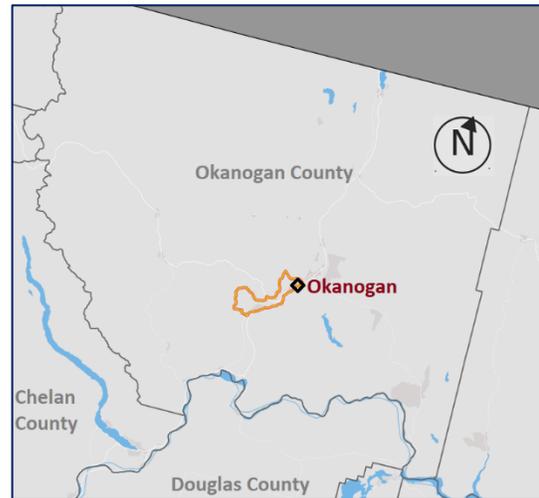


Okanogan Opportunity **DRAFT#2**

With about 4,550 residents, the Okanogan area of Okanogan County is centrally located to serve a geographically dispersed county-wide population. The city of Okanogan fills a public role as county seat, the center of governmental services.

As of the 2020 U.S. Census, Okanogan was home to 2,379 residents – comprising over half of the greater Okanogan community which includes the unincorporated Malott area.

North-south highway access is provided primarily by U.S. Highway 97. East-west access is via SR-20 (west through the Cascade Mountains to Puget Sound) and SR-155 (east through the Colville Reservation to Coulee Dam).



County Seat with Central Okanogan County Location

- Area outlined in orange is the U.S. Census County Division (CCD) which also includes the unincorporated community of Malott.

DEMOGRAPHICS

While currently slow growing, a relatively young population, high local wage levels and jobs-population balance suggest improved opportunity in the years ahead:

- Okanogan and the immediately surrounding area has experienced a population gain of about 4% since 2010, a growth rate somewhat below that of the entire county.
- At just over 39 years, the median age of Okanogan area residents is somewhat younger than the nearly 43-year median age of all Okanogan County residents.
- At an estimated \$54,200, the annual median household income of the Okanogan area is comparable to that of the county-wide median.
- New housing locally is being built at a slower pace than county- or region-wide – with just 5% of existing homes built from 2014 to present.

LABOR FORCE & EMPLOYMENT

About 50% of Okanogan area residents age 16+ are currently in the labor force. This represents a participation rate that is below the Okanogan County figure of 55% and further below the 3-county North Central Washington (NCW) rate of 60%. Of added note:

- As of 2019 (pre-pandemic), Okanogan area firms and agencies employed 1,320 workers.
- The Okanogan community appears to have a rough jobs-population balance – comprising 9% of Okanogan County’s job base as compared with 10% of county-wide population. And a high proportion of workers receive above average wages.

- However, the job base has eroded in recent years with employment dropping by 23% from 2010-19, making this central area less of a county-wide hub than before.
- More specifically, job losses of 40% or more this past decade are noted for natural resource activities (including agriculture), manufacturing, wholesale trade and miscellaneous (primarily personal) service businesses. Jobs in public administration at workplaces in the Okanogan community also declined by 18%.
- By comparison, Okanogan County experienced minimal net job change over this pre-pandemic period while employment for the 3-county NCW region increased by 14% – with region-wide job growth focused in neighboring Chelan and Douglas Counties.
- As compared to the rest of Okanogan County and the entire NCW region, adults who work in the Okanogan communities tend to be middle age (30-54) with relatively high incomes, with a majority of women workers and with relatively high levels of overall workforce educational attainment.

While not available at the local community level, more recent 2020-21 data region- and county-wide indicates that employment has yet to recover to pre-pandemic levels. Natural resource, hospitality and local government employment have been most adversely affected. Conversely, job counts may now exceed pre-pandemic levels in construction, distribution, retail trade, and business services. A similarly mixed experience is likely for central Okanogan area employers.

COMMUNITY ASSETS & PRIORITIES

Assets of the Okanogan area cited by community stakeholders include historic character and central location to serve a region of “timber, cattle and apples.” The value of the town’s central location and capacity to serve all of Okanogan County as exemplified by county government, social service functions and health services anchored by the Mid-Valley Hospital and Clinic. One observer also notes that the Colville Confederated Tribes is the area’s largest employer.

Challenges relate to lack of a long-range vision for economic and community development for the city of Okanogan. Even with initial economic recovery from the COVID pandemic, the area’s economy has been described as depressed.

