

Lessons from Eastern Washington:

State Route Mainstreets, Bypass Routes and Economic Development in Small Towns

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by

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EWITS Research Reports: Background and Purpose

This is the second of a series of reports prepared from the Eastern Washington Intermodal Transportation Study (EWITS). The reports prepared as a part of this study provide information to help shape the multimodal network necessary for the efficient movement of both freight and people into the next century.

EWITS is a six year study funded jointly by the Federal government and the Washington State Department of Transportation as a part of the Intermodal Surface Transportation Efficiency Act of 1991. Dr. Ken Casavant of Washington State University is Director of the study. The Gillis Group, a private consulting firm based in eastern Washington, provides the WSU project team with research and management assistance. A state-level Steering Committee provides overall direction pertaining to the design and implementation of the project. The Steering Committee includes Jerry Lenzi, Chair (WSDOT, District 6); Richard Larson (WSDOT, District 5); Don Senn (WSDOT, District 2), Charles Howard (WSDOT, Planning Manager) and Jay Weber (Douglas County Commissioner). Linda Tompkins represents the Washington State Transportation Commission on the Steering Committee. An Advisory Committee with representation from a broad range of transportation interest groups also provides guidance to the study. The following are key goals and objectives for the Eastern Washington Intermodal Transportation Study:

- *Facilitate existing regional and statewide transportation planning efforts.*
- *Forecast future freight and passenger transportation service needs for eastern Washington.*
- *Identify gaps in eastern Washington's current transportation infrastructure.*
- *Pinpoint transportation system improvement options critical to economic competitiveness and mobility within eastern Washington.*

For additional information about the Eastern Washington Intermodal Transportation Study or this report, please contact either Ken Casavant or Bill Gillis at the following address:

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Key Findings

This report identifies strategies to maximize the positive economic impacts as well as minimize possible detrimental impacts of state route mainstreets and state route bypasses through small towns. The strategies are developed from case studies in seven eastern Washington communities that have either a state route bypass or state route mainstreet. Information garnered through personal interviews of business, government and citizen leaders along with an analysis of available economic data provide the basis for each case study. The following are key findings for state and regional transportation planning.

- *State route mainstreets allow for the development of certain specialized businesses that would otherwise not be economically feasible in small towns.*
- *To maximize economic benefits from a state route mainstreet, transportation plans should include actions to minimize problems such as accidental damage to parked vehicles, poor traffic flow during peak travel periods and safety problems in crossing the street.*
- *Downtown business districts in communities with a well-developed local customer base are less adversely impacted by a state route bypass than communities highly dependent on drive-by traffic.*
- *Bypass routes that improve access to major trading centers can open up new opportunities for small towns.*
- *Systematic development of highway-related businesses and other retail businesses along bypass interchanges can help mitigate possible economic losses that occur from the diversion of traffic from the downtown business district.*
- *Annexing property associated with new interchange developments is an important tool that can be utilized by cities to mitigate tax base losses associated with possible business closings and land use changes in the downtown business district.*
- *Land use plans should be flexible enough to accommodate new types of downtown uses in communities that are impacted by a state route bypass.*
- *Enticing tourists and shoppers to travel into the central business district is important to the economic and overall quality of life in bypassed communities.*

Lessons from Eastern Washington:

State Route Mainstreets, Bypass Routes and Economic Development in Small Towns

Introduction

There are over 70 eastern Washington communities with a state route passing through or near their central business district. Among the more controversial highway changes are state route bypasses of mainstreet through smaller communities. By-pass advocates typically express concern about the impact of heavy mainstreet traffic on public safety, congestion and disruption of the community's rural lifestyle. Opponents foresee the loss of business and downtown economic vitality after the bypass is completed.

This report summarizes results from selected case studies that document the importance of state route mainstreets for smaller communities as well as the likely economic and environmental changes after a bypass is constructed. These case studies aid in the development of strategies to maximize the positive economic impact of state route mainstreets through small towns and minimize possible detrimental impacts associated with state route bypasses.

Table 1--Case Study Communities

Location and Type of Case	Key Traffic Generators
<u>SR 195 (Rosalia and Colfax)</u> Colfax (state route mainstreet) Rosalia (state route bypass)	<i>Washington State University events, university students and agriculture. Also regional shopping and government services in Colfax.</i>
<u>US 97 (Omak, Okanogan and Oroville)</u> Oroville (state route mainstreet) Okanogan/Omak (state route bypass)	<i>U.S./Canadian agriculture, forestry, retail and tourism trade. Also local shopping and government services in Omak and Okanogan.</i>
<u>I-82 (Prosser and Sunnyside)</u> Prosser/Sunnyside (Interstate bypass)	<i>Agriculture, manufactured food products, wineries, tourism, regional shopping, local government and commuters.</i>

The specific state route mainstreet and state route bypass communities selected as case studies are identified in Table 1 (see previous page). These communities are representative of three distinct economic regions in eastern Washington. Colfax and Rosalia are located in the heart of the Palouse wheat farming area. Oroville, Okanogan and Omak are examples of natural resource based economies that have also benefited from Canadians traveling across the border for shopping. Prosser and Sunnyside are located in eastern Washington's fruit and wine country.

Colfax and Oroville both have state routes passing through their central business district. Rosalia, Okanogan and Omak are bypassed by a major state route. Prosser and Sunnyside are examples of communities bypassed by a major interstate development. A comparison of case studies conducted in these diverse communities provides insights into the implications of state route mainstreets and bypasses for local economies.

Information garnered through personal interviews of business, government and citizen leaders in each community along with an analysis of available economic data provides the basis for each case study. Seventy personal interviews were conducted for this study. (See Appendix A for a complete list). The interviews focused on local leaders' perception of how the state route mainstreet or bypass impacted current economic conditions in the community. Each person interviewed was asked to support their perception of local economic impact with specific examples of recent changes in the vicinity of the state route. Implications for retail, manufacturing and tourism related businesses as well as residential development were explored in detail. (A copy of the interview guidelines is included as Appendix C).

In addition to information provided by local leaders, available demographic and economic data was analyzed for each case study community. Ten year changes in population and taxable retail sales are the primary indicators of local economic vitality used in this study. Population is a general indicator of market potential. An expanding residential base is consistent with an expanding market potential for local retail and service businesses. Taxable retail sales is the best measure of actual economic growth that is available for individual communities on an annual basis. Alternative measure of local economic growth such as employment, gross revenues and payroll are only available annually at the county level and for metropolitan areas.

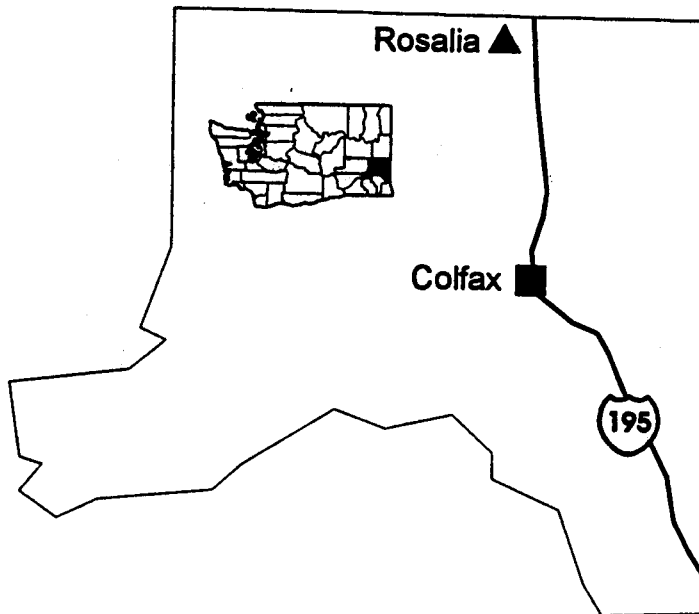
This report summarizes results from case studies conducted in each of the three major regions identified in Table 1. Specifically, case study results are organized as follows:

- Background on the region's economic base**
- Recent population change**
- Growth or decline in the community's overall economic activity**
- Implications of the state highway mainstreet or bypass on current economic conditions in each community.**

The implications of the case study results for statewide and regional transportation planning are discussed in the final section of this report.

