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# Three Rivers Community Roundtable Annual Report 2005

## Introduction

*Mike Schwenk, Chair*

The Three Rivers Community Roundtable (CRT) was created in April 2001. Its creation came from a series of three public meetings, involving 150 people, conducted during the preceding 6 months. Based on a similar community planning process conducted in the early 90s and the positive changes resulting from that effort, the theme of this more recent activity was to once again create a vision of our preferred future for the decade ahead. This time, however, the implementation of the plan would take a different form.

The CRT was conceived not as another economic development organization, but rather to serve as a forum where community leaders come together to communicate, coordinate, integrate, and facilitate their respective strategies for achievement of the regional vision. The CRT serves as the steward of this vision and holds itself accountable to the public by reporting annually on progress toward realizing that vision.

A simple economic development model has been used to provide the framework upon which the vision was built (see Figure 1). This model recognizes the importance and interdependence of starting new businesses, keeping and growing the ones we have, and recruiting new industry. The success of these groups relies heavily on the business climate and quality of life in our region. The vision drives these five elements with particular emphasis on technology, education, water, and "connectivity," which together become our competitive differentiators and the things that make our region great.

This Annual Report of the CRT presents the consensus regional vision developed by the participating community leaders and their respective "focus groups." It provides, in summary form, the vision's sub-elements, projected 10-year goals, measures of success, and past-year accomplishments for each of these groups. As you will discover, there is much to celebrate in the advancement of our community. There is much still to do, yet we see an exciting future ahead.

The effectiveness of the CRT lies in the willingness and intentions of community leaders to share their viewpoints, to seek consensus on the overall vision, and to engage with one another while working toward the desired economic future of our community. Consistent with this community spirit and motivation, the CRT participants are pleased to provide this report.

***The Community Roundtable would like to acknowledge the contribution of Battelle for the preparation of this annual report.***

# Community Roundtable Vision

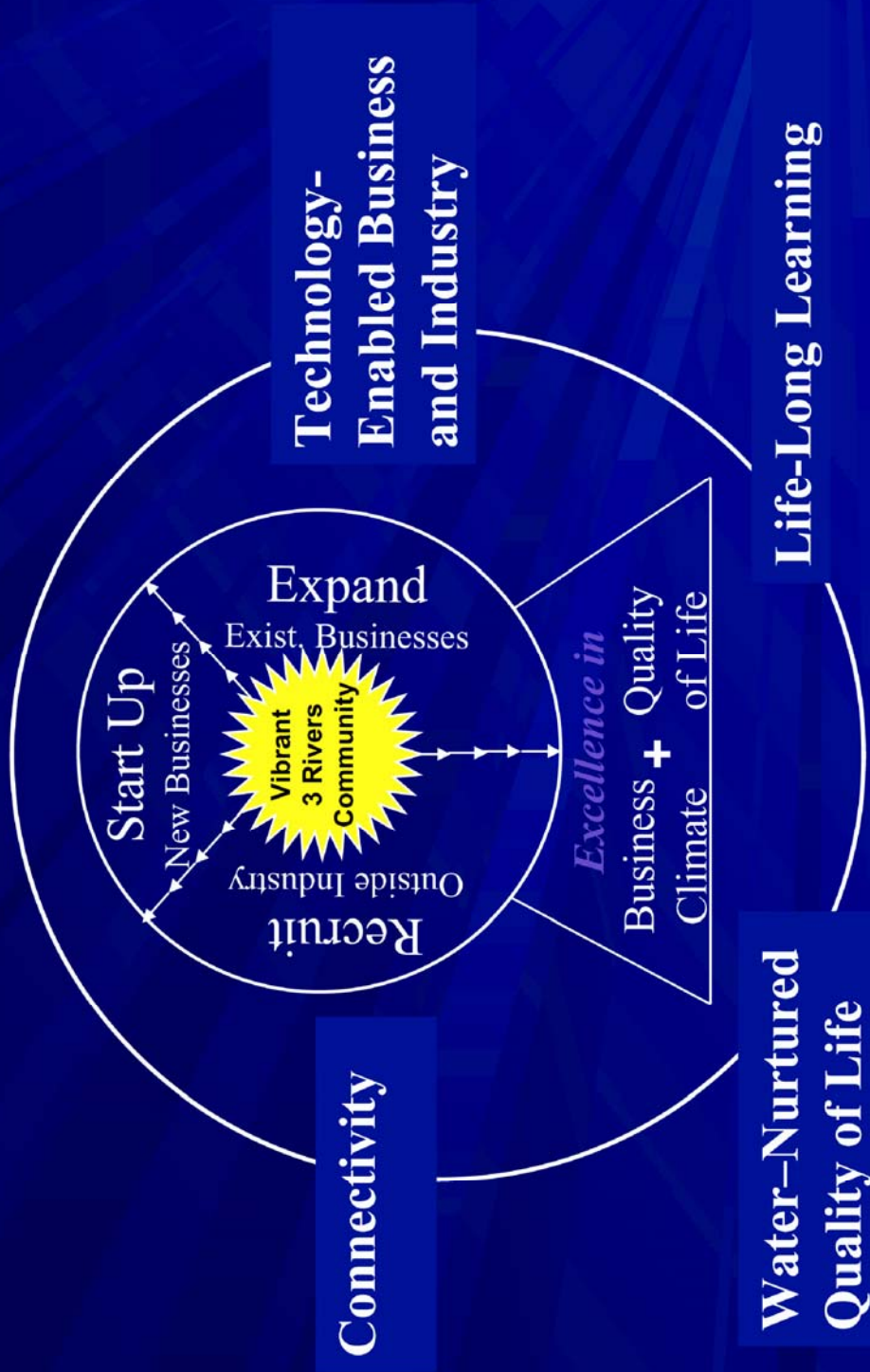


Figure 1. Three Rivers Region Economic Development Model

# The Three Rivers Region: A Shared Vision

The Three Rivers region is a family-friendly place where quality living is achieved through energetic people, advanced technology, and a vibrant waterfront.

## Technology-Enabled Business and Industry...

With a focus on starting new businesses, growing existing ones, and attracting new industry, jobs are readily available for citizens of every skill level. From the high-tech entrepreneur to the food-processing specialist, from the health care provider to the legal and business professional, and from the retailer to government and school staff, the Three Rivers region builds its job base by infusing technology into every single enterprise. As the Pacific Northwest National Laboratory (PNNL) and other research entities infuse new technologies into the community, the Three Rivers region is a place where those who desire to be on the leading edge choose to locate. New materials are manufactured based on the latest breakthroughs in nanoscience; bio- and micro-technologies break barriers to enable chemical production from agricultural feedstock; and microbial science is applied to environmental restoration. Sustainability is practiced as part of the model community. The Three Rivers region has become known for its energy efficiency and environmental stewardship.

