185.0%).

In 1969, Clallam County's accounted for 0.78% of the state's industry earnings; in 2013, it constituted 0.63%. Similarly, in 1969, Jefferson County totaled 0.22% of the state's industry earnings; in 2013, it consisted of 0.20%.

Tourism is of considerable importance – accounting for about 20% of the job base. On a per capita basis, visitor spending is better than 50% above the statewide per capita average, but appears to be increasing more

slowly than statewide. Due to the region's small population base, it appears to offer potential for added retail activity across virtually all business types.

• Average Earnings per Job

The United States Economy has generated an impressive number of jobs since the 1970s. The contrast between the nation's vigorous employment growth and the modest performance of other major industrial countries is striking. Despite this rosy track record, the real (inflation adjusted) wages and salaries of many workers have stagnated or slipped in recent years. This development has provoked concerns about the quality of new jobs. Structural shifts in the composition of employment, from high-wage goods-producing to low-wage services-related sectors, is the culprit most often cited for the deteriorating quality of jobs. Clallam County's real average earnings per job climbed 7.3% over 1969-2013, surpassed the gain of Jefferson County (-8.4%), fell below the gain of Washington (49.8%), and fell below the increase nationally (47.9%).

In 1969, Clallam County's average earnings per job amounted to 93.42% of the national average; in 2013, it approximated 67.71%. Similarly, in 1969, Jefferson County's average earnings per job totaled 94.44% of the national average; in 2013, it consisted of 58.78%.

Clallam County's average annual real average earnings per job growth outpaced Jefferson County's average during the 1970s (1.82% vs. 0.29%), surpassed Jefferson County's average during the 1980s (-1.66% vs. -2.33%), fell below Jefferson County's average during the 1990s (-0.14% vs. 0.86%), and equaled higher than Jefferson County's average over the 10 year period for this decade, 2000-2013 (0.81% vs. 0.53%).

Clallam County led Washington during the 1970s (1.82% vs. 1.38%), trailed Washington in the 1980s (-1.66% vs. -0.64%), posted below Washington in the 1990s (-0.14% vs. 2.70%), and tallied over Washington from 2000-2013 (0.81% vs. 0.56%). Finally, Relative to nationwide real average earnings per job growth trends, Clallam County led the nation during the 1970s (1.82% vs. 1.10%), fell under the nation in the 1980s (-1.66% vs. 0.52%), fell under the nation in the 1990s (-0.14% vs. 1.56%), and led the nation from 2000-2013 (0.81% vs. 0.76%).



PDD Regional Goals and Objectives

The PDD Board of Directors has identified several immediate areas of focus. PDD will assist our partners to:

1. Work to Improve Infrastructure in Support of Economic Growth
2. Make Renewable Energy Technology and Innovative Manufacturing Key Components of the Regional Economy
3. Focus on Innovative Manufacturing (ie: composites) to Diversify the Regional Economic
4. Encourage Entrepreneurship
5. Help Build a Higher-Skilled, High-Wage Workforce
6. Explore Regional and International Markets
7. Expand Tourism Opportunities/Revenues
8. Improve Regional Collaboration and Partnerships
9. Advocate for natural resource and agriculture growth



PDD Objectives, Strategies and Action Plans

Objective 1: Advocate for public and private sector partnerships and interaction that leads to regional economic development

OUTPUTS		OUTCOMES		
ACTIVITIES	PARTICIPATION	SHORT TERM	MEDIUM TERM	LONG TERM
Monthly PDD Board meetings: Share information about projects, economic development, opportunities, trends.	Representatives from counties, cities, ports, educational institutions, Chambers, etc.	Better organization & communication	Expanded knowledge across the region related to economic development	Distributed leadership related to economic development throughout the region
Annual Strategy Committee: Facilitate the identification of areas of focus, collection and analysis of economic data, and the establishment of goals.	Volunteers from PDD Board	Update and revise previous year's CEDS. Provide draft CEDS to PDD Board for approval.	Increase engagement of the Board in economic planning.	Increase positive impact of economic development planning and focus its energies on opportunities that hold promise for success (grants, planning, investments, loans, etc.).
Explore forming partnerships with other organizations in the future: Create a regional organization	PDD Board, partner agencies, other organizations and the community	Improve and formalize the collaboration between agencies and organizations	Increase positive impacts of decision making and the follow-through of those decisions	Increase the impact of actions taken by the new organization. Creating a multiplier effect as we move more into collective action and establishing an accountability loop that would create measureable outcomes.
Advocate rigorously for funding for regional priority projects.	PDD Board, elected officials in Olympia and Washington DC	Improve communication and cooperation	Encourage collaboration on regional projects	Increase power by leveraging the combined strength of local jurisdictions.

Performance Measures

- Establish a baseline for the performance measurement process
- Monitor programs and projects that will increase the economic activity in the region
- Implement local and regional plans

Objective 2: Encourage cooperation and communication between governments and private sectors to educate, share information and leverage resources to maximize the power of working together.

