



## KLICKITAT COUNTY BUILDABLE LANDS INVENTORY STAKEHOLDER SUMMARY

The Klickitat County Public Economic Development Authority (KCPEDA) in partnership with consultants FCS GROUP and WSP USA Inc (WSP) is assessing available buildable lands, housing needs, and employment lands within Klickitat County. The project will assist the KCPEDA by providing an inventory of vacant lands to identify where future housing and employment growth should occur. To conduct this assessment, eight focus areas have been selected that have the greatest potential for a range of housing, including workforce housing needs, and lands for jobs. To solicit input on the proposed plan, WSP conducted 6 focus group meetings and 13 individual stakeholder interviews in late February and early March 2020. Focus group sessions and individual interviews were conducted as informal conversations intended to facilitate an understanding of individual and organizational perspectives. At the beginning of each session or interview, stakeholders were provided with a brief introduction, including general background information about the study areas. Following the introduction, discussion topics generally covered the following.

- The adequacy of land for employment and housing options in their community.
- Specific needs for more employment land for job growth in Klickitat County or a specific community.
- What specific types of housing are needed to meet current demand.
- Specific barriers to housing development in Klickitat County.
- Specific knowledge about utility and infrastructure needs to support housing or employment for a site or community.
- What the KCPEDA's top priorities should be to enhance housing options.
- Identify opportunity or catalyst sites.

The following is a summary of the input received, organized around the topics geographically (from western to eastern Klickitat County). Candid responses were encouraged, and comments are not attributed to specific individuals to provide a level of anonymity. A list of focus group participants and individual stakeholders is included at the end of this summary. Four additional focus group sessions are planned later in the study process (spring 2020) to share findings and proposed policy recommendations with stakeholders, and gather final feedback.

## **Adequacy of land for employment and housing options in their community.**

### **Western Communities - Bingen, Husum, Lyle, and White Salmon**

Stakeholders indicated that communities in the western part of the county have real challenges with both perceived available buildable lands and the affordability and availability of current housing stock. Local topography and the National Scenic Area restrictions both contribute to the perception that there is not enough available land that can be developed for housing. Some stakeholders described the feeling of “land being off limits” and, therefore, unavailable to help accommodate the growth pressures the community is experiencing. The cities of White Salmon and Bingen are considered desirable places to live, and demand for housing is strong; the current state of the tight housing market reflects this fact. The stakeholders stated plainly – there is simply not enough housing stock. Prospective home buyers face a competitive landscape, and several stakeholders advised that strong cash offers are often accepted almost immediately, pricing out many first-time homebuyers or new arrivals. Finding available and affordable rental housing is also a significant challenge, particularly for White Salmon and Bingen. Stakeholders noted that average rents are borderline exorbitant, and that for most workforce employees (teachers, government employees, service workers, etc.) and young people (like interns and college students), finding a good-quality place for \$1,000 to \$1,200 per month is almost impossible. Housing stock for low-income populations is equally slim. Recent closures of manufactured home parks are resulting in the displacement of former residents to Lyle, Klickitat, and The Dalles, or in some cases, living out of personal vehicles and RVs. One stakeholder noted that homelessness is on the rise, and that the recent point-in-time count is showing a dramatic increase in homeless individuals over the same point-in-time last year. Many of these homeless individuals are “couch surfing” or finding temporary living arrangements, limiting the number of people living unsheltered on city streets.

According to stakeholders, there are negative impacts to economic development resulting from this competitive and expensive housing market. It was noted that many new employees search for long-term housing six months or longer, and a large portion end up facing long commutes after moving to Goldendale or Carson, which generally have more affordable workforce housing options. Established community members who bought homes before the housing market became so competitive are staying in their homes longer, and there is generally very little turnover. This is negatively impacting recruitment for many public sector jobs; local school districts do not receive equalization and cannot offer the same wages as urban school districts. According to stakeholders, local school districts and government agencies risk becoming “steppingstone” jobs instead of long-term career destinations as a result of mismatched wages and housing costs.