Community priorities of interest could include initiatives to:

- Attract new business, fill empty storefronts, bring tourists in from the highway and welcome newcomers
- Pursue small scale industry, possibly a pine/fir mill for forest health and local employment opportunity – with initial funding for targeted feasibility studies if needed
- Stabilize and improve health care services
- Upgrade and modernize Okanogan’s sewage treatment system
- Better engage the community and improve tribal coordination
- Update community planning starting with economic recovery, then pivoting to a long-range vision for community and economic development

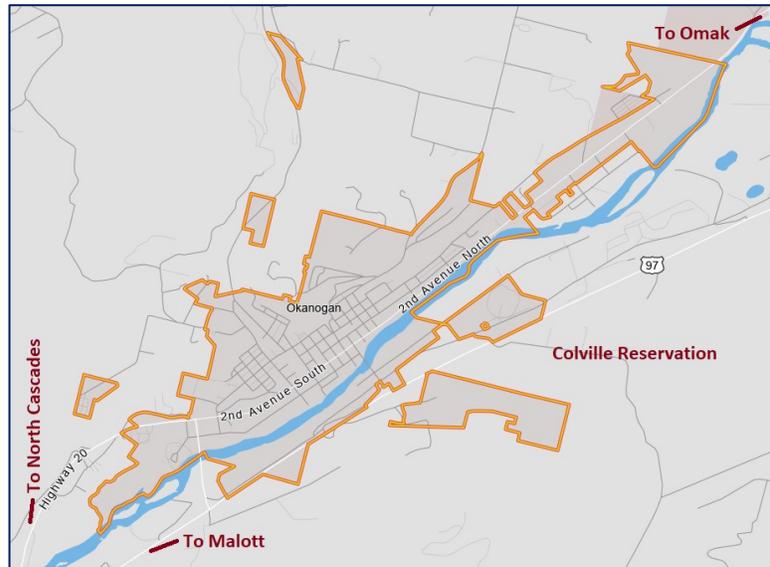
Being realistic about market opportunities is important in a community with limited population and slow growth. This may mean outreach to new customers, as yet untapped. One community stakeholder suggests a “need to figure out how to get more mom-and-pop shops to go on-line.”

As a survey respondent for both the Okanogan and Omak communities has noted, a “**thriving economy**” would look like an “unemployment rate below 3%, new store fronts downtown, happy people.”

OPPORTUNITIES

Due to central location and public role as county seat, Okanogan offers opportunity and interest to reach beyond the current mainstays of the local economy – predicated on ramped up community engagement and opportunities for regional partnerships.

Both here and throughout the NCW region, neighboring communities are encouraged to work collaboratively. For Okanogan, there may be opportunity to partner with the closest neighboring communities and to serve as a central point of convening for county-wide economic and community development initiatives.



City of Okanogan with riverfront location and central to provide public and community services county-wide

- Map per U.S. Census On-The-Map.

NEXT STEPS

Building from strategic visioning for downtown Okanogan, key next steps for the city and greater Okanogan community could be to:

- Start with a steering committee to create and coordinate implementation of an **economic development vision and action plan** – drawing on the expertise of interested local and regional businesses, citizens and civic leaders
- Focus on identified **needs and opportunities** for downtown improvement, new housing, river recreation and tourism promotion, business recruitment and expansion including initiatives to fill vacant commercial and industrial spaces
- Pursue opportunities for **cooperative initiatives** with neighboring communities – notably the city of Omak to the north and the Colville Confederated Tribes to the east – better leveraging available resources for overall economic and community benefit.

KEEPING THE BEST!

Of the diverse communities in Okanogan County, the city of Okanogan and immediately surrounding area come closest to fitting the overall residential and demographic profile of the entire county. This central area also appears to achieve the best overall population-employment balance. Points of divergence include a below average rate of population growth in recent years and higher than average dependence on governmental services.



Incorporated in 1907, Okanogan is the county seat with deep historical roots and continuing as a hub of county-wide civic and cultural activity.

- Per City of Okanogan web site:

<https://www.okanogancity.com/community/page/about-okanogan>

As a center of county governance and with a clear sense of historic character, the town and greater Okanogan community are presented a

unique opportunity to preserve and build on the region's best assets in the years ahead.

As a regional partnership, the Okanogan County Economic Alliance and North Central Washington Economic Development District (NCWEDD) encourage the identification and submittal of *shovel-ready* or *potential shovel-ready* economic and community development projects for project review and ranking.

Top-ranked projects will receive grant writing and administration support from the Alliance and NCWEDD. The closer to *shovel-ready*, the *better the opportunity* for successful funding.

This *opportunity profile* has been prepared by the North Central Washington Economic Development District (NCWEDD) serving communities of Chelan, Douglas and Okanogan Counties.

Data is compiled from sources including U.S. Census, Washington Office of Financial Management (OFM), Washington Employment Security Department (ESD), and the nationally recognized private firm Claritas.

For further information as to business and investment opportunities and economic development programs for the Okanogan communities and the greater NCW region, contact Alyce Brown, NCWEDD Executive Director via phone at 509-899-9321, email director@ncwedd.com

Or contact Roni Holder-Diefenbach, Executive Director for the Economic Alliance of Okanogan County, phone 509-826-5107, email rholderdiefenbach@economic-alliance.com