New industry migrates and disperses more evenly throughout the Pacific Northwest, including into the Three Rivers region. Aerospace, distribution centers, computer hardware, and software are real contributors to local payrolls. Even the federal presence is transformed as the Department of Homeland Security, the National Science Foundation, and the National Institutes of Health establish major programs through investments at the Hazardous Material Management and Emergency Response (HAMMER) Training Center and PNNL. All of this is coupled with dramatic advances in new alternative energy technologies pilot-tested by Energy Northwest.

Agribusiness builds upon its phenomenal history of being the leading private sector industry in the region as it supplies diversified fruits, grains, and specialty produce. Capitalizing on good water supply, ideal climate, and excellent soil conditions, it expands into new technological frontiers via the world-class Bioproducts, Sciences, and Engineering Laboratory at Washington State University Tri-Cities (WSUTC). Sophisticated value-added processing, alternative bio-engineered products, and new crop development are commonplace. Ancillary businesses abound, such as manufacturers of farm-enhancing equipment, integrated global positioning field mapping with chemical and nutrient application, disease and pest-resistant crop development, and ultra-advanced irrigation systems. Building on the example of the Pasco Processing Center, state-of-the-art infrastructure systems attract and support high-tech agribusiness. The Three Rivers region is recognized as “the place to do business,” which is more than evidenced by our internationally acclaimed wine industry.

## Life-Long Learning...

Behind the technology-driven basis of the community rests its people. In particular, a people inspired to educate its citizens from cradle to grave. The focus on education and training begins during the earliest years of life to ensure every child has the mental development necessary to enter school willing, able, and receptive to the opportunities presented. Learning continues throughout the schooling process in a seamless system designed to guarantee every child's success. It culminates with alternative learning pathways for the adult choosing to pursue

professional or technical training, higher education, or general enrichment. In the Three Rivers region, education is a holistic system. And it is the root that nurtures all other success.

Exceptionally well-qualified staff means high-caliber schools, innovative teaching approaches, and broad community support. Because of this, the best and brightest workers are attracted to the Three Rivers region as the place to have their children educated. Because of the emphasis on quality education and the very exciting nature of the technology-driven economy, students stay locally to continue their education. Whether taking advantage of the two-year, four-year, or even Ph.D.-granting capabilities at the Washington State University/Columbia Basin College (CBC) system, or the local industry-relevant training for ensuring an internationally competitive workforce, they are able to stay and work in an enriching environment. This environment attracts students from elsewhere to come for their graduate and even post-graduate education.

## **Water-Nurtured Quality of Life...**

From the time of Ice Age floods until today, the Three Rivers region is all about water. The existing landforms and geography derive their existence from water. That people ever settled here was because of abundant water. That the community prospered first in agriculture and later from Hanford is because of available water. Once again, taking advantage of technology, the community practices recycle and reuse of water for domestic and industrial purposes. As use efficiencies increase, demands for additional water are dramatically curtailed. Advances in technology also result in new ways of applying and conserving water for irrigated agriculture.

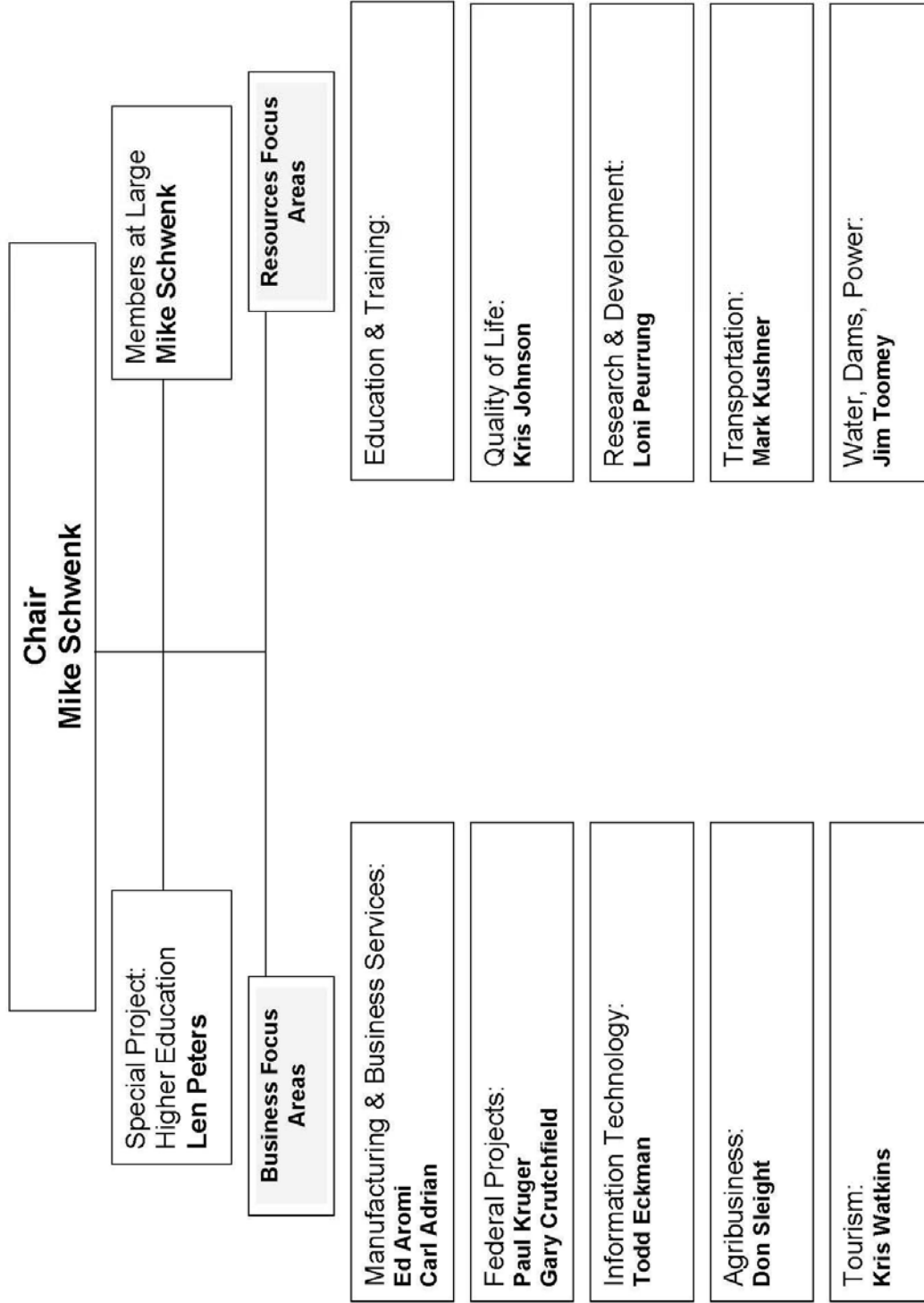
The rivershore is a 22-mile aquatic playground of family-friendly activities. Tourists and business travelers from around the world flock to the shores to enjoy the same amenities it provides the community's citizens. Among these are the new Cultural Complex and gateway to the Hanford Reach National Monument, the Lewis and Clark Interpretive Overlook, and the Washington Wine Country Visitor Center. All of this is a key factor in the huge success of the Regional Convention Center, whose expansion is already on the drawing boards. And interestingly, the rivershore is a major reason young adults and retirees remain in the Three Rivers region given the wide variety of affordable places to congregate, socialize, and recreate. From all of this emerges unique retail and dining establishments. Whether looking for boutique shops or upscale shopping districts, or enjoying a variety of cuisine in pleasant surroundings, the Three Rivers region has it all.