Case Study 1: SR 195 (Rosalia and Colfax)

Map 1--Location of Rosalia and Colfax



Background

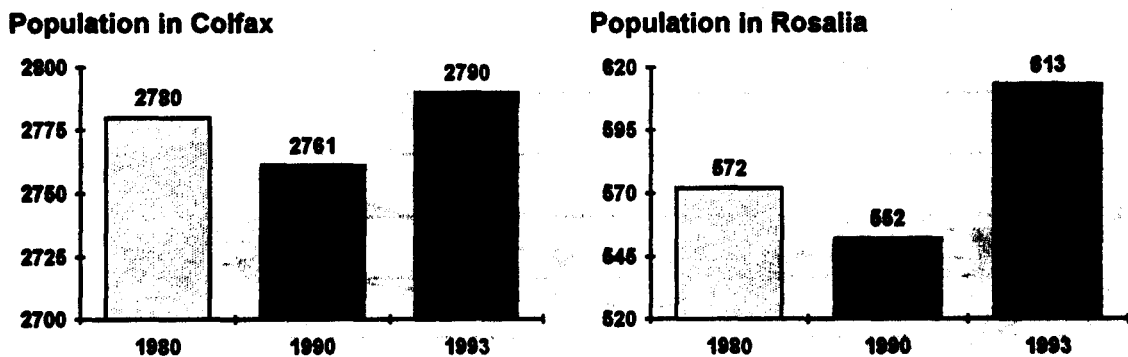
State Route 195 between Spokane and Pullman is located in the heart of the Palouse wheat growing region. According to Washington State Department of Transportation (WSDOT) traffic count statistics, average daily traffic volumes along this route are typically in the range of 4,000 to 7,500 vehicles per day. Traffic volumes are somewhat heavier near the Spokane metropolitan area and within the Colfax city limits. Annual WSDOT traffic counts indicate that traffic volumes along SR 195 have been relatively steady over the past 10 years.

The economic region served by SR 195 is typical of a significant portion of eastern Washington. Wheat farming is the primary economic base. According to individuals familiar with the area, a significant share of the traffic along SR 195 are farmers and local residents traveling to town for local services as well as farm trucks and tractor-trailers transporting the region's dominant commodity. WSDOT traffic studies indicate that trucks represent approximately 15% of average daily traffic volumes along SR 195. Another major generator of traffic are special events at Washington State University as well as students and tourists.

Rosalia and Colfax were selected for detailed case studies. An improvement to SR 195 in the early 1980s bypassed Rosalia. SR 195 continues to pass through the heart of the Colfax business district. Case studies conducted in each community provides insights into the impact of a state route bypass compared to a state route mainstreet in eastern Washington's wheat growing region.

Recent Population Change

**Figure 1--Population In Colfax and Rosalia Rebounds
After Decline in the 1980s**



Source: Washington State Office of Financial Management, Population Statistics

Population is one indicator of a community's economic health. Population decline generally reflects a lack of regional employment and income earning opportunities that force people to move away from the area. Population growth, on the other hand, indicates long-run investment in a community as people build homes and perhaps start new businesses in the community.

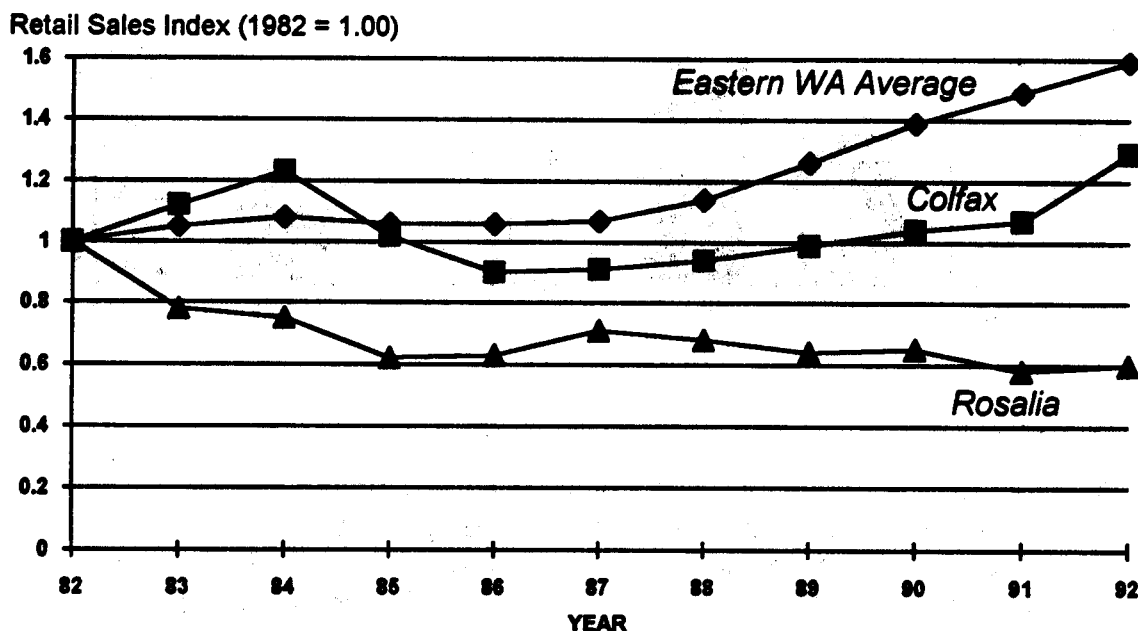
The pattern of population change has been very similar in both Rosalia and Colfax. During much of the 1980s, Rosalia and Colfax both lost significant numbers of people from their local population base. Interviews with local residents suggest that the population decline was primarily due to a pattern of fewer but larger farms and a greater tendency of local residents to travel to Spokane and other larger centers for their shopping needs. Local residents perceive that these two trends combined to significantly reduce the profitability of local businesses and consequently reduced employment opportunities. With less employment opportunities, some people moved away.

The most recent population statistics from Washington State's Office of Financial Management indicate that Colfax and Rosalia both have experienced a rebound in population during the 1990s (See Figure 1). Persons knowledgeable of the area attribute much of the recent population growth to individuals and families

living in Rosalia and Colfax but traveling to work in either Spokane or Pullman. Retired persons moving into the area may also be contributing to recent population growth. Recent population growth is a positive sign for retail and service businesses that serve the local population. More people means a larger potential market for local goods and services. However, because many people travel to surrounding communities for shopping, population growth does not necessarily imply growth in local business opportunities.

Change in Taxable Retail Sales in Rosalia and Colfax

Figure 2--Taxable Retail Sales Recovered Slowly in Colfax But Continued to Decline in Rosalia during the 1980s



Source: WA Department of Revenue annual taxable retail sales series

Taxable retail sales data available from the Washington State Department of Revenue is the best available measure of local business activity in smaller communities. Retail sales data summarizes all types of sales that occur in a community including some manufacturing, legal and personal services, as well as restaurants and other local stores. Figure 2 provides an index reflecting recent changes in taxable retail sales. An index value less than 1.00 indicates taxable retail sales in the community have declined since 1982. An index value greater than 1.00 reflects an increase over 1982 retail sales levels.

The retail sales data indicates that overall, economic activity in Colfax and Rosalia has not been keeping up with average growth for eastern Washington as a whole. However, relative to 1982 levels, the Colfax economy appears to be doing better than in Rosalia. By 1992, Colfax taxable retail sales were about

29% higher than 1982 levels. In Rosalia 1992 taxable retail sales were only about 60% of 1982 levels. Significantly, Colfax taxable retail sales increased steadily between 1987 and 1992, suggesting a slow recovery of local business activity lost during the early 1980s. During this same time period, taxable retail sales in Rosalia have continued to decline. Recent developments in Rosalia during 1993 suggest that their sustained period of economic decline may be turning around. These developments are described in the next section.

Recent Developments in Rosalia and Colfax

Specific new residential and business developments occurring in Rosalia and Colfax over the past five years were identified as a part of the case studies. Most new development in Rosalia is very recent, occurring in 1992 and 1993. According to local residents responding to interviews, Rosalia is turning the corner after a decade of economic decline during the 1980s. One evidence of that turnaround is the recent population growth described earlier in this report. A local individual estimated that there were 40 houses available for sale or rent just four years ago. Today there are only two houses available. An Everett, Washington based developer recently purchased 300 acres in the Rosalia area for the purpose of new housing development. The target market for new homes will be individuals who commute to Spokane for work. The lack of sewer and water facilities is a current barrier to additional housing development in Rosalia.

New business development has accompanied Rosalia's residential growth. According to local residents, Rosalia had many vacant store fronts only two years ago. Today, most stores on mainstreet are occupied. Examples of new businesses include a taxidermy shop, assisted living center and home care business, green house that grows natural herbs, a manufacturer of plastic video boxes that are distributed nationally, a motor cycle distribution warehouse that distributes throughout the U.S. and Canada, a general contractor, arts and craft shops and a violin maker. These businesses tend to serve a regional market and do not rely exclusively on local customers or highway traffic. In addition, a local gas station has reopened after being closed for a number of years. Most of these new businesses have opened only within the last 18 months.

Colfax has also had a number of new business and residential developments over the past 5 years. Examples of new businesses include a fast food restaurant, antique stores, a fabric shop, a Radio Shack, auto parts and video rental. According to local business owners, these stores serve a mixed customer base including both local residents and persons passing through the area on U.S. 195. Overall, the mix of businesses in Colfax has changed over the past 10 years. In the past, there were more professional services located in the downtown area (Washington Water Power and the Telephone Company). However, because of consolidations and reorganizations those businesses have left and more retail based businesses have replaced them.