OUTPUTS		OUTCOMES		
ACTIVITIES	PARTICIPATION	SHORT TERM	MEDIUM TERM	LONG TERM
<p>Invite the private sector to attend PDD Board meetings.</p> <p>Provide a platform that encourages them to participate</p>	Private sector point-people, PDD Board, community	Increase communication between the PDD and the private sector	Encourage a more critical thinking approach and better cooperation	Leverage all of the resources within the region to support promising opportunities.
<p>Public Outreach:</p> <p>Present the PDD to the community through speaking engagements such as Chamber, Rotary, Business associations, regional conferences, etc.</p>	Regional Coordinator, and volunteers from Board	Brings positive attention to the PDD	Increase interest in economic development and support.	Increase participation throughout the community in economic development and support of economic development.
<p>Present Emerging Issues, Industry, Innovation, and Economy Workshops:</p> <p>Sponsor workshops, and forums that focus on areas of emerging industries and opportunities.</p>	Audience members from the community, PDD Board members, tribal leaders, presenters, legislative staff	Highlights areas of emerging industries and economic development opportunity.	Increase interest and knowledge about emerging industries and identified areas of opportunity..	Increased action related to the emerging industries (grants, investments, planning, etc.) and identified areas of economic development opportunity
<p>Provide periodic Press Releases, E-reports or newsletters:</p> <p>Provide information, highlights, feature stories, and current events related to emerging industries or industry clusters</p>	Regional Coordinator and PDD Board volunteers	Positions the PDD as a “brain bank” for the emerging industries.	Emerging industries will begin to see the PDD as a resource of support.	PDD will be perceived and will act as a professional resource of support for the emerging industries.

Performance Measures:

- Foster a cooperative effort in the planning, development and implementation of local & regional plans
- Support workshops and other educational and informational opportunities to attract a broader spectrum of participants
- Provide communication of regional economic trends and changes

Objective 3: Embrace new technologies and methods that will provide for job growth and retention, and move our economy toward long-term sustainability, particularly in the areas of renewable energy opportunities, innovative manufacturing and business.

OUTPUTS		OUTCOMES		
ACTIVITIES	PARTICIPATION	SHORT TERM	MEDIUM TERM	LONG TERM
<p>Tap our local, regional & state talent of well-educated “inventors” or incubators.</p> <p>ie: Retiree expertise</p>	<p>Members of the community, region, PDD Board members, elected officials, tribal leaders, Work Force Development Council, private citizens</p>	<p>Increase the level of expertise available to our emerging industries</p>	<p>Raising the potential for emerging industries to develop and expand</p>	<p>Increasing the success rate for new businesses</p>
<p>Identify unique opportunities to leverage state, federal, and non-profit resources:</p> <p>Encourage achievement of renewable energy and innovative manufacturing.</p>	<p>Regional Coordinator, PDD Board members, tribal leaders, state & federal elected officials</p>	<p>Identify and possibly develop funding sources</p>	<p>Increase the potential for emerging industries to have the resources they need</p>	<p>Establish a culture that encourages risk taking and innovative ideas</p>
<p>Meet periodically with state & national elected officials to provide feedback about policies and projects that will assist emerging industries.</p>	<p>Regional Coordinator, PDD Board members, tribal leaders, elected officials</p>	<p>Increased communication & collaboration with policy makers</p>	<p>Increased collaboration at all levels to support the success of emerging industries</p>	<p>Increase success of emerging industries</p>
<p>Attend regional workshops, conferences, panels and forums, on emerging industries such as renewable energy</p>	<p>PDD Board members, tribal leaders, business owners, & Regional Coordinator</p>	<p>Increased PDD visibility in emerging industries</p>	<p>PDD will increase its representation in decision making.</p>	<p>Increased clout of PDD.</p>

Performance Measures

- Cultivate increased interest and involvement of lawmakers in local issues
- Initiate positive changes in the regional economic environment that are spurred by better policies
- Foster informed, “connected”, elected officials that understand emerging regional issues and the options

Belief Statements

The PDD believes that on the North Olympic Peninsula:

- Workers must adopt an attitude of life-long learning, thereby, becoming resilient when faced with changes in the economic landscape.
- The educational institutions will work closely with business and emerging industries to provide immediate response when new training is required to address workforce needs.
- Entrepreneurship should be encouraged through our educational institutions, training programs, and funding opportunities.
- The effective use of the workforce can be maximized and higher-skilled, higher-wage jobs can be created through the use of technology.
- Telecommunications, broadband, enhanced wireless mesh networks(WMN), transportation, and other infrastructure (sewers, waste water treatment, wells, etc.) are critical to economic growth.
- Businesses with high-speed communication capabilities will be able to tap into the opportunities offered by expanding worldwide markets.
- Working together on regional projects benefits everyone – (see Appendix B for complete list of regional projects).
- Partnering with the North Olympic Peninsula Resource Conservation & Development (RC&D) organization will benefit both the PDD, the RC&D, and the region.