## **Connectivity...**

The Three Rivers region understands that connectivity plays a vital role in economic development. Strategic roadways, waterways, airways, and railways make the region a transportation hub. Such connectivity gives the region's agricultural products a competitive advantage on their way to domestic and overseas destinations. And it makes for convenient and affordable business and pleasure travel to all destinations. Superior bandwidth is a different kind of connectivity, as it transports knowledge to and from the region and underpins the entire technology agenda. Another form of connectivity, the community-built affiliations with political, educational, financial, social, and cultural influence centers of the region and nation, creates a backbone and rich resource base to tap for growth. All this is done to be part of the world scene – to be able to reach out and invite in.

The end result, at long last, is a vibrant region. By caring for ourselves through our health care system and active living lifestyles, and by caring for our safe clean environment, we have built an enduring place that brings out the best in its entire people, while respecting and nurturing the land it occupies.

## Three Rivers Community Round Table (2006)



**Figure 2. 2006 Champions and Community Roundtable**

# 2006 CRT Focus Area Contacts

## Business Focus Areas

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Open

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## CRT Focus Area Visions

**Agribusiness:** The Three Rivers region builds upon its history as the leading private sector industry to set a national example in new value-added agriculture processing, alternative and new crops, and alternative bio-source energy.

**Federal Projects:** The region is known as a place where solutions to the critical national problems of clean abundant energy, homeland security, and environmental management are solved.

**Information Technology:** A community with a growing and sustainable information technology industry that supports local and regional businesses.

**Manufacturing and Business Services:** The Three Rivers region enjoys a vital, high-value, technology-led export sector economy.

**Tourism:** The premier tourism and convention destination in eastern Washington.

**Education and Training:** A community system of learning and education that prepares students for fulfilling and productive lives, and significantly improves the region's quality of life and economy.

**Quality of Life:** A community enjoying a high quality of life for its diverse people:

- A variety of first-class **recreational** activities appealing to all ages.
- A **health care** system promoting healthy lifestyle and providing quality medical care for everyone.
- A sense of **security** prevailing in all neighborhoods/areas.
- **Social services** focusing on positive childhood experiences, prevention of social injustice, and serving the needs of the elderly.
- A community **education system** preparing students for productive lives and supporting life-long learning.
- **Art and entertainment** providing vibrant, frequent, and appealing leisure activity for our diverse people.

**Research and Development:** Regional R&D partnerships stimulate innovation, increase economic diversity, and improve the area's business infrastructure and quality of life.

**Transportation:** There is a progressive and efficient multi-modal transportation system that contributes to economic development and sustains a high quality of life.

**Water, Dams, and Power:** There are sufficient committed water resources to meet the economic and quality of life needs of the region.

# Agribusiness

## Vision for Agribusiness

The Three Rivers region builds upon its history as the leading private sector industry to set a national example in new value-added agricultural processing, alternative and new crops, and alternative bio-source energy.

## 10-Year Outcome and Goals:

- Maintain and enhance critical resources required by agriculture.
- Develop the region into the hub of the Washington State wine industry.
- Expand opportunity for value-added conversion of local agricultural production.
- Promote development of nontraditional or alternative uses for agricultural production.
- Develop a network of agriculture-related strategic business alliances.
- Enhance agriculture and food processing education and training.

## Key Measures of Success over 10 Years

1. Complete significant new Yakima water storage.
2. Area recognized as a center for innovative agricultural technologies, which may include processing, irrigation, and utilization of by-products of agricultural production.
3. Hold a world-class event that promotes the agricultural production of our area.
4. The Tri-Cities will become known as a center for agricultural production, processing, and attract industry groups in the state of Washington.

## Accomplishments during 2005

- The fourth annual Washington Wine international trade expo generated over \$5.0 million in Washington state wine exports in 2005, an increase of at least 43% over the previous year. The event was held in the Tri-Cities May 11-15, 2005. Some 150 foreign wine buyers and wine and food writers participated in the five day expo. Such exposure has contributed immeasurably to growing global awareness and interest in the distinctive wines of Washington State, and continues to have the full support of TRIDEC and the agriculture community.
- Agribusiness was involved in discussions with the Washington Department of Ecology and others regarding the Columbia River Initiative. Unique and potentially harmful economic impacts are linked to the availability of water from the Columbia River. The CRI is designed to address the legal, scientific, and political issues related to water use from the mainstream of the Columbia River. The Department of Ecology's rulemaking will have significant impacts on people, industry, and agriculture in their relationship with the Columbia River.
- Agribusiness continued assisting the TCVCB in attracting agricultural conferences and events to the Tri-Cities, including viticulture and enology events.
- Agribusinesses continued monitoring the implementation of the Commute Trip Reduction law in Benton County and to prevent it from having a negative effect on rural food processors and agricultural producers.
- Hosted 7 potential new food processors during exploratory visits and discussions on expansion or new development in the Tri-Cities.