Perspectives on reasons for these challenges vary. The high rate of second homes and short-term rentals are cited as one possible reason; locals are having a hard time competing with high-worth individuals from other areas looking to build a summer home in White Salmon, or investment companies buying smaller units for vacation rentals. Still, others suggest that the lack of a cohesive community vision around housing affordability and community character contribute to these challenges. While the community seems open to having the conversation in a new way,

there is still work to be done around revising the zoning and development codes, investing in infrastructure (especially in the Urban Exempt Area [UEA] outside of White Salmon city limits), and redefining concepts, such as “capacity,” “infill,” and “gentle density.” In Lyle, community beautification and investment in pedestrian infrastructure were both mentioned by stakeholders as necessary efforts to increase the community’s desirability.

#### Central Communities - Dallesport, Goldendale, Murdock, and Wishram

Stakeholders reported an adequate supply of land but low supply of housing in Goldendale. While density can drive down the cost of land (and therefore housing) in town, large lots are preferred in Goldendale, especially if there is little price difference. Still, stakeholders understand that infrastructure generally costs less per dwelling at urban densities and is more efficient than large-lot rural housing. Other challenges in Goldendale noted by stakeholders include increasing rents and poor quality of overall housing stock. Despite increased efforts on code enforcement, high rate of absentee owners contributes to the decline in housing quality; stakeholders commented that many of the more affordable units are almost unlivable. Available commercial space is rare in Goldendale and generally sells at a low price. Despite the high demand for housing, residential uses are generally not allowed in commercial areas (many development standards, including parking, are not adequately met for downtown housing). Goldendale has seen some attempts to convert commercial space into housing, but this is at odds with the municipal code and generally results in enforcement issues. There are four commercial districts in town, but it is likely that commercial development will migrate toward the highway over time to increase visibility.

In Dallesport, people prefer to live on large lots with views of the river and Mount Hood. Stakeholders noted that there seems to be plenty of land in southwest Dallesport to support this demand, so this is where residential development should be prioritized. Despite large amounts of open land, stakeholders advised that there is not enough housing in Dallesport. People that live in Dallesport for short amounts of time (under one year) can have difficulty finding housing, and may just rent a room in a house, especially if they are a wage earner. Average rents are reportedly \$1,200 to \$1,500 per month, which is beyond the reach of most of the workforce. Demand for homes is also high; homes priced between \$200,000 and \$275,000 are often bought with cash offers, sight unseen. As a result of these housing pressures, the Mid-Columbia Economic Development District is constantly hearing from employers about the high cost of housing and its effect on recruitment. One stakeholder noted that the impact is even more severe for low-income people. No low-income housing is available because housing diversity is limited, with Dallesport almost exclusively developing single-family homes. According to stakeholders, there are a few large subdivisions in the planning and predevelopment pipeline in the Dallesport area. Additional potential development may occur at the former Roseland Golf Course site (also known as the Circle T Ranch) and could support 1,200 to 1,600 new homes on over 400 acres. New sewer lines in that area could be provided over time by Klickitat County Public Utilities District. While the city of Goldendale may have the zoning to support housing diversity, unincorporated areas in the county (like Dallesport, Murdock, and Wishram) do not.

### Eastern Communities - Alderdale and Roosevelt

Stakeholders noted that although Roosevelt has land for housing development, there are no housing construction starts. The lack of local housing options makes retention for large local employers tough. Most employees of Republic Services (Roosevelt landfill operators) endure regional commutes in excess of 1 hour. Eventually, employees find other jobs closer to where they live (in Goldendale, the Tri-Cities, Bickleton, Yakima, The Dalles, and Umatilla). Additionally, there is no gasoline available in Roosevelt, and there is only one local market/restaurant. Republic Services experiences a nearly 30 percent turnover rate due in large part to a lack of local housing, but the company offers two single-wide manufactured homes on site for managers to use when they work late. The lack of housing options and the cost of commuting impacts Republic Services' bottom line; raising wages is essential to compensate for the increased commuting costs, and to address the lack of needed truckers and operators. Roosevelt has affordable multifamily housing units built that are reported to be roughly 50 percent vacant, as there are not enough people in need that can meet the low-income thresholds required, and the thresholds have not been adjusted over time. One stakeholder summed up the current situation as "the Great Divide;" a family must be significantly below the poverty level to qualify to live in migrant worker housing, but must also make significantly more than the median income to afford a house or some land for a manufactured home. In Alderdale, demand is somewhat lower, and availability is less bleak; through the H2A work program, Mercer Ranches benefits from foreign workers that are housed on site. They have invested \$1.5 million in worker housing for 150 employees in Alderdale.