Like Rosalia, Colfax community leaders report a current housing shortage. Some apartment development has occurred just off of mainstreet in the downtown area. Also there has been some single family housing development on Thorn Street hill.

Impact of the SR 195 Bypass on Recent Economic Changes in Rosalia

The SR 195 bypass route was constructed around the city of Rosalia in the early 1980s. This bypass provided Rosalia with better access to Spokane, improved pedestrian safety and reduced truck traffic noise in the downtown business district. At the same time, reduced traffic traveling on Rosalia's mainstreet resulted in less drive-up customers for gas stations, eating places and other highway dependent businesses. Many of the local individuals interviewed in Rosalia suggested that reduced traffic possibly precipitated a more rapid rate of economic decline than would have occurred otherwise. The central questions of the Rosalia case study are (1) what role did the SR 195 bypass play in Rosalia's economic decline during the 1980s and (2) to what extent has the bypass contributed to the very recent economic resurgence in Rosalia.

Without question the diversion of traffic from Rosalia's mainstreet to the outskirts of the community was a contributor to the community's extensive loss of retail and service business during the 1980s. While most small northern Whitman County farm communities also experienced a significant loss of retail sales during the 1980s, Rosalia's loss was among the highest (see Table 2).

***Table 2--Comparison of Taxable Retail Sales Change
for Northern Whitman County Farm Communities***

<u>Community</u>	<u>Change in Taxable Retail Sales 1982 -- 1991</u>
Oakesdale	- 44%
Rosalia	- 42%
Tekoa	- 25%
Endicott	- 14%
St. John	- 11%
Palouse	- 3%
Colfax	7%
Garfield	32%

Source: WA Department of Revenue

Prior to the bypass, Rosalia had two grocery stores, two car dealers, two gas stations, three farm implement stores, a pizza place, two hardware stores, a pharmacy and a doctor. Many of these businesses disappeared during the 1980s. It would be incorrect to conclude that the loss of these businesses was entirely due to the loss of highway traffic through the community. Other factors such as the consolidation of area farms and the general trend of shopping in large regional centers are often cited as reasons for the decline in business activity in small eastern Washington communities. However, personal interviews conducted in the community suggest that many of the businesses requiring high traffic routes (service stations, eating places, auto dealers) were adversely impacted by the reduction in drive-by traffic.

While the SR 195 bypass was detrimental to certain Rosalia businesses, it provided two major benefits important to the apparent economic turn-around that is now occurring in Rosalia: (1) improved access to Spokane and (2) a quieter and safer environment on mainstreet. The community is just now capitalizing on these two advantages as a part of its current strategy for economic renewal. With the newly constructed four-lane highway, Rosalia is only 30 minutes from Spokane. Urban residents looking for the lifestyle offered by a small rural community are moving to Rosalia and commuting to the urban area for work. Newly formed economic development leadership in Rosalia is successfully building on advantages offered by the SR 195 bypass.

Importance of the SR 195 Mainstreet for the Colfax Local Economy

State Route 195 serves as Colfax's mainstreet. This route also connects Colfax with Spokane approximately 60 miles to the north and Pullman located 15 miles to the south. Average daily traffic volumes along SR 195 are about 6,500 cars at both the north and south edges of town. While this represents only a moderate traffic flow, traffic can be much heavier during certain peak periods such as Fridays and Sundays when Washington State University is in session and Saturdays on football weekends.

Some Colfax residents express concern about safety in crossing the street during busier traffic periods. However, this concern does not appear to be widespread. Some residents also suggest that "restricted traffic flow" through mainstreet discourages truck travel and possibly industrial development opportunities in the region. The greatest concern appears to be a relatively high rate of stationary traffic accidents as parked cars are clipped by passing trucks and recreational vehicles. A proposed widening of SR 195 through Colfax should help alleviate this type of problem.

Overall Colfax residents tend to view the state route mainstreet as a positive for their community. A recent Washington State Department of Transportation study reports that at least 20 Colfax businesses are dependent on motorists for a

significant portion of their annual revenues. This study also concludes that an increasing share of total taxable retail sales in Colfax are linked to highway dependent businesses.

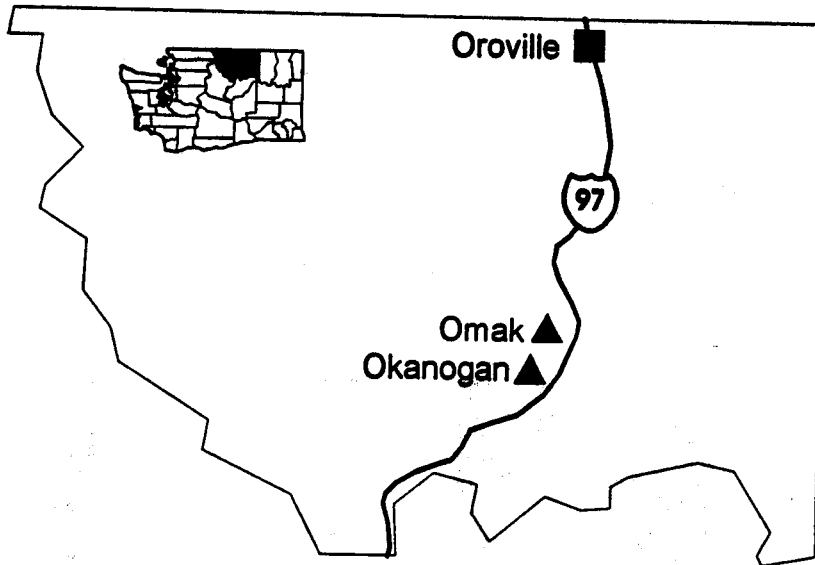
In recent years the community has systematically built upon the perceived competitive advantage associated with relatively high traffic volumes along Main Street. Most new business developments have been at least partially dependent upon highway traffic for their success. The owner of a new fast food establishment, for example, reports that he would have never started his business in Colfax without the benefit of the highway traffic. Encouraging tourists to stop has been an important element of the community's economic development strategy. A new antique mall and a new flower and gift shop are two examples of businesses that are providing new attractions to entice motorists to stop and shop in Colfax. Currently, local efforts are underway to attract a new motel to the community.

Nearly all mainstreet business people interviewed in Colfax indicated that their customer base is a mix of local residents, students, tourists and other individuals passing through the community. Individual estimates by local mainstreet business owners range from 25% to 50% of their business comes from people outside the community. According to local residents, highway traffic has enabled the community to develop several unique businesses, such as the antique mall and fast food stores that likely would not be feasible if they had to depend entirely on the local customer base.

Overall, the strategy of encouraging the development of highway-related businesses along mainstreet appears to be working for Colfax. After a period of decline, taxable retail sales in Colfax have continued to increase since 1988. At one point during the mid-1980s there were as many as 10 vacant buildings along mainstreet. Today, there is only one or two street-level store spaces available. Second floor spaces are also beginning to be utilized. Many within the community perceive the SR 195 mainstreet as a key to continuing this positive economic trend.

Case Study 2: SR 97 (Omak, Okanogan and Oroville)

Map 2--Location of Omak, Okanogan and Oroville



Background

The Okanogan Valley is located in the north central portion of Washington State (See Map 2). The economy of this region is primarily linked to the forests and agriculture. Tourism, recreation and a limited amount of mining activity also contribute significantly to the region's economy.

U.S. 97 passes through the heart of the Okanogan Valley providing an important motor freight shipping corridor linking Canada to Central Washington and south to the Mexican border. Interviews of freight trucks conducted at the Oroville and Osoyoos Ports of Entry for the Eastern Washington Intermodal Transportation Study found that approximately 60 trucks travel SR 97 each direction to and from Canada on a typical weekday. In addition to freight trucks crossing the international border, persons knowledgeable of the area suggest that a number of local trucks primarily hauling lumber and agricultural products also utilize SR 97 through the Okanogan Valley. Annual WSDOT traffic count data estimates that trucks represent from 14 to 17 percent of the total number of vehicles traveling SR 97 through the Okanogan Valley.

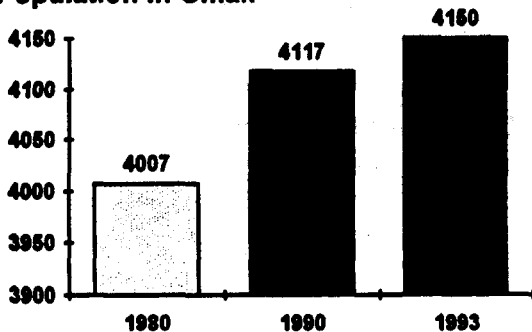
In recent years, U.S. 97 has become increasingly important as a route used by Canadian tourists. U.S. and Canadian customs officials estimate that 500 to 1,000 cars cross the international border each direction near Oroville and Osoyoos on a typical weekday. According to Customs officials, the volume of Canadians traveling to the U.S. has increased over the past 5 years.