- Continued involvement with the development of the Red Mountain Viticulture Area (AVA) as a wine-specific industrial development and tourist destination.
- Maintained involvement and continued support for those promoting the construction of Black Rock reservoir to evaluate its potential to grow the Tri-Cities economy.
- Provided TRIDEC staff with information and perspective for dealing with production agriculture issues surrounding biodiesel and ethanol production opportunities in the region.
- Collaborated with WorkSource in developing programs, winning grants and providing matching dollars for several training initiatives specific to agriculture. One program focused on incumbent worker skills gap assessment and subsequent training. Another provided Occupational Spanish language training for industry, processing and warehousing environments. A third provided both language and cultural awareness training for Supervising Spanish Speaking Employees.
- The regions agribusiness community supported the recruitment of Gourmet Trading Company to Pasco. The success of the effort provides a market for asparagus historically sold to the process market to enter the fresh market, worldwide.

## Federal Projects

### Vision for Federal Projects

The region is known as a place where solutions to the critical national problems of clean energy, homeland security, and environmental management are solved.

### 10-Year Outcomes and Goals:

- Promote the future of PNNL and HAMMER.
- Encourage collaboration on clean energy pilots and demonstrations.
- Enhance the community small business base.
- Continue support for the Hanford Reach National Monument and a B-Reactor Museum.

### Key Measures of Success Over 10 Years:

1. PNNL and HAMMER will continue to be a growing part of the economic base of the community with specific growth targeted in the areas of homeland security, energy, and fundamental science. HAMMER will continue to grow as a national asset focused on providing national and homeland security training for personnel working in law enforcement, the military and national energy infrastructure.
2. PNNL will continue to work with DOE and industry clients to explore how to use resources in the most efficient and environmentally acceptable manner possible. At the same time, PNNL will focus on bridging the gap between today's energy systems and tomorrow's hydrogen economy. PNNL researchers will concentrate on new methods for controlling and protecting the national energy grid, future generation sources that transition into the use of hydrogen, solid oxide fuels cells, and the broad and safe use of hydrogen.
3. Energy Northwest (ENW) will work to increase the use of existing secure, affordable clean energy sources, such as wind energy, biomass, and hydrogen.
4. The DOE Richland Operations Office (DOE-RL) will set aside an increasing amount of the Environmental Management cleanup dollars for small businesses with a goal of having \$100 million in small business contracts in place by FY 2007.
5. Although not able to contribute direct funding to the Hanford Reach National Monument and the B-Reactor Museum initiative, the DOE, in concert with Three Rivers' communities, will provide appropriate support to the U.S. Fish and Wildlife Service (FWS) and the National Park Service in their work toward development of a fully functional Hanford Reach National Monument and B-Reactor Museum.

### Accomplishments during 2005:

- PNNL and HAMMER continue to collaborate on establishment of a National Hydrogen Safety Training Program for the DOE Office of Hydrogen, Fuel Cells, and Infrastructure Technologies.
- The DOE's Pacific Northwest Site Office, PNNL and HAMMER deployed technical assistance and response personnel to the Gulf region during the 2005 hurricane season.
- Continued efforts to establish collaborations between HAMMER, PNNL, and WSU to utilize and leverage the combined strengths and networks of the partners to further the Homeland Security mission in the region, state, and the nation.

- PNNL continues to teach border agents at HAMMER to identify and deter smuggling of weapons of mass destruction. PNNL has trained nearly 1,000 U.S. Customs agents through this program.
- PNNL's Capability Replacement Laboratory project received approval to start preliminary design.
- PNNL selected as the leader of the National Visualization and Analytics Center for the Department of Homeland Security.
- PNNL secured two major grants from the National Institutes of Health for work in the biosciences.
- HAMMER conducted National Guard Civil Support team training for teams from Washington State, Alaska, and Idaho consisting of different scenarios dealing with weapons of mass destruction.
- Energy Northwest continues to explore potential wind sites in the northwest and is currently working with other business partners to bring additional wind generation.
- Energy Northwest currently working with a several organizations to determine the feasibility of commercializing electrical generation from a biomass project.
- Energy Northwest continues to perform business case analysis for the marketing and development of thermal generating resources in the Pacific Northwest.

## Information Technology

The following reports reflect the progress made by the TRIDEC IT Taskforce and its committees in 2005 and include future plans and goals. The IT Taskforce has been very active in promoting growth and development of both IT industry and infrastructure for the benefit of local and regional businesses. Additionally we continue to work with other community groups to better understand their challenges as it pertains to IT and educate them on the progress that is being made.

### **Vision for Information Technology Taskforce**

A community with a growing and sustainable IT industry that supports local and regional businesses.

### **10-Year Outcomes and Goals:**

- A diverse group of carriers offering a robust communications infrastructure that provides low-cost, universal, high-speed access to and within the southeastern Washington region.
- Improved "last-mile" connectivity and increased available bandwidth built around one or more "meet-me-facilities" in the region.
- Regional internet traffic exchange operational for peering between local service providers in order to keep local traffic local and improve regional business-to-business and home-to-business connectivity to support virtual industry networks and enhance work-from-home capabilities.
- Tri-Cities point-of-presence established for a nationally recognized leading-edge research and education network to attract high-tech companies to the region and support growth in programs at WSUTC and CBC.

### **Key Measures of Success Over 10 Years:**

1. Development of IT infrastructure in the region to support requirements for both existing and new business growth.
2. Growth in the IT-based industry over the 10-year period.

### **IT Taskforce Accomplishments During 2005:**

1. Support small/large businesses in the region with their IT infrastructure needs
2. Support CBC Wireless Campus Project with design complete and implementation expected by March 2006
3. Supported HAMMER Simulation Demonstration to Federal, State, County and City First Responder community on 9/22/2005
4. Obtained \$250,000 in additional funding for SWIFT for a total of \$750,000 to date
5. Supported TRIDEC in marketing efforts for potential employers for region to include IT assessment for Amazon.com win

**Bandwidth Committee Accomplishments:**

1. Supported SWIFT in deploying a fiber backbone and carrier class licensed wireless backbone (400Mb). Installation is in progress to connect Richland to the Kennewick and Pasco fiber networks and is anticipated to be completed in February of 2006.
2. Held several planning meetings supported by technical specialists from Benton PUD, City of Richland, Educational Service District #123, Energy Northwest, Franklin PUD, Lockheed Martin and PNNL
3. Continued expansion of local infrastructure by broadband service providers
4. PNNL has lit regional optical fiber network to Seattle with 60 Gigabit per second (Gbps) capacity to support ultra high-speed science and technology network connectivity. Two OC192 (10 Gbps) connections have been establish to the DOE UltraScience Net, which is DOE's next generation research network.