### **Specific needs for more employment land for job growth.**

#### Western Communities - Bingen, Husum, Lyle, and White Salmon

White Salmon and Bingen have strong job markets with low unemployment. Stakeholders noted that when layoffs do occur, it is the result of companies "right-sizing" their workforce and is generally not a reflection of the health of the local economy.

There is strong demand for industrial space in the White Salmon and Bingen area. However, one challenge for the community is that there is a lack of turnkey properties and industrial buildings, but not necessarily land. Stakeholders noted that there is a lot of vacant land at the Port of Klickitat in Bingen, but very little of it is turnkey, and ready-to-go buildings are almost non-existent (some available properties are missing water and power hookups). One recurring hurdle discussed by stakeholders is the cost of industrial development from scratch. Land in the White Salmon and Bingen area is expensive and building new industrial buildings from bare ground often does not pencil out for business owners. One local industrial business recently downsized by more than 80 employees, in part because the company was unable to find adequate industrial space within budget. Physical limitations of the transportation network may be partly responsible for high industrial development costs; heavy construction equipment is hard to get to White Salmon and Bingen due to height and width restrictions on the various tunnels and bridges serving the area.

Demand for commercial space is high as well; especially for restaurants and business incubator space. While restaurants are subject to seasonal swings in business (they reportedly struggle during the winter), stakeholders recognize that diverse and plentiful choices in dining and other services drive additional development and investment, leading to a vibrant economy. What little commercial space is available, is largely unaffordable for most small businesses. In addition to the Port's current plans and vision, a multiuse vision for the Port area, that includes commercial space for restaurants and other small businesses, was repeatedly mentioned by stakeholders as an exciting potential prospect.

Local schools have indicated that they have enough space and land inventory to expand and modernize their campuses over the coming years. This alleviates the pressure for the community to consider reserving land for school expansion, and will help reduce conflict between competing commercial and institutional land demands over the short-term future. Despite this, the overall lack of commercial space is having a negative impact on economic development in White Salmon and Bingen. One stakeholder suggested that the low inventory of commercial space is limiting profitability for established industrial firms, as they must increase wages because diverse shopping, dining, and other essential services are over an hour away in the Portland/Vancouver metro area. Other stakeholders suggested that construction and development costs for commercial and industrial buildings have risen by 20 to 30 percent over the past five years, making new development out-of-reach for not just small but also large business owners. Stakeholders noted that long development timelines are partly responsible for this increased cost, with the average wait time from ground-breaking to occupation in excess of two years. Contributing factors to these timelines include navigating the permitting and inspection process, as well as the backlog in site preparation and building construction due to the ongoing labor shortage.

#### Central Communities - Dallesport, Goldendale, Murdock, and Wishram

There is a need for commercial space in the central part of the county. Klickitat County has searched for a new sheriff's office, but inventory is low and there is no existing space for lease. Stakeholders noted that while vacant land is widely available, there is a lack of constructed buildings of any quality for businesses to lease or buy. Large-scale commercial and industrial demand is low in Goldendale; better internet service is needed to entice more commercial jobs. Stakeholders consistently acknowledged that workforce development was a challenge for Goldendale in particular. While the best jobs in town tend to be government jobs, candidate recruitment is hampered by comparatively low rural wages, sparse community amenities, and a diminished housing stock. One stakeholder noted that although Goldendale is within a 2-hour drive of the Portland metro area and is relatively affordable (making it desirable for Millennial entrepreneurs looking for a rural lifestyle), Goldendale has no distinct competitive advantage when compared to other communities in the region. Other stakeholders advised that commercial activity is growing at two nodes along the highway that serve as the main gateways into town. While these areas have plentiful vacant land and high visibility, development there is occurring to the detriment of Main Street, which is starting to suffer. There is no Main Street America organization (reportedly due to a lack of interest amongst downtown business and property