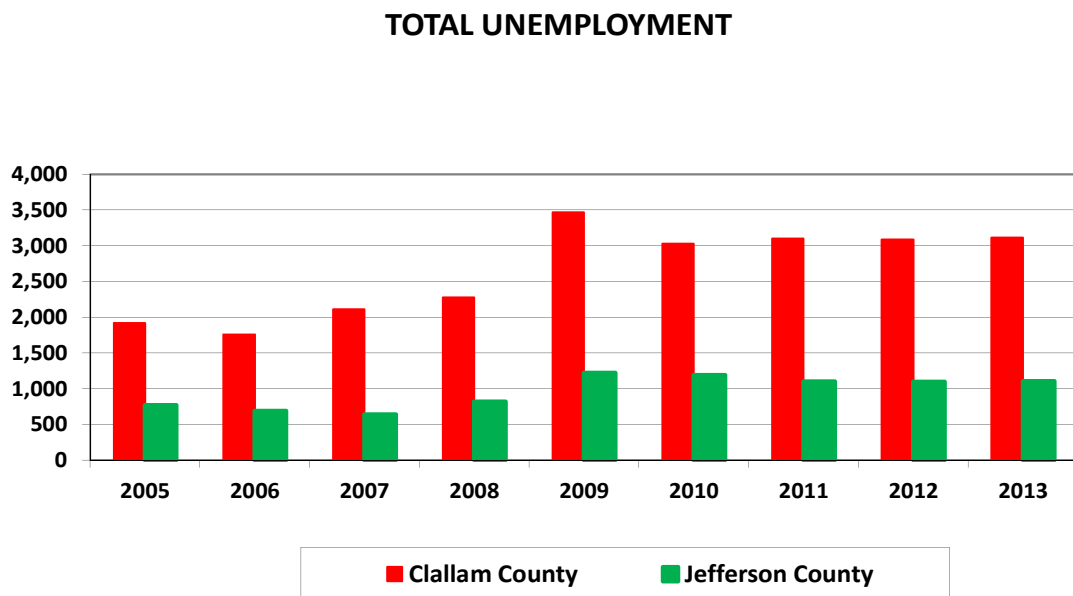
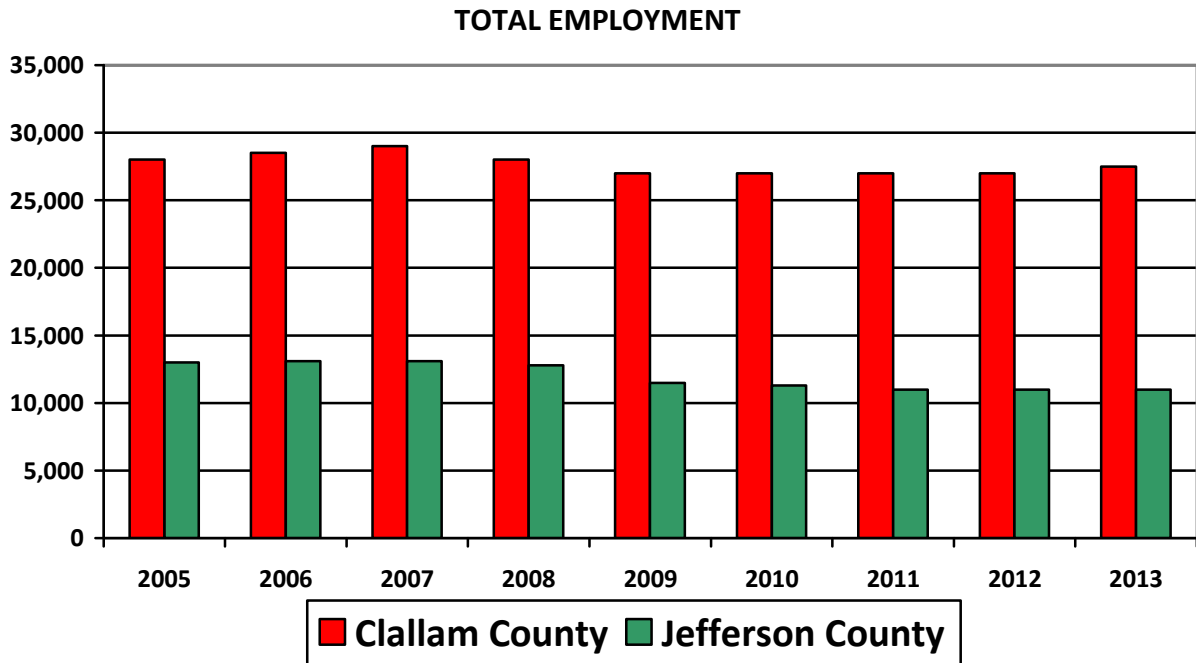
Summary

The PDD will collaborate with our partner governments and agencies to:

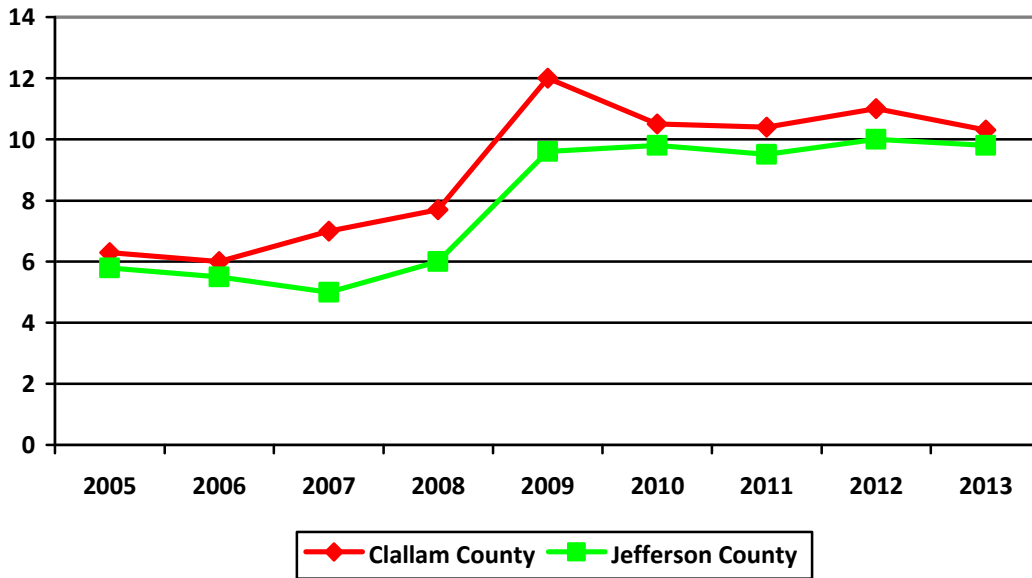
- Encourage North Olympic Peninsula residents to acquire the skills and knowledge necessary to create family wage jobs.
- Collaborate in establishing the North Olympic Peninsula as major renewable energy leader in the region and nation.
- Assist our regional businesses in overcoming challenges to become flexible and sustainable economic leaders through workforce development to compete in the world economy in the 21st century. The people and organizations of the region will have the vision and capacity to mobilize and work together for sustained economic progress and improvement of their communities.
- Identify opportunities in tourism and trade that will allow our communities and businesses to expand their regional and worldwide markets.
- Provide information and access to funding sources to support and improve the region's infrastructure improvements.
- Advocate reducing regulatory costs associated with the environmental mitigations necessary to ensure health and prosperity.
- Encourage education and flexible training programs to develop a strong workforce for our regional businesses.
- Maintain and expand viable industry clusters to strengthen the region's economic base.
- Support entrepreneurship and innovation through responsive building and planning regulations in the region.
- Provide access to financial and technical resources to help build dynamic and self-sustaining local economies.
- Support growth in "Farm to Table", specialized agriculture, and natural resource development.

The PDD has evolved into a regional economic development organization. The PDD will focus on projects that provide clear and immediate regional benefits including expansion of existing businesses, new businesses and emerging industries, growing and retaining jobs in all industry sectors, and striving to improve wage and salary scales throughout the region.

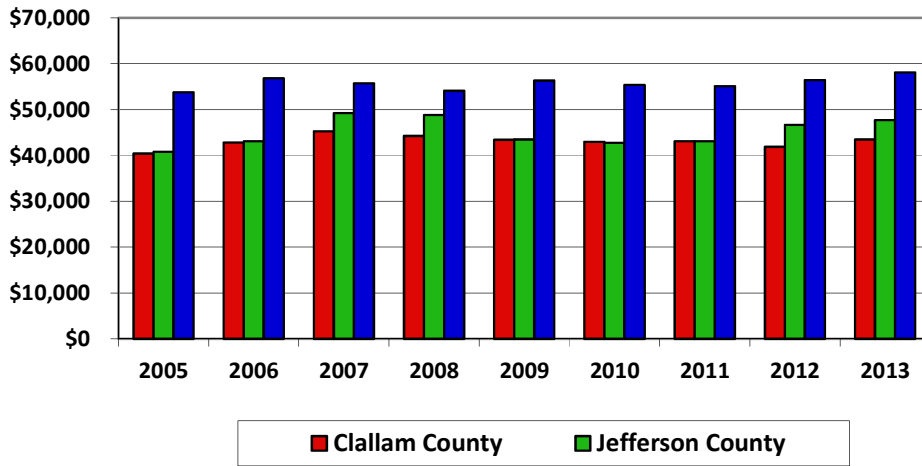
APPENDIX A – CHANGES IN THE REGION



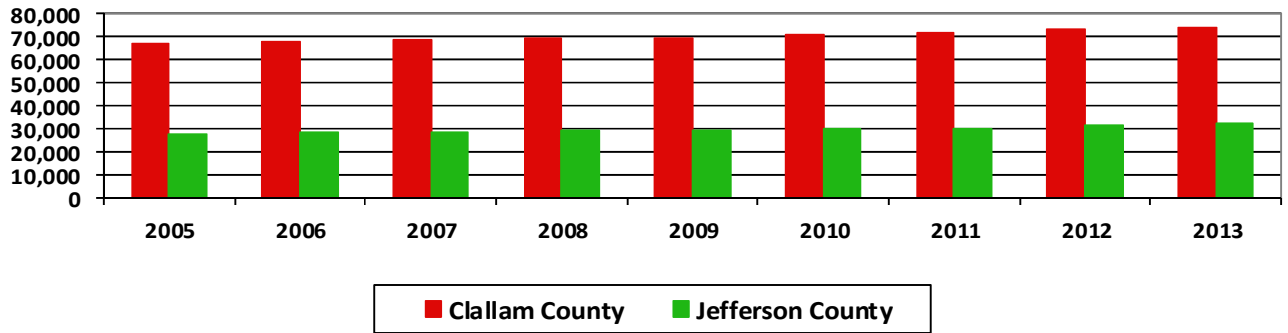
PERCENT UNEMPLOYMENT



MEDIAN HOUSEHOLD INCOME



POPULATION CHANGES



APPENDIX B



2014 - 2015 Project Summary

2014-2015 Summary of projects is categorized by regional goals established by the organization.