**Education Committee Accomplishments:**

**CBC**

1. Design completed by Lockheed Martin to make CBC the first "Washington wireless community college campus." Wireless coverage will include inside and the outside of the Pasco campus buildings. Installation will be complete by February 2006.
2. The Computer Science instructional program and the Information Services support programs is moving into the new WISE complex
3. A new Computer Multimedia program is available
4. A Bachelor's in Technology degree delivered by ITV from Eastern Washington University and will provide another option for CBC computer science students to continue their education

**CBC and WSU**

1. CBC and WSU-Tri-Cities have developed articulated agreements for Computer Science BA and BS degree pathways and an Accounting Information Systems Bachelor's degree pathway
2. CBC and WSU received a partnership grant from the National Science Foundation to provide \$1,500 renewable scholarships to CBC students who intend to get a four-year degree in Computer Science, Engineering, or Mathematics

**WSU**

1. Implementation of Computer Science doctorate degree with five enrolled students
2. New WSU educational advising staff in place on the Tri-Cities campus and at CBC
3. Increased enrollment in BS and BA Computer Science degrees due in part to improved student advising that clarify educational pathways between CBC and WSU-Tri-Cities programs
4. Developed a new "Digital Technology and Culture" interdisciplinary degree that combines liberal arts courses with the latest in communication/computer technologies
5. Plans to re-establish the Electrical Engineering bachelors degree

## Manufacturing and Business Services

### Vision for Manufacturing and Business Services

The Three Rivers region enjoys a vital, high-value, technology-led export sector economy.

### 10-Year Outcomes and Goals:

- Increase percentage of Three Rivers regional workforce involved in manufacturing and business services to equal or greater than the Washington State average.
- Provide a business climate that encourages job creation.
- Improve cooperation, coordination, and delivery of services from local economic development agencies.

### Key Measures of Success over 10 years:

1. Three Rivers percentage of workforce in manufacturing and business exceeds state average.
2. The Tri-Cities area business climate is ranked among the best in the Pacific Northwest and the nation.
3. Local economic development efforts are considered model programs in the state, region, and nation.

### Accomplishments During 2005:

- Amazon.com selected the former Wal-Mart in Kennewick as the site for a new 400 person customer service center. The company had filled 150 of these positions by the end of calendar year 2005. Candice Bluechel of WorkSource Columbia Basin indicated that 316 interviews were conducted to fill the 150 initial slots, and that 750 applications are pending for the remaining 250 openings. The company is extremely pleased with the quality of the human resources in the area.  
The success by TRIDEC in recruiting this operation depended heavily on partnerships with the City of Kennewick, Workforce Development Council, WorkSource, Wal-Mart Corporation, the Office of the Governor, CTED and others.
- Gourmet Trading Co., a Los Angeles-based international produce distributor, announced plans for a new fresh asparagus packing plant in Pasco. Christopher Martin, Gourmet Trading president, indicates the company plans to pack about 10 million pounds of asparagus a year and employ about 400 seasonal workers.  
TRIDEC collaborated with Balcom & Moe, the Office of the Governor, Directors of Agriculture and Economic Development, and the Washington Asparagus Commission to pull this deal together.  
According to the Washington Food Safety Forum's web site, there are 250 Washington asparagus growers producing 70 million pounds annually, and that Gourmet Trading will purchase about \$10 million in farm gate value of production to supply initial operations.
- TRIDEC continued to work with the consulting firm of Angelou Economics on implementation of recommendations from their September Reports on Market Analysis/Target Industry Verification and suggestions for a Tri-Cities Marketing Plan. Angelou's reports reaffirmed TRIDEC's efforts in recruiting companies and investment in Warehouse & Distribution, Research & Development, Technology Manufacturing, Food & Agriculture and Back Office operations.
- Participated in two industry-specific trade shows with the Washington Trade Show Group. The semiconductor show in the San Francisco Bay Area was in July; the Food

Processing Machinery/Packaging Materials and Manufacturing Institute show in Las Vegas was the last week of September. A third show, Bio 2005 was attended in collaboration with PNNL in June.

- Assisted Infinia Corporation (formerly Stirling Technology Company or STC) with their site selection and relocation project. A new 30,000 square foot, \$3.2 million facility in the Vista Field area allowed Infinia to consolidate and grow its business and workforce from approximately 55 employees to over 80.
- TRIDEC, along with the City of Richland, worked with Ferguson Enterprises to expand their operations at the Horn Rapids Industrial Park in Richland. The project adds 300,000-square-feet to the 340,000-square-foot, \$18 million distribution center it opened in north Richland in 2003. The expansion accommodates what the company expects to be future growth in business.
- TRIDEC, the City of Pasco, and the Franklin PUD worked with Bybee Foods, a local food processor, on their effort of develop a new food processing facility in Pasco. The plant is adjacent to their current facility and will provide capacity to handle new products and accommodate additional processing for their existing lines. Construction began in November with a planned operational start of May, 2006.

## **PROGRAM HIGHLIGHTS**

### **Business Attraction and Industrial Recruitment**

- The Commerce and Industry Division of TRIDEC handled 3,186 requests for information on Benton and Franklin Counties in 2005. A total of 63 proposals were written in response to specific requests, resulting in 53 site location projects and 44 client visits. More than 3,250 pieces of direct mail were sent to company leaders in target industries, each mailing being followed by telephone contact, and in some cases, with face to face meetings during staff travel.
- Staff continues participation in the effort to develop Red Mountain, the premier Washington viticulture area, located on a 4,000-acre southwest slope at the east end of the Yakima Valley near Benton City. TRIDEC and partners envision successful development of Red Mountain as being a magnet to attract vine and wine related companies.  
For example, the Port of Kennewick was successful in dealing with Corticas Janosa, a Portugal-based company. The firm signed a deal to open the Northwest's first large-scale cork embossing and treating facility in the Port of Kennewick's Oak Street Industrial Area. Washington Cork Corp., the U.S. subsidiary, will employ about six people upon opening in 2006. Using equipment imported from Europe, the new facility expects to produce 2 million to 3 million corks a month.
- Participation in trade shows and professional conferences continue to be an effective and efficient method for contacting large numbers of companies in the same industry. TRIDEC participated in shows targeting advanced materials, plastics, microelectronics, industrial automation, information technology, biotechnology, food processing & packaging, medical & electronics packaging, and technology transfer. Staff participated in six conferences for corporate facilities management executives, site location consultants, and real estate professionals representing industrial clients.
- The January 2005 issues of Expansion Management, a business magazine targeting companies actively involved in expansion and relocation projects, ranked the Richland-Kennewick-Pasco MSA 37th on their list of "America's 50 Hottest Cities." The significance of this accomplishment cannot be over emphasized. Unlike rankings based on solid economic and demographic data, the Hot Cities poll measured the perceptions of more than 80 prominent site location consultants. This top-of-mind awareness adds

credence to the view that the current TRIDEC marketing strategy, communications channels, and message are on target.