Three communities along SR 97 in the Okanogan Valley were chosen for detailed case studies. Oroville, located near the Canadian border was selected as an example of a community where SR 97 also serves as the community's mainstreet. Omak and Okanogan are offered as examples of communities that have been bypassed by SR 97.

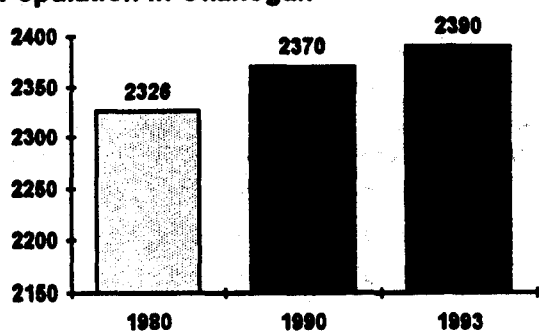
Recent Population Change

Figure 3--Steady Population Growth in the Okanogan Valley

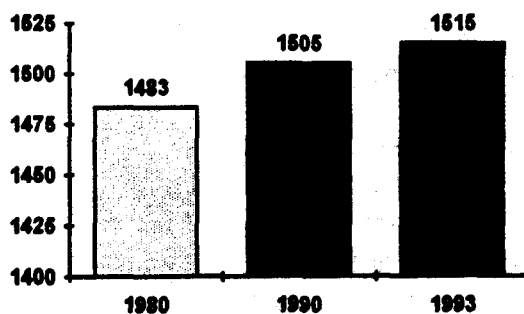
Population in Omak



Population in Okanogan



Population in Oroville



Source: Washington State Office of Financial Management, Population Statistics

Population has grown steadily since 1980 in all three of the selected Okanogan Valley case study communities. Omak, the largest of the three communities, had the highest increase in population between 1980 and 1993. However, the smaller two communities also gained new residents during that time period.

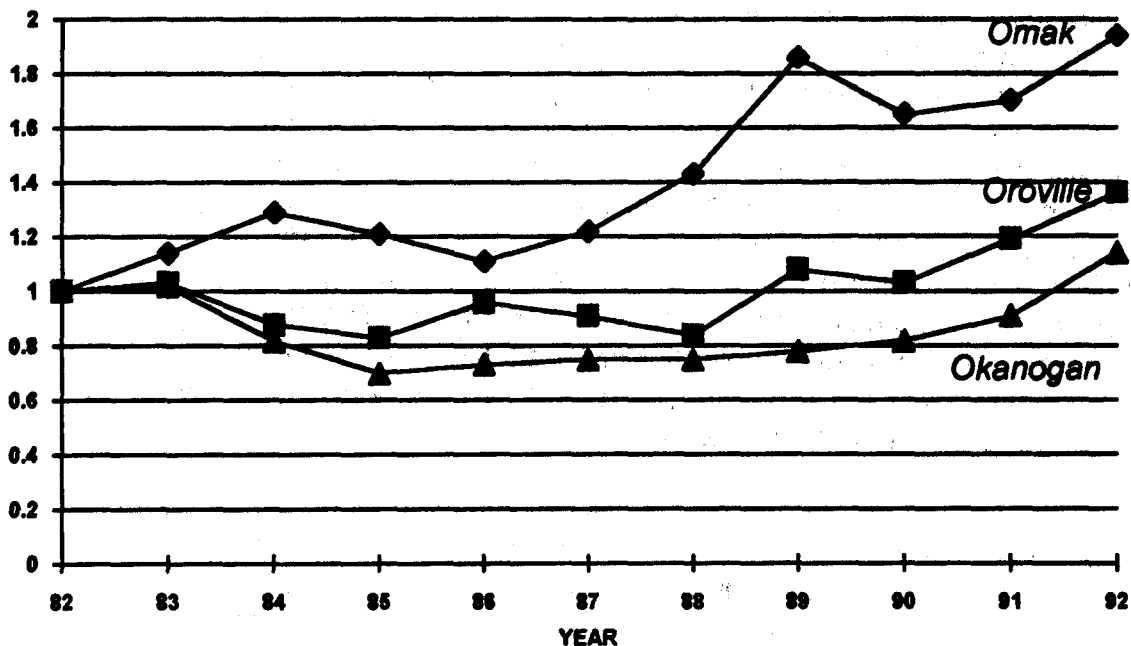
Personal interviews of community leaders suggest several different sources of population growth in the Okanogan Valley. Some of the new population growth

has resulted from people moving to the Valley from the Puget Sound and California. These people, some who are retired and others who are of working age, are moving to the area in search of a rural lifestyle. A second major source of population growth are agricultural workers who are now making the Okanogan Valley their permanent home. Community leaders in all three of the case study communities suggest that recent population growth has led to a local housing shortage. Regional water shortages are a significant barrier to development of additional housing.

Change in Taxable Retail Sales

Figure 4--Taxable Retail Sales Expanding Rapidly in Omak Compared to Oroville and Okanogan

Retail Sales Index (1982 = 1.00)



Source: WA Department of Revenue annual taxable retail sales series

Taxable retail sales are compared for the three communities in Figure 4. Throughout the 1980s and early 1990s, Omak has been the focal point for much of the business growth along SR 97 in the Okanogan Valley. In fact, Omak's taxable retail sales in 1992 are nearly double the 1982 levels. According to local community leaders, Omak's rapid growth in taxable retail sales during the second half of the 1980s is at least partly due to development of the Omak Shopping Mall. The mall has attracted customers from throughout the region including Canadian shoppers.

Persons familiar with the region suggest that Oroville and Okanogan are also benefiting from Canadians traveling to the U.S. for shopping. Business owners in Oroville and Okanogan suggest that an increase in the number of Canadians coming to the U.S. for shopping is at least partially responsible for the apparent expanded local business activity in both communities during the early 1990s.

Implications of the SR 97 Bypass for Economic Development in the Omak and Okanogan Communities

The cities of Omak and Okanogan were bypassed by US 97 during the late 1950s. The two communities of Omak and Okanogan are closely interrelated. Only a few hundred yards separate their city limits. Area residents travel between these communities for both work and shopping. Together Omak and Okanogan represent a population center of nearly 6,500 people.

Unlike the Rosalia case, the state route bypass of Omak and Okanogan did not result in major business closings and empty storefronts. Community leaders interviewed as a part of this study suggested that there are two significant reasons why major store closures did not occur. First, State Route 215 still passes through mainstreet of both Okanogan and Omak. WSDOT traffic counts indicate that the average daily traffic volume on this route ranges from 5,300 after junction SR 20 in Okanogan to nearly 11,000 units before junction SR 97 in Omak. Traffic volume along SR 215 has been growing steadily over the past five years. Relatively high traffic volumes along SR 215 provide mainstreet businesses the advantages of motorist visibility. At the same time, the US 97 bypass eliminates the problem Colfax and Oroville face with heavy truck traffic passing through the core business district.

A second important difference from the Rosalia case study is that Okanogan and Omak have historically been a center for trade and services within the region. As the county seat, Okanogan is a center of government. Major county offices, a District Forest Service office and several state offices are located within Okanogan. Because of its central location and the fact that it is the largest community in the county, Omak has historically been the center for retail trade. The Okanogan/Omak community also has strong economic ties to the nearby Colville Tribe. The significant base of retail and service customers from surrounding communities and moderately high traffic counts through mainstreet results in healthy downtown business districts in both communities. The downtowns include a mix of both highway-dependent businesses and businesses dependent on local customers.

Several local individuals interviewed suggest a disadvantage of the US 97 bypass is the challenge of attracting passing tourists to stop in Omak and Okanogan. For the most part, new business development has remained in the core business districts in the Omak/Okanogan area and not along US 97

bypass. Travelers often are not aware of the stores that are in the downtown. However, several recent developments along the bypass have encouraged more tourists to stop in the area. The Colville Tribe built a successful bingo hall on US 97 near Okanogan. It is reported that 75 percent of the bingo and other gaming customers are local residents from nearby areas. The remaining 25 percent are tourists, primarily from Canada. In addition, the Omak Shopping Mall is located at the intersection of SR 215 and US 97. The mall includes a Payless, Safeway and several other smaller stores. Wal Mart is the most recent addition to the mall development. With the opening of Wal Mart, Canadians appear to be traveling farther south and in larger numbers for shopping. Additional highway-related development includes the construction of a new RV park by the Colville tribe as well as motels, gas stations and car/truck repair businesses.