Regional Goals and Objectives:

Sustainable Infrastructure

1. Project: Irondale/Port Hadlock UGA - Wastewater Facility
 - a. Proposing Organization: Jefferson County
 - b. Contact: Philip Morley, pmorley@co.jefferson.wa.us
 - c. Total Project: \$35,000,000
 - d. Total Amount Requested: \$21,000,000
 - e. Type of Project: Engineering & construction of a wastewater treatment plant & collection system in the Irondale/Port Hadlock Urban Growth Area (UGA)
 - f. Matching Funding Source: Federal (SAAP), Local (G.O. Bond, PIF), State (PWTF loan)
 - g. Status:

2. Project: Quilcene Wastewater Treatment System/LOSS (large on-site septic system)
 - a. Proposing Organization: Jefferson County
 - b. Contact: Carl Smith, csmith@co.jefferson.wa.us
 - c. Amount Requested: \$100,000
 - d. Type of Project: Feasibility, infrastructure design & construction
 - e. Matching Funding Source: County, State, Federal
 - f. Status: Securing matching funds

3. Project: Broadband “Last Mile” (Tier Three)
 - a. Proposing Organization: TEAM Jefferson, Jefferson County
 - b. Contact: Peter Quinn, peter@qcorps.org, David Shambley, JC IS Mgr, dshambley@co.jefferson.wa.us
 - c. Amount Requested: \$150,000
 - d. Type of Project: planning, construction
 - e. Matching Funding Source: Private/public partnerships, County, State

4. Project: Howard Street Improvements and Economic Development
 - a. Proposing Organization: City of Port Townsend, Jefferson County
 - b. Contact: David Timmons, Mgr., dtimmons@cityofpt.us
Philip Morley, pmorley@co.jefferson.wa.us
Carl Smith, csmith@co.jefferson.wa.us
 - c. Amount Requested: \$4,600,000
 - d. Type of Project: Planning, engineering, and construction of infrastructure for industrially/commercially zoned vacant land.
 - e. Matching Funding Source: City, County, State, Federal (Appropriations Request)
 - f. Status: Currently funded for final design and ROW action. Half of Construction Funding Secured

5. Project: Port Angeles Waterfront Development Project
 - a. Proposing Organization: City of Port Angeles
 - b. Contact: Nathan West, nwest@cityofpa.us
 - c. Amount Requested: \$14,500,000 for construction and design for remaining phases
 - d. Type of Project: Downtown/waterfront redevelopment
 - e. Matching Funding Source: City, State (WSDOT, RCO, Ecology, PSP), Federal (Transportation, EPA, EDA, HUD, DOE)
 - f. Status: Construction on initial phase has begun. Grant for Phase II received.

6. Project: Alternate Cross-Town Route Study
 - a. Proposing Organization: City of Port Angeles
 - b. Contact: Nathan West, nwest@cityofpa.us
 - c. Amount Requested: \$220,000 for study (additional for design, property acquisition, etc.)
 - d. Type of Project: Planning to identify preferred route
 - e. Matching Funding Source: City, County, State (WSDOT), Federal (Transportation)
 - f. Status: No funds available currently

7. Project: Terminal 1 – Redevelopment
 - a. Proposing Organization: Port of Port Angeles
 - b. Contact: Ken O’Holleran, Ex. Dir., kenh@portofpa.com
 - c. Amount Requested: \$3 million project total
 - d. Type of Project: Feasibility, Planning, Design, Engineering, Construction
 - e. Matching Funding Source: Port, possible public/private partnership.
 - f. Status: first phase in progress

8. Project: Terminal 7 – Redevelopment for barging
 - a. Proposing Organization: Port of Port Angeles
 - b. Contact: Ken O’Holleran, Ex. Dir., kenh@portofpa.com
 - c. Amount Requested: \$5 million project total
 - d. Type of Project: Feasibility, Planning, Design, Engineering, Construction
 - e. Matching Funding Source: Port, possible public/private partnership.
 - f. Status: To bring logs in from Canada and Alaska for processing at local mills.
 - g. In progress

9. Project: Southwest Sewer Basin (including Glen Cove)
 - a. Proposing Organization: City of Port Townsend
 - b. Contact: David Timmons, Mgr., dtimmons@cityofpt.us
 - c. Amount Requested: \$4,400,000
 - d. Type of Project: Planning, engineering, design & construction of sewer in an area currently not served.
 - e. Matching Funding Source: City, County, State, Federal
 - f. Status: Currently working to develop design contract.