### **Business Retention and Expansion (CARE Program)**

The CARE (Commercial Appreciation, Retention & Expansion) Program had a very successful 2005:

- In January, a "Salaries and Benefits Survey" was sent to 222 technology sector companies.
- U.S Department of Commerce representatives Janet Daubel (Spokane) and Dale Tasharski (Dublin, Ireland) met with six manufacturing companies in February.
- Forty-one companies participated in the first ever SmartMAP Tour, hosted by Infinia Corporation, in March. In May, TiSports hosted a similar number of guests, as did Surgical Implant Generation Network, in August.
- U.S. Department of Commerce representatives Janet Daubel (Spokane) and Jim Mayfield (Beijing, China) met with five area manufacturing companies in March.
- TRIDEC and the Workforce Development Council, in May, conducted a Lean Manufacturing Seminar attended by 25 local companies.
- Also in May, two Lean Office Seminars were presented with seventeen people attending.
- Staff conducted an information session on Washington Manufacturing Services resources before the Prosser Economic Development Association Annual Meeting in May. In June, a similar presentation on collaboration in economic development was made at the Association of Washington Cities Conference in Kennewick.
- In September, staff presented two programs through Washington Manufacturing Services: the first was a Value Stream Mapping program for Kaiser in Richland, with fifteen people attending. The second was on Material Resource Planning (MRP) to twelve people at IsoRay Medical.
- TRIDEC, Washington Manufacturing Services, and Columbia Basin College presented the FedEx SmartMAP Expo 2005 in October. Ninety-seven organizations exhibited. HiLine Engineering was selected as the 2005 "Manufacturer of the Year" and Key Technology (Walla Walla) and Lampson international were presented "Export Achievement Awards" by the U.S. commercial service of the U.S Department of commerce

### **Nurturing Start-Ups and Entrepreneurism**

- Located in the TRIDEC office, the Columbia Basin College Small Business Development Center (SBDC) made significant contributions in 2005 to the Tri-City region in developing new businesses, expanding existing businesses, and providing educational resources to local entrepreneurs.
- More than \$3,052,000 in business investments in the form of equity and loan capital was made by local business people. More importantly, over 51 jobs were created and/or saved through the efforts of the SBDC.
- To generate these impacts, more than two hundred forty four (244) individuals received personal counseling from the business development specialist. Over 900 hours of one-on-one counseling and assistance were provided to these local entrepreneurs. Further, the SBDC linked potential and local business people with additional resource persons, such as SCORE representatives, who provided more than 255 hours of assistance.
- Further the SBDC responded to over 2,500 phone calls, conducted 72 classes, which resulted in more than 218 hours of instruction to help 769 local business people expand their business skills.

# Tourism

**Vision: The premier tourism and convention destination in Eastern Washington.**

## **10-Year Outcomes and Goals**

1. Develop a first-class regional convention center.
2. Ensure long-term funding of tourism programs.
3. Develop a visitor-friendly regional information and welcome center.
4. Coordinate successful regional Lewis and Clark Bicentennial commemoration (2003–2006).
5. Develop/enhance river front to improve our community's quality of life and economic viability.
6. Become the premier wine tourism destination in the northwest.
7. Become the "Sports Mecca" of the northwest.
8. Develop and maintain a positive quality-of-life image through publicity and advertising.

## **Key Accomplishments since last workshop**

### **1. Develop a first class regional convention center.**

- 75,000 sq. ft. Three Rivers Convention Center opened June 2004, on time and on budget.

### **2. Become the premier wine tourism destination in the Northwest.**

- Showcased Washington Wine Country at Cruise-a-thon in Seattle--the nation's premier cruise industry trade show.
- Showcased Washington Wine Country at the LA Times Travel Show.
- Participated in a California Media Blitz; meeting with targeted journalists about Tri-Cities travel ideas and attractions.
- Partnered with Port of Seattle and Seattle CVB on a Washington Wine Showcase in France; promoting to tour operators, travel agents and media.
- Conducted a Wine Country 'FAM' tour for journalist, Terry Sullivan for Chicago's Northshore Magazine; who writes for Chicago Tribune, Chicago Sun Times, GQ, Playboy, Malt Advocate, & Whiskey magazine.
- Conducted a Wine Country 'FAM' tour for Joachim Latka, publisher of America Journal in Germany.
- Conducted a Wine Country 'FAM' tour for Richard Carroll, of Copley News Service (syndicate which hits 1,500 papers nationwide) for a story on the Women of Wine Country.
- Conducted a Wine Country 'FAM' tour for The Spokesman Review.
- Received coverage in Northwest Travel, Horizon Airlines, Sunset, The Spokesman Review, Seattle Business Monthly, Where Seattle Magazine, The Oregonian, Flying Adventures, Smart Meetings, Essentially America, and AAA.

### **3. Develop one-third of the river front in our region.**

- City of Kennewick installed trees and landscaping, kiosks, benches and gazebo's along the trail; community dedication planned for October 13<sup>th</sup> at 10:00 a.m.
- Port of Pasco installed mileage marker posts along their section of the trail; all jurisdictions have purchased mileage-marker posts that will be installed as permitting is completed.
- Jurisdictions developing a Kiosk trail map for use along the entire trail to identify mileage and points of interest.
- Finalized "Sacagawea Heritage Trail Recommended Standards & Specifications" with US Army Corps of Engineers for use by jurisdictions in improving trail.

- City of Richland has applied for Transportation Enhancement funding to complete the Trail section between Hwy 240 and the Richland Wye.
- City of Pasco has applied for Transportation Enhancement funding to complete the Trail section between the Cable Bridge and Port of Pasco.

**4. The Tri-Cities region will become the “Sports Mecca of the Northwest.”**

- Continued to coordinate activities of the Tri-Cities Sports Council.
- Hosted WIAA’s (WA Interscholastic Activities Association) July Board meeting and toured sports venues for future tournament bids.
- Hosted NWAACC’s (Northwest Athletic Assoc. of Community Colleges) July Committee meeting and toured sports venues for future tournament bids.
- Secured the Northwest Athletic Association of Community College’s state basketball championships for 2006.

**5. Develop regional information and welcome center.**

- TCVCB continuing as a partner with Hanford Reach Interpretive Center to include Regional Information/Welcome Center in Columbia Point.