Local opinions are mixed concerning the impact of development along US 97 on business in the downtown core. Some local business people suggest that the new mall, especially Wal Mart, is taking away their local customers. However, others believe that the new mall and highway oriented businesses along US 97 are bringing more customers to the community. After stopping at the mall, travelers also go into the downtown business district to browse. The communities of Omak and Okanogan are seeking strategies to encourage more Wal Mart shoppers to also stop in the downtown business district.

Of particular note, many regional travelers pass through the downtowns of both Okanogan and Omak on SR 215 as they travel to the Omak Shopping Mall. This provides additional motorist exposure for downtown business owners. However, several individuals expressed concern that traffic volumes along SR 215 may eventually become a "congestion" and "safety" problem. Indeed average daily traffic volumes along SR 215 have been increasing at a rate of nearly 5% per year since 1989. One solution suggested by local residents is to construct more access roads leading from US 97 into the central business areas. This would allow persons with destinations in southern Omak and northern Okanogan to utilize US 97 rather than travel the full length of SR 215 through town.

Most regional economic development leaders view the US 97 bypass of Okanogan and Omak as positive for the development of the region's agricultural, lumber and manufacturing industries. The nearby Colville Tribe for example, operates a sawmill, log cabin construction business, boat building facility and many other enterprises. The efficient flow of truck traffic along US 97 is important to the development of tribal industries. Truck travel is also important to the Okanogan Valley's fruit, cattle and logging industries.

Overall, local residents identify very few negative impacts associated with the US 97 bypass of Omak and Okanogan. The primary challenge for the future will be tapping the full economic benefits associated with an increasing tourism trade

and opportunities for manufacturing development along this important international trade corridor.

Importance of the SR 97 Mainstreet for the Oroville economy.

SR 97 passes directly through Oroville's business district. Average daily traffic volumes through Oroville on US 97 are approximately 3,000 vehicles. During the peak tourist season and at apple harvest, traffic volumes can be substantially higher.

While the measured average daily traffic volumes have remained approximately constant over the past five years, many local residents perceive an increasing problem with traffic flows through Oroville and the nearby vicinity at the Canadian border. The most frequently cited problem is turning onto Main Street from Central Avenue, especially during apple season. The need for a traffic light at this intersection was often suggested. Another frequently mentioned traffic flow issue is problems returning home for area residents who live north of Oroville near the border. One resident living a half mile from the border reported that she often has to wait 45 minutes for cars to travel through the border station when she returns home from her job in downtown Oroville. A third lane at the border could eliminate the problem.

Despite these issues, most Oroville community leaders interviewed perceive the overall impact of the state route mainstreet to be positive. According to local business people, the steady flow of travelers through Oroville's mainstreet has been a catalyst for new retail business development along US 97. Examples of new stores locating in Oroville include: a fish market, several new restaurants, mini-market and gas station, mail-box business, video rental and RV Park. A micro-brewery is currently under discussion for Oroville as well. Customers of these stores include local residents, tourists passing through the area and nearby British Columbia residents who travel across the border seeking bargains. This latter group of customers has decreased somewhat as exchange rate advantages for Canadians shopping in the United States have diminished.

Several new businesses serving Canadian shoppers have developed north of Oroville near the border. While outside the city limits, these businesses are considered to be a part of the Oroville community. Traffic flows along US 97 north of Oroville are important because the highway not only serves as the community's mainstreet, it also provides the transportation link to newly established businesses north of the city.

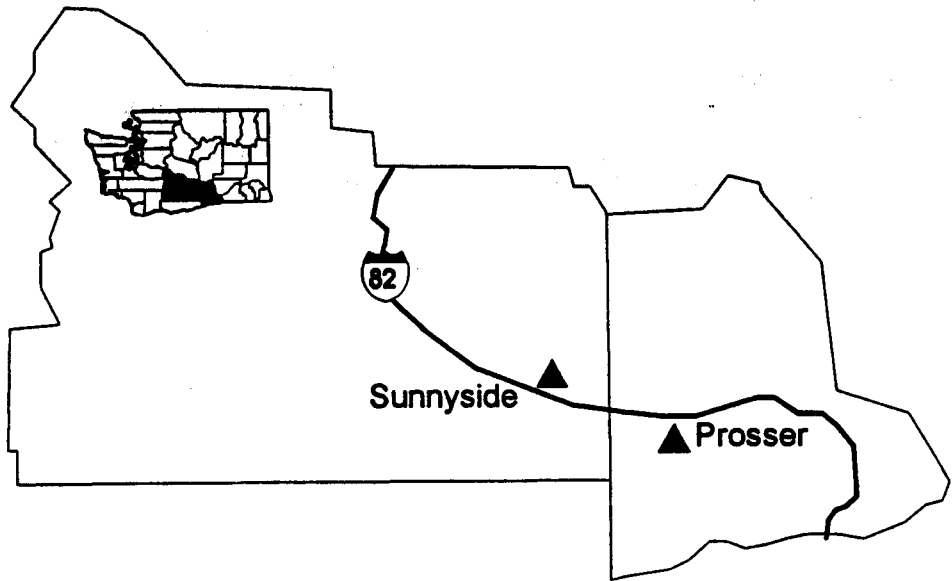
Local residents also credit the state route mainstreet for a recent wave of new residents moving to the community. Like many small eastern Washington communities, Oroville has benefited from mid-career urban professionals seeking a different lifestyle in a rural community. People travel through Oroville

on vacation and decide that they like the community. They later return to live in the community and start new businesses. Also important to the community are a number of individuals who have returned to Oroville to retire after first visiting the community on vacation.

Like Colfax, most Oroville residents view recent economic trends in the community as positive. They believe that US 97 passing through their community is a very important factor that is contributing to that positive trend. In looking to the future, many perceive that diversifying their local economy beyond highway-related businesses will be critical to the community's economic success. Specifically, future development of gold mining activities and new industrial properties may be opportunities. US 97 will likely play a key role in developing these new diversification options.

Case Study 3: I-82 (Prosser and Sunnyside)

Map 3--Location of Prosser and Sunnyside



Background

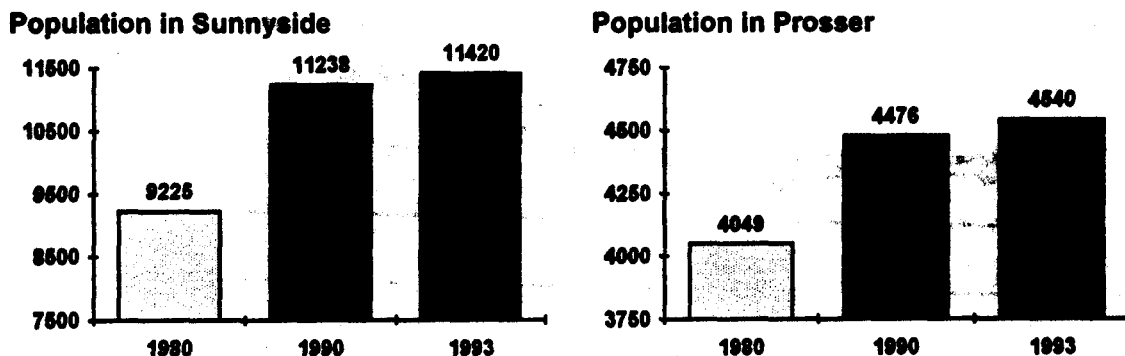
Located in south central Washington, I-82 is in the heart of eastern Washington's fresh fruit and wine county. The Lower Yakima Valley is more urbanized than the other two case study regions considered in this report. Consequently the region has a more diverse economy including a significant amount of manufacturing and regional retail and service activity. An expanding hospitality and recreation industry is also important to the economy of the Lower Yakima Valley.

This case study is also representative of a different type of highway improvement than was considered in the other regions. Completed in the early 1980s, I-82 is a major four-lane highway connecting traffic originating in central Washington and the Puget Sound with destinations in southeast Washington and states to the south. WSDOT traffic counts indicate that trucks account for 14 to 21 percent of the total vehicles traveling on I-82 through the Lower Yakima Valley. Truck interviews conducted at Umatilla by the EWITS research team indicate that Washington agricultural commodities (potatoes, processed foods, fruits and vegetables) account for nearly one-half of the total cargo shipped south on I-82. Drivers passing through Umatilla report destinations in 28 states.

Prosser and Sunnyside are selected for detailed case study to identify the economic impact of a major four-lane interstate bypass in eastern Washington. These communities appear to be representative of other Lower Yakima Valley communities bypassed by I-82 in the early 1980s.

Recent Population Change

**Figure 5--Population Growth in Sunnyside and Prosser
Continues into the 1990s**



Source: Washington State Office of Financial Management, Population Statistics

Population size in Sunnyside is nearly twice that of Prosser. However, population in both communities has grown steadily since 1980. Community and business leaders interviewed as a part of this study suggest much of the growth is from people moving into the Lower Yakima Valley from California and the Puget Sound region. Also agricultural workers making a permanent home in the region are contributing to population growth.