10. Project: East Historical Business District Revitalization
 - a. Proposing Organization: City of Port Townsend
 - b. Contact: David Timmons, Mgr., dtimmons@cityofpt.us
 - c. Amount Requested: \$1,600,000 (total project \$6,700,000)
 - d. Type of Project: ADA compliance for sidewalks, ramps, etc.
 - e. Matching Funding Source: Local (bond), State, Federal (Transportation, HUD)
 - f. Status: Currently funded for seismic work at \$2.4 million. Looking for additional funds to add project scope.

11. Project: Brinnon Sewer System
 - a. Proposing Organization: Jefferson PUD, Jefferson County
 - b. Contact: Jim Parker, jparker@jeffpud.org
 - c. Amount Requested: \$500,000 for community hook-up
 - d. Type of Project: Planning, design, engineering, construction
 - e. Matching Funding Source: PUD, County, State (State Parks)
 - f. Status: in process

12. Project: Jefferson Equestrian Events Center & Park
 - a. Proposing Organization: Jefferson County
 - b. Contact: Philip Morley, pmorley@co.jefferson.wa.us;
Christina Pivarnik (Jefferson Equestrian association), christina@pivarnik.com
 - c. Amount Requested: \$50,000 initial phase (\$750,000 total project cost)
 - d. Type of Project: Creation of a general use outdoor events center
 - e. Matching Funding Source: County, State, private foundations, public/private partnerships
 - f. Status: Initial work being accomplished by volunteers and donations

13. Project: Golf Course in Neah Bay
 - a. Proposing Organization: Makah Tribe
 - b. Contact: Mike Rainey, mike.rainey@makah.com
 - c. Amount Requested: total project cost not determined at present
 - d. Type of Project: Building a 9-hole golf course on 10 acres
 - e. Matching Funding Source: Tribe, public/private partnerships
 - f. Status: in planning and design phase

14. Project: Commercial Fishing Dock & Ice Machine in Neah Bay
 - a. Proposing Organization: Makah Tribe
 - b. Contact: Mike Rainey, mike.rainey@makah.com
 - c. Amount Requested: \$700,000
 - d. Type of Project: Replacement of dock
 - e. Matching Funding Source: Tribe
 - f. Status: in planning and design phase

15. Project: WSU Extension Broadband Project
 - a. Proposing Organization: WSU Extension (Jefferson & Clallam)
 - b. Contact: Clea Rome, crome@wsu.edu Laura Lewis, llewis@wsu.edu
 - c. Amount Requested: \$70,000 secured through grant
 - d. Type of Project: Technology planning
 - e. Matching Funding Source: public/private partnerships, state
 - f. Status: in first phase, year-long project

16. Project: Harbor Maintenance
 - a. Proposing Organization: Port of Port Angeles, City of Port Angeles
 - b. Contact: Ken O'Holleran, Ex. Dir., kenh@portofpa.com
 - c. Amount Requested: total project cost not determined at present
 - d. Matching Funding Source: Federal, State, Tribes
 - e. Status: Ongoing

17. Project: Various Brownfield Projects
 - a. Proposing Organization: Port of Port Angeles, City of Port Angeles
 - b. Contact: Ken O'Holleran, Ex. Dir., kenh@portofpa.com
 - c. Amount Requested: total project cost not determined at present
 - d. Type of Project: PA Harbor Cleanup; Rayonier Site;
 - e. Matching Funding Source: total project cost not determined at present
 - f. Status: Ongoing

18. Project: Port Angeles Landfill
 - a. Proposing Organization: City of Port Angeles)
 - b. Contact: Nathan West, nwest@cityofpa.us
 - c. Amount Requested: Undetermined at present
 - d. Type of Project: Public Works, clean-up
 - e. Matching Funding Source: State, Federal EPA
 - f. Status: in first phase, multi-year-long project

19. Project: Port Townsend Water Reservoir
 - a. Proposing Organization: City of Port Townsend
 - b. Contact: David Timmons, Mgr., dtimmons@cityofpt.us
 - c. Amount Requested: total project cost not determined at present
 - d. Matching Funding Source: State, Federal
 - e. Status: Ongoing

20. Project: Port Townsend Secondary Water Treatment
 - a. Proposing Organization: City of Port Townsend
 - b. Contact: David Timmons, Mgr., dtimmons@cityofpt.us
 - c. Amount Requested: total project cost not determined at present
 - d. Type of Project: Water safety/storage
 - e. Matching Funding Source: State, Federal
 - f. Status: In work

21. Project: Guy Cole Center
 - a. Proposing Organization: City of Sequim
 - b. Contact: Steve Burkett, Mgr., sburkett@sequimwa.gov
 - c. Amount Requested: total project cost not determined at present
 - d. Matching Funding Source:
 - e. Status: Ongoing, in public comment phase

22. Project: Broadband Enhanced Wireless
 - a. Proposing Organization: TEAM Jefferson
 - b. Contact: Peter Quinn, peter@qcorps.org
 - c. Amount Requested: total project cost not determined at present
 - d. Type of Project: Infrastructure
 - e. Matching Funding Source: Public-private partnership
 - f. Status: In work