**6. Coordinate successful Lewis and Clark Bicentennial commemoration:**

- Heritage Days featured on Washington State Tourism website for October.
- Wanapum Village completed and installed at Sacagawea State Park; secured coverage in Northwest Travel, Seattle Times, The Inlander, and The Oregonian.
- Heritage Days expanded to four days: October 14–17 at two locations: Sacagawea State Park and Columbia Park. Media Coverage—secured feature stories in Horizon Airlines *In-flight* magazine and *Northwest Travel* magazine.

**7. Ensure Long Term Funding for Tourism Promotion**

- Tri-Cities Visitor & Convention Bureau secured five-year contract extensions for tourism promotion with cities of Kennewick, Pasco and Richland.
- Prepared 2006 TPA (Tourism Promotion Area) budget which was approved by the Tri-Cities Regional Hotel-Motel Commission in September 2005 and submitted to cities for final review in October 2005.

**Goals**

1. Work with regional organizations and citizens to develop a unified “brand” for the Tri-Cities region: *First community-branding discussion was held on 8/29/05.*
2. Book 80,000 guest rooms by 12/31/2005; 90,000 guest rooms by 12/31/2006

## Quality of Life

### Vision for Quality of Life:

A community enjoying a high quality of life for its diverse people.

### 10-Year Outcomes and Goals:

- Provide a variety of first-class recreational activities appealing to all ages
- Offer a health-care system promoting healthy lifestyle and providing quality medical care for everyone
- Have a prevailing sense of security in all area neighborhoods
- Offer social services focusing on positive childhood experiences, prevention of social injustice, and serving the needs of the elderly
- Provide a community education system preparing students for productive lives and supporting life-long learning
- Offer arts and entertainment providing vibrant, frequent, and appealing leisure activity for our diverse people

### Key Measures of Success Over 10 Years:

1. Development of a first class indoor aquatic center for competitive recreation and local use.
2. The community, health care providers, governmental and social service agencies working together to provide a comprehensive and complementary health delivery system for all area residents, young and old, rich and poor, insured and uninsured.
3. The three area hospitals (Kadlec, Kennewick, and Lourdes) share a common vision for patient care
4. Success with theatre and galleries puts the local Arts and Entertainment District “on the map”

### Accomplishments During 2005:

- Port of Pasco and City of Kennewick celebrate the completion of the Sacagawea Heritage Trail.
- Tri-Cities welcomed a new indoor football team, the Tri-Cities Fever. The Fever was the indoor league champions in their first year of existence.
- Consultant selected to guide development of Red Mountain Viticulture Area.
- Businesses like Amazon.com and Gourmet Trading Co. opened offices here creating 400 new full-time and 400 new seasonal jobs in our area.
- TRIDEC is working with Angelou Economics to create a Tri-Cities branding effort.
- Army Corps of Engineers allowed the cities to lower the levies. The Tri-Cities has begun embracing the river again.
- Benton Franklin Access to care delivering services at 320 N Johnson in Kennewick; Health Alliance spearheads cover the uninsured effort and forms working group to tackle issue.
- Area hospitals continue to grow and expand with projects at Kadlec, Lourdes Medical Center and Kennewick General Hospital.
- CBC Health Science Center receives \$4 million in 2005-2007 State Capital Budget.
- Business has gained a stronger voice with the merger of the Richland and Tri-City Area Chambers of Commerce.

## Research and Development

### Vision for Research and Development:

Regional R&D partnerships stimulate innovation, increase economic diversity, and improve the area's business infrastructure and quality of life.

### 10-Year Outcomes and Goals:

- Increase the R&D capacity of the Three Rivers region to grow and diversify the economy.
- Encourage entrepreneurship, new business creation, and sustained business success.
- Have an educational base in science and engineering that supports the needs of R&D and the new high-tech companies in the Three Rivers region.

### Key Measures of Success Over 10 Years:

1. Increase in research expenditures from public and private sources.
2. Increase in public-private partnership investments in our intellectual infrastructure (e.g., facilities, equipment, faculty at universities) to enable first-rate R&D.
3. Increase in SBIR program and STTR awards and the number of local technology-based companies receiving equity investments.
4. Increase in patents generated and the number of technologies licensed by companies in the Three Rivers region.
5. An accredited research university in the Three Rivers region with Ph.D. programs in strategic science and engineering areas and a K-12 system that produces students who can enter and be productive in research institutions and high-tech businesses.

### Accomplishments During 2005:

- Secured \$13.1M from the State of Washington for the Bioproducts Science and Engineering Laboratory, a \$24M joint venture between Washington State University (WSU) and Pacific Northwest National Laboratory (PNNL). This research institute will be located on the WSU Tri-Cities campus and will provide new educational facilities and expanded opportunities for collaborative research and higher ed programs. Groundbreaking is scheduled for April 2006. (For further information, see <http://rcf.pnl.gov/bioproducts.stm>.)
- Commissioned *AngelouEconomics*, an economic development strategy and consulting firm based in Austin, Texas, to help develop a plan to develop the Research District in North Richland (roughly bounded by WSU Tri-Cities on the southeast, the Stevens Center on the southwest, and PNNL to the north). The first four reports, "Economic Assessment", "Environments of Innovation: Tech Parks and National Labs", "Target Industry Recommendations", and "Marketing Plan" have been released and are found at <http://www.angeloueconomics.com/researchdistrictfuture>.
- Established a new angel investor group aimed at infusing equity capital into local, early-stage businesses. The Columbia Investor Group started in December with nine accredited investors. It is affiliated with Washington Technology Center's Angel Network, a statewide program that connects regional angel investor groups.

# Transportation

## Vision for Transportation

There is a progressive and efficient multi-modal transportation system that contributes to economic development and sustains a high quality of life.

## 10-Year Outcomes and Goals:

- Provide different modes of transportation that meet the needs of citizens, keep industry competitive, and promote sustainable economic growth.
- Provide a well-maintained, efficient passenger and freight transportation system; and one that facilitates emergency evacuations.
- Protect the region's natural assets and easily access major destination facilities.

## Key Measures of Success Over 10 Years:

1. Complete 90% of jurisdictional projects in the Transportation Improvement Program (TIP).
2. Reduce accidents 5% in both rural and urban areas.
3. Increase transit ridership 25%.