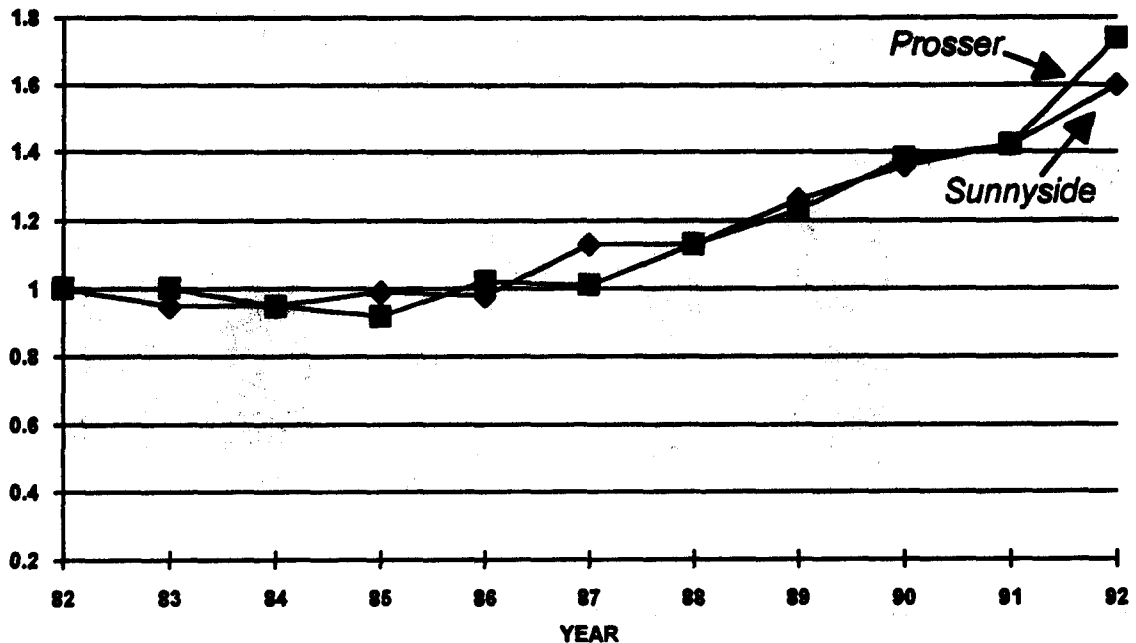
Many of those interviewed indicated that people are moving to the area in search of the quality of life offered by the Lower Yakima Valley. Jobs have generally been plentiful in the area for most skill groups. Both Sunnyside and Prosser are within commuting distance of major metropolitan centers including the Tri-Cities and Yakima.

As was the case in the other two eastern Washington case study regions, population growth in the Lower Yakima Valley has led to a shortage of housing. Community leaders report particular housing shortages in Sunnyside. Prosser has benefited from several new housing developments including 12 single family homes in the Horse Heaven Hills area.

Change in Taxable Retail Sales

Figure 6--Beginning in the Mid-1980s, Taxable Retail Sales Expanded Significantly in Both Prosser and Sunnyside

Retail Sales Index (1982 = 1.00)



Source: WA Department of Revenue Annual Taxable Retail Sales Series

Taxable retail sales in both Prosser and Sunnyside have increased substantially each year since the mid 1980s. Prosser's 1992 taxable retail sales are 74% higher than in 1982 while Sunnyside's 1992 taxable retail sales are nearly 60% higher than in 1982. Personal interviews conducted in the two communities indicate that the growth in business activity has been broad based. Wineries, food manufacturing industries, eating and drinking places and new retail developments have all contributed to local economic growth.

Impact of the I-82 Bypass on Economic Development in Prosser and Sunnyside

Prosser and Sunnyside provide yet another perspective on the potential impact of a state route bypass in a rural area. In the case of these two communities, the bypass resulted from construction of I-82 between Union Gap and Prosser in the early 1980s. At the time of the interstate construction, Prosser (1980 population 4,049) and Sunnyside (1980 population 9,225) both had well-developed

downtown business districts. Both communities were connected to the Tri-Cities and Yakima by the old State Route 12.

Public testimony provided to the Washington State Department of Transportation as a part of the Advance Planning Study for I-82 documented that local residents had substantial concerns about the potential economic impact of the newly constructed I-82 segment. The community of Sunnyside in particular worked closely with the Department of Transportation to ensure that the selected routing option would have the greatest likelihood of supporting local business and economic development. Especially important to Sunnyside was the development of new tourism-related and industrial opportunities that were expected to be created by the completion of I-82.

Ten years after the completion of the I-82 bypass, both the economies of Prosser and Sunnyside appear to have benefited substantially from local linkages to the interstate system. Between 1982 and 1991, taxable retail sales expanded 42% in both Prosser and Sunnyside. Both communities have benefited from the development of new highway related businesses near I-82 interchanges. Examples of highway-oriented development at the Prosser interchanges are the Horse Heaven Hills Truck Stop, McDonalds and a new motel. The successful new retail development at the I-82 interchange in Prosser was at least partly due to the Washington State Department of Transportation's decision to establish a new rest area at the interchange. The new state rest area was key to the decision of McDonalds and the truck stop to open new businesses in Prosser. The businesses located adjacent to the rest area benefit from travelers who stop for a break.

New retail development along the interstate has been even more extensive in Sunnyside. Numerous fast food and convenience stores have located along the Yakima Valley Highway just off the interstate. Even more important is the development of the Mid-Valley Mall and the recent Valley Center Plaza in Sunnyside. Because of access provided by I-82, the Mid-Valley Mall is becoming an important retail shopping center for residents throughout the lower Yakima Valley.

A rapidly expanding tourism trade in the Yakima Valley has made a substantial contribution to successful retail development at the highway interchanges in both Prosser and Sunnyside. According to one local report, Sunnyside's commercial trade was 95%-97% "local" in the early 1980s prior to construction of the last I-82 segment. Today local retail business owners report that a substantial portion of their business is from tourists traveling through the area. The combination of completing the four-lane interstate, an aggressive program to develop and promote more tourist attractions within the Yakima Valley and growth of the region's wine industry are the primary drivers of expanded tourism in the area.

Retail development at the highway interchanges has been beneficial to the city tax base in both Prosser and Sunnyside. As already noted, taxable retail sales are expanding rapidly in both communities. Property values in the vicinity of the interchange development are also rising. A land price comparison conducted for the Benton Rural Electric found that current asking prices for properties near the I-82 interchange are often three times higher than the last sale price in the late 1980s. To capture the full tax benefit of rising property values, city governments of both Prosser and Sunnyside have annexed land in the proximity of the new developments.

The impact of the interstate bypass on the Prosser and Sunnyside downtown business districts is mixed. Prior to the construction of I-82, substantial traffic passed near the downtown business district of Prosser on SR 22. Today the average daily traffic volume on SR 22 in the vicinity of Prosser is under 1,000 vehicles per day. The downtown business districts in both Prosser and Sunnyside are reported to be much quieter than before the interstate construction. Despite lower mainstreet traffic volumes, the downtowns of both communities continue to be relatively vital. Overall downtown building vacancies in Prosser and Sunnyside are under 5% and are not considered to be a major problem. The downtown in both communities is beginning to shift from a center for retail activity to a center for professional and government services. Sunnyside also has benefited from residential development as new factory workers move into the area. To preserve the existing retail and encourage development of new specialty stores, local economic development organizations are actively seeking opportunities to improve linkages between the interchange development and the downtown by encouraging more tourists to visit the central business district. Success in attracting tourists to the downtown is considered important to the communities' future.

The community of Prosser hopes to build upon the peaceful environment of its downtown as an asset for attracting quality residential development. Located approximately half-way between the Tri-Cities and Yakima, Prosser has become a bedroom community for new residents who may commute to work in surrounding urban centers. Prosser provides quality housing at a significantly lower cost than in surrounding urban centers as well as a rural lifestyle desired by many. Traveling on I-82, Prosser residents can reach jobs in the Tri-Cities, Sunnyside and Yakima in less than an hour.

Community leaders interviewed as a part of this study suggest that interstate construction in the Lower Yakima Valley has also created new opportunities for manufacturing related development. Results from the EWITS New Business Survey discussed in a separate report indicate that half of all new businesses view location along an interstate as important. This is particularly true for food manufacturing businesses that provide the foundation for the economy of the Yakima Valley. For example, Washington Frontier Juice recently selected

Prosser for its new operation along with several other food processors and winery operations. Examples of firms recently locating in Sunnyside include Darigold, Valley Manufactured Housing, Sun Ridge Foods, Washington Hills Winery, Woodworth Farms, Centennial Tank and Milky Way. All of these businesses rely on the interstate system to receive inputs and transport products to markets.