Higher Education and Workforce Training

1. Project: REDI
 - a. Proposing Organization: Peninsula College
 - b. Contact: Linty Hopie, lhopic@pencol.edu
 - c. Amount Requested: \$200,000
 - d. Type of Project: Rural training
 - e. Matching Funding Source: Local organizations, businesses, enrollment fees
 - f. Status: Seeking funding sources and partners
2. Project: Historic Preservation Vocational Training Center (Fort Worden)
 - a. Proposing Organization: Port Townsend School of Woodworking & Preservation Trades
 - b. Contact: Tim Lawson, tim@ptwoodschoool.com
 - c. Amount Requested: \$600,000
 - d. Type of Project: Restoration of Bldg 365 to create teaching space
 - e. Matching Funding Source: State Parks, private foundations
3. Project: Fort Worden Building 202 Rehabilitation Partnership
 - a. Proposing Organization: City of Port Townsend and Peninsula College
 - b. Contact: David Timmons, dtimmons@cityofpt.us, Bob Lawrence, blawrence@pencol.edu
 - c. Amount Requested: total project cost not determined at present
 - d. Type of Project: planning, phased construction
 - e. Matching Funding Source: Fort Worden Collaborative, Peninsula College, Washington State Higher Education Board
 - f. Status: Currently funded at \$4.9 million. Project will be spearheaded by College
4. Project: Sustainable Furniture Project (to create NOP brand)
 - a. Proposing Organization: Port Townsend School of Woodworking
 - b. Contact: Tim Lawson, tim@ptwoodschoool.com
 - c. Amount Requested: \$144,000
 - d. Type of Project: Creation of furniture to maximize utilization of natural resources
 - e. Matching Funding Source: private foundations

Job Retention and Expansion

1. Project: North Industrial Park –Composite Manufacturing Campus
 - a. Proposing Organization: Port of Port Angeles
 - b. Contact: Ken O’Holleran, kenh@portofpa.com
 - c. Amount Requested: \$3 million project total
 - d. Type of Project: Feasibility, Planning, Design, Engineering, Construction
 - e. Matching Funding Source: Port, possible public/private partnership.
 - f. Status: first phase is completed, completion of building interior/equipment

2. Project: Advanced Composite Center
 - a. Proposing Organization: Port of Port Angeles
 - b. Contact: Ken O’Holleran, Ex. Dir., kenh@portofpa.com
 - c. Amount Requested: \$6 million project total, \$4 Million for equipment
 - d. Type of Project: Feasibility, Planning, Design, Engineering, Construction
 - e. Matching Funding Source: Port, possible public/private partnership (Battelle).
 - f. Status: Application for grant funding in progress

Entrepreneurs and Innovations

1. Project: Redevelopment of K-Ply property
 - a. Proposing Organization: Port of Port Angeles
 - b. Contact: Ken O’Holleran, Ex. Dir., kenh@portofpa.com
 - c. Amount Requested: \$4M total project
 - d. Type of Project: Planning, Engineering, Demolition, Infrastructure, Construction: improvements to the Marine Trades Area.
 - e. Matching Funding Source: Port, State, marine transportation funding
 - f. Status: In progress

3. Project: Eco-Industrial Park
 - a. Proposing Organization: Port of Port Townsend
 - b. Contact: Larry Crockett, Ex. Dir., larryc@portofpt.com
 - c. Amount Requested: \$1 million for initial phase, \$3m project total
 - d. Type of Project: Feasibility, Planning, Design, infrastructure
 - e. Matching Funding Source: Port, County, State, Federal (EDA)
 - f. Status: Construction on infrastructure will begin Fall 2014

4. Project: Various Alternative Energy Projects
 - a. Proposing Organization: Clallam EDC
 - b. Contact: Executive Director
 - c. Amount Requested: total project cost not determined at present
 - d. Type of Project: Bio-Mass; Wave energy
 - e. Matching Funding Source: Public-private partnerships
 - f. Status: Energy “Road-Map” completed

APPENDIX C – REGIONAL OPPORTUNITIES

OLYMPIC COMPOSITES CORRIDOR

A Business-Friendly Environment

www.olympiccomposites.org



The **Olympic Composites Corridor (OCC)** unites critical resources and facilities for growing composites manufacturing companies.

The OCC is located in Washington State, adjacent to Boeing's burgeoning aerospace facilities. It offers two ports, two airports, a rail line, college-level composites manufacturing training, a marine laboratory, multiple composites businesses, new manufacturing facilities, autoclave availability and airport-adjacent industrial facilities and buildable land. A natural deepwater port on the Pacific Rim makes sea shipping to global markets effortless. The Composites Manufacturing Campus is developing supply chain businesses to support testing, material production, milling and curing capabilities. Our region's consortium of state-of-the-art composite experts include representatives from the sporting, marine and aerospace manufacturing industries, plus scientists and innovators such as the researchers of the Marine Sciences Lab at the Pacific Northwest National Laboratory. All stand ready to support new partners of the OCC.