## 2005 Accomplishments:

### Road

- Columbia Center Blvd. railroad crossing project completed November.
- Ainsworth Ave. reconstruction in Pasco completed this summer.
- Received congressional funding for the Kiona/Red Mountain interchange at I-82 to serve the Red Mountain Area, I-182 Road 68, US 12 Phase 6, and funding for the Hanford Reach National Monument.
- Started Phase 2 of the SR 397/SR 82 Intertie Project near Finley. The section from Olympia Street to Finley Road is under construction.
- I-182 Queensgate westbound auxiliary lane completed.
- I-182/US 395 interchange ramp to Argent Road complete in December.
- SR 240: I-182 to Columbia Center Interchange \$87 million – Demolition of buildings complete. Construction of new I-182 bridge crossing underway, new Yakima River Bridge complete, as project continues through the summer of 2007.
- US 12 Phase 2: US 12/SR 124 Intersection to McNary Pool – Construction of 4 lanes are complete.
- Myra Road Extension from Route 125 to US 12 in Walla Walla and College Place has been approved and partially funded.
- Projects receiving funding through the FY 2007 Transportation Improvement Board grant cycle include: Richland - Gage Boulevard/Center Parkway from Leslie Road to Tapteal Dr. (\$1,900,000); Lawless Drive/Wellsian Way/Thayer Drive from Aaron Dr. to Lee Blvd. (\$1,141,000); and Leslie Road from Gage Blvd. to Willowbrook Pl. (\$87,000); Kennewick – Kennewick Ave. from Olympia St. to SR 395 (\$150,000); Benton County – I-82 Intertie from Finley Rd. to Bowles Rd. (\$4,000,000); Walla Walla County – Myra Rd. from US 12 to Poplar/C St. (\$6,000,000); and Walla Walla – Plaza Way from Stone Creek to Tieton St. (\$34,560).

### **Rail**

- “Railex” project at Dodd Road south of Burbank: the Port of Walla Walla in conjunction with the private sector is spending \$40+ million on this dedicated Union Pacific rail and service connection to transport Washington State produce to the east coast.
- Prosser’s Wine Country Road/BNSF Freight Mobility Project completed.
- Funding received for the Ainsworth Ave Railroad Crossing. Construction starts early 2006.

### **Air**

- Air Service improvements at Tri-Cities airport include lower airfares to Seattle, improved customer service at Delta counter, and potential future expansion service out of Pasco.

### **Pedestrian/Bicycle**

- Completed the Tri-Cities and Walla Walla Urban Area Bicycle/Pedestrian Plan update.
- In fall 2005, Transportation Enhancement grants were prioritized by the region and probably will be awarded by WSDOT in January 2006 to the following jurisdictions: Waitsburg - Downtown Streetscape (\$293,000); Benton City - Bike/Walking Trail: 14<sup>th</sup> to Irma Lane (\$231,612); Richland - Richland Wye Levee Trail (\$293,000); Benton County - Horse Heaven Vista Improvements (\$268,000); and Pasco - Sacagawea Heritage Trail Phase II (\$293,000).

### **Transit**

- Ben Franklin Transit service to Finley started in September.
- Transit service between Tri-Cities and Walla Walla started (1 year pilot program).
- The City of West Richland received a \$134,100 Transit Mobility grant from WSDOT to install a 111 stall parking lot, landscaping, and lighting at Flat Top Park. Ben Franklin Transit committed \$10,000 to the project and the city \$20,000.
- Completed the Three Rivers Transit Center and began transit operations in April. Project cost was around \$ 2 million.
- BFT received a grant from the WSDOT for \$ 300,000 towards the construction of a \$ 750,000 Park and Ride lot across the street from transit.
- BFT’s new \$1.2 million fueling and storage system project has been started and will prevent environmental damage to the Yakima River delta.

### **Legislative**

- State legislature passed 9.5¢ gas tax (\$8 billion) RTPO to receive approximately \$88 million and \$387 million for Snoqualmie Pass. Projects include \$3.8 million for additional lanes on SR24/241; \$4.5 million for additional lanes from Rattlesnake barricade on SR 240 to SR 225 vicinity; \$17 million for US 395/SR 240 Blue Bridge interchange; \$5.4 million for Port of Pasco intermodal facility improvements; \$56 million for US 12 to Walla Walla. Cities and Counties will also receive one cent for projects.
- Congress approved and the President signed the SAFETEA-LU 6 year transportation bill for federal funding 2004-9. \$287 billion. \$1.5 million a year for locals.
- Hosted the Regional Transportation Planning Organization meeting with 8<sup>th</sup>, 9<sup>th</sup>, and 16<sup>th</sup> legislative district Senators and Representatives to discuss 2006 session and Initiative 912.

### **Other**

- Completed the annual Benton-Franklin-Walla Walla Transportation Improvement Program (TIP) for 2006-8. Includes all major local, regional, and state transportation improvements.
- Hosted 2005 State Good Roads convention in Walla Walla.
- Developed and distributed 70,000 educational flyers on Initiative 912 (gas tax repeal).
- Continued to work on the Livable Communities /Smart Growth vision.

## Water, Dams, and Power

### Vision for Water, Power, Dams

There are sufficient committed water resources to meet the economic and quality of life needs of the region.

### 10-Year Outcomes and Goals:

- Maintain regional price competitiveness for power resources
- Ensure adequate water resources for agribusiness, industrial, community and quality of life usages
- Ensure management of regional water resources is based on sound science, is adequately founded, and balances complete spectrum of federally authorized purposes
- Continue pursuing one message from many voices for matters relating to preservation of a multi-purpose river system
- Achieve success through education people about the right things to do.

### Key Measure of Success Over 10 Years:

To develop and sustain a process whereby the community can engage in issues and actions of significance and importance that affect the preservation of a multi-purpose river system

### Accomplishments during 2005:

- Provided a forum for parties that are actively participating in Columbia Water Partnership (formerly Columbia River Regional Initiative) to communicate activities and plans.
- Provided information at the local public meeting of WADOE on the Columbia River Regional Initiative rule making process.
- Facilitated communications on variety of court actions involving water usage, biological opinion, dredging, etc.
- Continued education of members on the ever-changing world of power rates.
- Hosted community luncheon for WADOE, Jay Manning, to present status and plans of water permit issues and subsequent meeting for WPD members.
- Coordinated Glenn Vanselow to address the Richland Rotary membership about Judge Reddens' precedent setting rule to operate the dams on the Columbia and Snake rivers.
- Scheduled editorial board meetings in the Tri-Cities, Walla Walla and Eastern Oregon for Glenn Vanselow to discuss Judge Reddens control of dam operations on the Columbia and Snake rivers.
- Facilitated communications on variety of court actions involving water usage, biological opinion, dredging, etc.
- Provided a forum for parties that are actively participating in water and power issues to communicate activities and plans.