Local leaders in both Prosser and Sunnyside credit the interstate system as playing a major role in their extensive manufacturing and retail growth during the 1980s. Economic development groups in both communities are actively marketing the interstate as a primary asset for new business and industry as well as for commuters. In particular the highway system provides local businesses and residents with quick access to the rapidly growing industrial and commercial centers in the Tri-Cities and Yakima. For example, Sunnyside is marketing their access to the newly established Yakima Air Terminal Foreign Trade Zone as a part of their industrial recruitment efforts. Prosser touts the quality living offered by their community combined with quick access to the Tri-Cities as a major advantage for both industry and commuters.

Lessons for State and Regional Transportation Planning

Lessons from State Route Mainstreet Case Studies

Colfax and Oroville are typical of many small eastern Washington communities where state route mainstreets provide a moderate but steady traffic flow through the central business district. The two case studies provide the following lessons:

- ***State route mainstreets allow for the development of certain specialized businesses that would otherwise not be economically feasible in small towns.*** Business owners in both Colfax and Oroville indicated that their business depend on a mix of local customers and travelers passing through the community on the state route mainstreet. Many of these business owners suggested that their business would not likely be successful in a community the size of Colfax or Oroville without the additional visitors passing by their store on the state route mainstreet. Examples in Colfax and Oroville include antique malls, fast food restaurants, convenience markets, fish stores and gift shops.

Case studies in Rosalia, Prosser and Sunnyside confirmed statements made by business people in Colfax and Oroville. When these communities were bypassed, downtown building vacancies went up as businesses that had depended significantly on customers from outside the community were no longer feasible in the downtown business district. In Omak and Okanogan, very few businesses were adversely impacted by the bypass. This is partly explained by the fact that the mainstreets of both communities remained relatively high traffic routes even after the SR 97 bypass.

- ***To maximize economic benefits from a state route mainstreet, transportation plans should include actions to minimize problems such as accidental damage to parked vehicles, poor traffic flow during peak travel periods and safety problems in crossing the street.*** Personal interviews conducted in Colfax and Oroville identified certain disadvantages of a state route mainstreet through a smaller community. Most frequently mentioned problems were noisy truck traffic, poor traffic flow during peak travel periods, damage to parked vehicles and safety problems crossing the street. Problems such as these can discourage both local residents and visitors to the community from shopping in the downtown business district. Specific actions such as widening the mainstreet to prevent stationary accidents or adding signal lights to improve traffic flow and improved pedestrian safety can be an important aid to successful business development in the downtown.

Lessons from Communities with State Route Bypasses

Case studies conducted in Rosalia, Omak, Okanogan, Sunnyside and Prosser provide insights into the consequences of a state route bypass for communities of different size and economic complexity. The following are several key lessons for state and regional transportation planning.

- ***Downtown business districts in communities with a well-developed local customer base are less adversely impacted by a state route bypass than communities highly dependent on drive-by traffic.*** According to local reports, very few downtown businesses in either Omak or Okanogan closed when the bypass route first went in. This is primarily because local businesses were not highly dependent on drive-by traffic. Local residents interviewed indicated that historically businesses in Omak and Okanogan focused primarily on customers from within the region who travel to the two communities for shopping or services. An additional factor preventing business closures in Omak and Okanogan is SR 215 which continues to be an important route generating an average of more than 5,000 vehicles each day through the downtown business districts. Most travelers on SR 215 are persons living within the region with business in either Omak or Okanogan.

The experience in Okanogan and Omak contrasts sharply with the Rosalia case. In Rosalia, the downtown business vacancy rate increased dramatically after the bypass. Persons familiar with the community suggested that the vacancy rate increased because local demand was no longer adequate to support several of the key businesses after travelers were diverted outside the downtown by the new SR 195 bypass. Community leaders in Prosser and Sunnyside also indicated that downtown businesses that depended heavily on highway trade closed after the I-82 bypass. However, new businesses that focused more on the local customer base moved in to replace highway-oriented businesses in the downtown.

- ***Bypass routes that improve access to major trading centers open up new opportunities for small towns.*** State route bypass projects are often part of larger highway improvements that open up access to major trading centers. Improved access to trading centers is an economic opportunity for small towns. In the case of Rosalia, the four lane bypass provided the opportunity to build on a new residential base of Spokane area commuters. The economic restructuring of Rosalia's mainstreet is very recent.

Local community and business leaders credit improved market access provided by construction of I-82 for much of the recent development in the lower Yakima Valley. In particular local leaders indicate that I-82 has been very beneficial for the development of the expanding food manufacturing

sector in the region. Their observation is consistent with a major finding from the EWITS New Business Survey discussed in a separate EWITS report. Ninety-one percent of new Washington food manufacturing businesses view location along an interstate as important to their choice of business location. The interstate provides critical access to national and international markets.

Wineries, like all food manufacturers, benefit from location near an interstate highway. The expansion of wineries along I-82 has also led to increased tourist trade for the region. The interstate system has encouraged more long-distance motorists to travel through the Yakima Valley. However, it is important to recognize that non transportation factors such as the aggressive development and promotion of numerous new tourist attractions in the Yakima Valley and Tri-Cities has much to do with the large number of travelers coming to the region.

- ***Systematic development of highway-related businesses and other retail services along bypass interchanges can help mitigate possible economic losses that occur from the diversion of traffic from the downtown business district.*** Overall taxable retail sales in both Prosser and Sunnyside expanded substantially since construction of I-82. Much of that expansion can be attributed to development along highway interchanges. Successful development of retail businesses along I-82 in Prosser was facilitated by the Washington State Department of Transportation's decision to locate a rest area near the highway off-ramp. This innovative public-private partnership should be considered in other communities.

Community and business leaders in Omak also credit retail development along bypass interchanges as a key reason for the near doubling of local taxable retail sales between 1982 and 1992. Retail development at a newly constructed shopping mall and the more recent Wal Mart store are attracting shoppers from throughout the region including Canadians. Nearby Okanogan has not benefited significantly from development along the SR 97 interchange. Okanogan taxable retail sales only increased about 17% between 1982 and 1992. Most of that increase is very recent. Rosalia has not yet established any retail development near the SR 195 interchange. However, community leaders recognize future development near the highway as an opportunity for economic growth.

- ***Annexing property associated with new interchange developments is an important tool that can be utilized by cities to mitigate tax base losses associated with possible business closings and land use changes in the downtown business district.*** Several case study communities have found that land use planning can play an important role in mitigating detrimental impacts associated with a state route bypass. The cities of Prosser, Sunnyside and Omak have aggressively pursued annexation of areas developed by new businesses along the highway interchanges. This has enabled the cities to capture the tax benefits for rapidly expanding property values near the highway mitigating a modest loss in tax base within the downtown business district.
- ***Land use plans should be flexible enough to accommodate new types of downtown uses in communities that are impacted by a state route bypass.*** Case studies in Oroville and Colfax demonstrate that communities with a state route mainstreet often tend to have a relatively heavy concentration of businesses that depend at least partially on highway traffic for their customer base. Case studies of bypassed communities indicate that there is often a period of relatively high downtown building vacancies followed by new uses of downtown buildings as the community adjusts to changing traffic patterns. Cities impacted by a state route bypass should review their local land use policies to ensure they are flexible enough to accommodate new downtown uses that are less oriented to highway traffic such as residential development, service businesses and light manufacturing.
- ***Enticing tourists and shoppers to travel into the central business district is important to the economic and overall quality of life in bypassed communities.*** Community leaders in all five of the case study communities impacted by a state route bypass reported the need to entice more people into their communities' central business districts. Highway oriented development along the bypass interchanges can encourage passing traffic to stop. However, additional promotion through information kiosks, hospitality training for business owners and employees, information brochures and other tools are needed to entice visitors into the downtown area. This will require the successful development and promotion of unique shopping and entertainment experiences within the downtown business districts rather than competing with new highway and retail businesses along the interstate.