Public Partners

- Port of Port Angeles
- Port of Bremerton
- City of Port Angeles
- City of Sequim
- Battelle Marine Sciences Laboratory
- Pacific Northwest National Laboratory
- Peninsula College
- Olympic College
- Kitsap Aerospace & Defense Alliance
- Clallam County Economic Development Council
- Kitsap Economic Development Authority

Private Industry Partners

- Profile Composites
- Angeles Composites (ACTI)
- Westport Shipyards
- National Center for Manufacturing Sciences (NCMS)
- Plycypus Marine
- Mervin Manufacturing

COMPOSITES CAMPUS: The Composites Manufacturing Campus is situated on 6.5 acres in the 123-acre Port of Port Angeles Airport Industria Park. It has building pads for five large composites facilities dedicated to both hot and cold manufacturing processes. Shovel-ready, build-to-suit options are available. This facility is part of the Port's support of aerospace composites tenants, yacht builders and alternative energy firms by providing infrastructure. In combination with state-of-the-art facilities, proximity to domestic and international markets, and a trained workforce, the Composite Campus is a ground-floor opportunity for manufacturers.

BATTELLE R & D CAMPUS: Battelle Memorial Institute's Marine Sciences Laboratory has been designated as the "North Olympic Peninsula Innovation Partnership Zone" (IPZ) by the State of Washington. The IPZ's purpose is to deliver new research, development, manufacturing and operations opportunities that support an ocean renewable energy industry in the region's coastal environments. This IPZ includes research laboratories, conference / learning / training spaces, offices, computer rooms, and support spaces. These facilities provide the foundation for research and development directed at enabling solutions to energy production, security, and adaptation to climate change that will foster future businesses and employment in the region. One of the IPZ's goals is to continue to expand R&D platforms to recruit research-based industries to the Sequim campus.

TRAINED WORKFORCE: The Olympic Peninsula is home to a diverse, adaptable and trained workforce. Aerospace, marine and recreation equipment manufacturers have used this resource to become leaders in their respective industries. In addition, Peninsula College in Port Angeles, Washington has partnered with these regional manufacturers to develop a trained workforce by offering short- and long-term technical training. The Peninsula College composite programs include 5-week entry level trainings, one-year certificates, and a two-year Associate of Applied Science degree. Instruction is aligned with cutting-edge manufacturing techniques and meant to expand the skill set of Olympic Peninsula workers.

OCC PARTNERS: The Port Districts of the Olympic Composites Corridor together with the Cities of Port Angeles, Sequim and Bremerton, in concert with the private sector, can jointly assist your business in locating composite R&D and manufacturing businesses on the Olympic Peninsula. The OCC stands ready to help composites companies in securing land, financing and other development support. OCC partners include major composite manufacturers such as:

- **Westport Shipyards**, the largest yacht builder in North America
- **Angeles Composites Technology Inc. (ACTI)**, an advanced composite material supplier for Boeing, Bombardier and Lockheed Martin
- **Platypus Marine**, makers of a composite Bulbous Bow that adds a 17% efficiency factor
- **Mervin Manufacturing**, a leading designer/manufacturer of snowboarding and skateboarding products.

In addition, the **National Center for Manufacturing Sciences (NCMS)**, the largest not-for-profit manufacturing R&D consortium in North America, can help with forming cross-industry and public/private collaborations that advance the state of the art in advanced materials, advanced manufacturing processes and applications, while reducing risk, cost and time to market for industry partners.

PROFILE COMPOSITES: Since 1997, Profile Composites Inc. (PCI) has provided contract research and development and manufacturing services for advanced composites applications in the areas of aerospace, transportation, marine renewable energy, and enhanced mobility devices such as high-performance forearm crutches and wheelchairs. We meet the customers' needs from concept through manufacturing process and cell development to sustainable manufacturing, using innovative out-of-autoclave processes. Winner of two JEC Innovation Awards, in Transportation (Europe 2009) and Aerospace (Asia 2009).

MARINE LABORATORY: Pacific Northwest National Laboratory's Marine Sciences Laboratory (MSL), headquartered in Sequim on Washington State's Olympic Peninsula, is the Department of Energy's only marine research laboratory. Operated by Battelle, this unique facility and its researchers deliver science and technology that is critical to the nation's energy, environmental and security future. MSL has 14,000 square feet of laboratory space including analytical, electronics/engineering, sensor system, biotechnology, and aquatics laboratories supplied with freshwater and seawater; a state-of-the-art waste seawater treatment system; three coastal research vessels; full scientific scuba dive capacity; and a research pier and dock extending into the mouth of Sequim Bay with sensing and monitoring capabilities.

DEEP WATER PORTS: The Ports of Port Angeles and Bremerton both offer convenient access to the United States' West Coast and the entire Pacific Rim, with shipping times to Asia a day and a half shorter than from California ports. The Port of Port Angeles has five deep-water berths capable of handling vessels up to 1,200 feet in length with drafts up to 40 feet. The Port of Bremerton's Foreign Trade Zone allows for assembly of products on site, thus avoiding a tax event. The Washington State Ferry makes 15 trips daily into downtown Seattle from the Port of Bremerton, and the Back Bay Ferry in Port Angeles provides daily service to Victoria in British Columbia, Canada.

We believe that the Olympic Composites Corridor represents a win-win for all concerned. We invite your inquiries and interest, and look forward to a mutually beneficial collaboration.

**For more information:
Contact Colleen McAleer
360.417.3435
colleenm@portofpa.com**



Peninsula Development District
Serving Clallam & Jefferson Counties
P.O. Box 691, Carlsborg, WA 98324
360-504-2539
peninsula.development.district@gmail.com
www.pendev.org