APPENDIX A

Persons Interviewed in Case Study Communities

Case Study 1: SR 195 (Rosalia and Colfax)

Randy Beck	Manager, Western States Equipment
Norma Becker	Colfax Mayor
Lana Feldman	Past City Clerk in Rosalia
Jeff Geir	Colfax Chamber President
Bob Grunholtz	Town and Country Men's Wear in Colfax
Kevin Kragt	Asst. Port Manager, Port of Whitman County
Karna Hanna	Past Pullman City Planner
Joan Hubbard	Manager, Whitman County Business Development Association
Ken Jacobs	Current Rosalia Mayor
Tom Kneeshaw	Palouse Economic Development Council and co-owner of the Colfax Antique Mall
Glen Miles	Transportation Manager, Spokane Regional Council
Rodger Phillips	Whitman County Gazette
Sandee Porter	Rosalia City Clerk
Lonnie Price	Manager, Excell Foods in Colfax
Joe Reynolds	Deputy Assessor, Whitman County
Warren Roellich	Past Rosalia Mayor
Larry Sheahan	Ninth District Legislator and Rosalia attorney
Dick Stanton	Colfax Main Street Committee
Bernie Tike	Owner of Taco Time in Colfax
Jack Thompson	Director, Palouse Economic Development Council
Joe Tortorelli	Washington Water Power Business Development Group
Ted Trepanier	Project Engineer, WSDOT District 6
Mert Webb	Colfax City Manager
Jim Weddell	Manager, Port of Whitman County
Paul Workman	Rosalia Chamber President and owner of Rosalia Auto Body

Case Study 2: U.S. 97 (Omak, Okanogan and Oroville)

**John Andrist
Mike Askea
Steve Brown
Pam Casey
Joan Cool
Bob Davis
Gary DeVon
Kurt Danison**

**Barbara Drummond
Bill Eckstrom**

Joe Hamilton

**Dave Honsinger
Margaret Johnson**

**Kathy Jones
Ethel Lindauer
Lisa Monson
Ron Neilson**

Jim Prince

Virgil Palmer

**Ron Spence
Linda Schwilke**

**Walt Smith
Victor Westlund**

**Omak Chronicle
CEO of Omak Wood Products
Johnny Appleseed in Malott
Wal Mart in Omak
Oroville Realty
Oroville Gazette Tribune
Oroville Chamber of Commerce
Highland Associates and Planning
Circuit Rider in Okanogan County
Oroville business owner
Owner of Anchor Printing in
Okanogan
Owner of Hamilton Farm Equipment in
Okanogan
Planning Engineer, WSDOT District 6
Tonasket Community Development
Partnership
Oroville City Clerk
Oroville Chamber of Commerce
Oroville hotel owner
Okanogan County Council for
Economic Development
Owner of Prince's Department Store
in Oroville
Tonasket Community Development
Partnership
Collville Tribal Enterprises Corp.
Oroville City Council and business
owner
Mayor of Omak
Oroville business owner**

Case Study 3: I-82 (Prosser and Sunnyside)

**Max Benitz
Ben Bennett
Ken Carter
Alan Clayton
Bob Drake
Olaf Elze
Bruce Etzel**

**Leo Fancey
Bill Flower
Dave Fonfera
Kerry Grant
Amber Henson
Audra Hoffer
Wayne Hogue
Don Hughes
Terry Marden
Milt Miller**

**Pete McCabe
Don McFarrin
Scott Pontin**

Jan Weets

Gayle Wheeler

Lon Wyrick

**Commissioner, Port of Benton County
Manager, Port of Benton County
City Administrator in Prosser
Yakima County Chief Appraiser
Benton County Commissioner
Daily Sun News in Sunnyside
Economic Development Manager for
the Benton County REA
Sunnyside City Manager
President of the Port of Sunnyside
Director of the Sunnyside EDC
WSDOT District 5 Planning Engineer
Sunnyside Port Auditor
Editor, Prosser Record-Bulletin
Mayor of Prosser
Sunnyside Mayor
Benton County Planning Director
Interim Public Works Director, City of
Prosser
New manager of US Bank in Prosser
Retired US Bank Manager in Prosser
Chair, Prosser Tourism Committee,
owner of Pontin del Rosa winery
Assistant Manager, U.S. Bank in
Sunnyside
Director, Prosser Economic
Development Association
Director, Yakima Valley Conference of
Governments**

Appendix B

Written Reports and Data Utilized in Preparing

Case Studies

City of Oroville, City of Oroville/North Okanogan County Washington Industrial Park Development Project, Prepared by Highlands Associates, 1992.

David Evans and Associates, East Okanogan Infrastructure and Expansion Plan, April 1992.

Etzel, Bruce, Land Price Comparison Study for Properties Located on Merlot Drive and Chardonnay Avenue in Prosser, September 1992.

Highland Associates, Economic Development Action Plan for Central Okanogan Valley, 1993.

Highland Associates, Town of Tonasket Comprehensive Plan, January 1993.

Judy Stoloff Associates, Sunnyside Housing Report, January 1992.

Okanogan County Council for Economic Development, Overall Economic Development Plan for Okanogan County, 1992.

Sunnyside Chamber of Commerce, Sunnyside Commercial Development Prospectus, January 1993.

Thompson, Jack, City of Colfax Comprehensive Plan, January 1993.

US Chamber of Commerce, A Guide to the North American Free Trade Agreement, Washington D.C., 1992.

Washington State Department of Revenue, Tax Statistics, 1990 - 1992.

Washington State Department of Revenue, Taxable Retail Sales by City and County, 1981 - 1991.

Washington State Department of Transportation, District 5, Advanced Planning Study for State Route 82 Parker to Prosser, 1979.

Washington State Department of Transportation, District 6, Pullman-Colfax Bypass Study, 1993.

Washington State Department of Transportation, 1991 Annual Traffic Report, 1992.

Washington State Employment Security Department, Employment and Payrolls in Washington State by County and Industry, Annual Averages 1980 - 1992.

Washington State Employment Security Department, "Industry Forecast 1990-2010," LMI Review, Third Quarter 1990.

Yakima County Planning Department, Focus 2010. Planning for Yakima County's Next Twenty Five Years, January 1992.

APPENDIX C

EWITS Case Study Interview Guidelines

Project Goal:

Determine how State Route Bypass or State Route Main Street impacts local economies. Note: Have City map and business directory before doing interviews!

Community: _____

Person interviewed/Title: _____

Address: _____

Telephone Number: _____

Date of Interview: _____

Questions For Highway Bypass Communities

Introduction: Hello. My name is _____. Your name was provided to me by _____ as a key (business or person) in (name of community) who would be aware of the impact of transportation issues on the local economy. As a part of a Washington State University study, I would like to ask you a few questions about the effect of the State Highway _____ bypass on your community. All of your comments will remain confidential. Do you have a few minutes now or should I arrange another time to talk with you?

- 1) Would you say that highway bypass (name/number of bypass) has had a positive, negative or no effect on the local economy?

Please explain your answer: _____

- 2) What are the major new business developments that have occurred in your community over the past 5 years?

- 3) What local factors have contributed to the success of the new business developments?

What specific impact (if any) has the highway bypass had on the type of businesses and the location of the businesses that have located or expanded in (name of community) over the past 5 years?

- 4) What businesses in your community do you feel are most dependent upon the local highway system? Why do you think this?*

*(*Find out what specific ways businesses are impacted i.e. providing customer access into town or transporting products and goods out of town etc.)*

- 5) Has your community tried to recruit new businesses? Y or N (If no, skip to Q6).

Have your efforts been successful? _____

What have been the most important selling points for the community? _____

Do you feel the highway bypass has helped (name of community) recruit new businesses or has it hurt recruitment activities? Helped Hurt

Please explain your answer: _____

6) How has the downtown business district changed over the past 5 years? _____

What have been the major factors that have led to those changes? _____

What impact (if any) has the highway bypass had on your community's downtown business district?*

*(*Find out the specific types of businesses impacted within the downtown business district--find out exactly what people mean here.)*

7) (Note: this may be covered in Q6) Has the vacancy rate in your downtown business district increased, decreased, or stayed the same?

What factors have contributed to changes in the vacancy rate? _____

Has the highway bypass had an effect on the downtown business district vacancy rate? _____ Please explain _____

8) Do many tourists visit your community? Y N (If N, go to Q9)

Where are they mostly coming from? _____

In what season do most of your tourists visit? _____

Why do they visit your community? _____

In your opinion, has the highway bypass had an impact on tourists visiting your community? _____ Please explain: _____

- 9) Has (name of community) had significant new home construction within the last 5 years? Yes No

*(If the answer is No then proceed to question 11.
If the answer is Yes, then ask:)*

Where has this residential development occurred? _____

(Identify on map of the community)

- 10) What has been the source of new residential development? (i.e. retirees buying homes, Canadians buying summer homes, employees at new businesses buying homes, etc.)

What role, if any, has the highway bypass had on residential development in (name of community)?

- 11) Do you believe that there is a problem of traffic congestion within the downtown area of (name of community)? Yes No

Please explain your answer: _____

(If yes, find out about particular times of day, or seasons when traffic congestion is a problem).

- 12) *If traffic congestion has increased ask: Why has traffic increased? Has the highway bypass impacted traffic congestion in (name of community)?*
Yes No

Please explain your answer: _____

- 13) Have property values been increasing or decreasing in your community? I D

What has caused the changes in property values? _____

What impact (if any) has the highway bypass had on property values in your community?

(Find out where property values have been impacted--i.e. higher along the highway and reduced downtown?)

- 14) Are there any other impacts associated with the highway bypass that we have not discussed?

(reaffirm confidentiality)

Address of person interviewed: _____

Close: Thank you for your time. Your answers are most helpful.