owners), and downtown revitalization seems to be a low priority for residents. However, stakeholders advised of a new \$20 million County administration building that will soon break ground in downtown Goldendale; this may help insulate Main Street businesses from further decline.

In Dallesport, the Columbia Gorge Regional Airport business park is vibrant, and a large cold storage cherry packing business is potentially looking to leverage the airport's location. The airport has been investing in growth-related requirements, such as commercial addresses and additional facilities. As a result, what was once a "sleepy little airport" is becoming a major regional destination, in part, because of the lack of neighboring conflicts with other uses. The Port of Klickitat has significant available land in the Dallesport Industrial Park. Even so, several stakeholders suggested that they have difficulties keeping employees happy due to the lack of commercial services nearby. The limited number of restaurants and services means that employees can't run errands on their breaks or before and after work. According to these stakeholders, working in Dallesport feels isolated and interferes with daily life. There is a desire to fill the demand for dining and services in Dallesport to support more industrial job growth. Large-scale commercial demand is somewhat restrained in Dallesport because of limited housing options; residents often cross the bridge into The Dalles to meet their shopping needs. Other properties in Dallesport (such as the Sagetech parcel) are hindered by complicated landownership structures and would benefit from long-term visioning efforts for future development.

#### **Eastern Communities - Alderdale and Roosevelt**

Fuel is not available in Roosevelt, but Alderdale has gasoline available through Mercer Ranches, which allows fuel sales to the public. The stakeholders noted that even though business demand in Roosevelt is generally pretty low due to the small population, residents are heavily burdened by the long travel distances for services.

These communities may have the opportunity for the development of a truck stop or gas station, including a mini-mart or restaurant component. Currently, there is only one small market and cafe in Roosevelt.

#### **Specific types of housing needed to meet current demand.**

##### **Western Communities - Bingen, Husum, Lyle, and White Salmon**

In Bingen, the most desired housing type is specified as high-density workforce housing. Bingen was described by stakeholders as a blue-collar community, with homes that have modest exteriors and owners that choose to invest in interior upgrades. Stakeholders acknowledged that the demographics of the community are changing, with fewer low-income workers and a shift to a modest community of choice for the middle class.

In Husum, lot sizes are large and executive housing or rural farms are the predominant housing type. It was noted that there is lots of potentially developable land in Husum, but water

availability through the Fordyce Water Association, and commute distances (25 minutes outside of White Salmon) remain potential constraints.

In Lyle and White Salmon, a diverse housing choice is most desired, with a strong preference for additional multifamily development. This includes both larger, conventional apartment buildings with two- and three-bedroom family apartments, and small, compact buildings with studios or one-bedroom apartments. Other “gentle-density” products are also desired, including duplexes, townhomes, and accessory dwelling units. In Lyle especially, modern duplexes would provide school district employees a much needed “missing middle” option, though Lyle needs an upgraded pedestrian network to remain compact and walkable (and therefore affordable) for locals. The target rental cost identified by stakeholders was \$800 to \$1,200 for a two-bedroom apartment. Estimates offered for the number of units the White Salmon and Bingen areas could absorb ranged from 30 to 40 units on the low end to 100 to 200 units on the high end. Despite the wide range of estimated need, all stakeholders agreed that even 10 affordable apartments and 4 to 6 affordable single-family homes would make a huge difference in their community.

Stakeholders also noted the need for affordable, single-family homes, in the \$200,000 to \$275,000 range. However, stakeholders expressed concern that with elevated construction and land costs, achieving this price range for single-family development may be difficult or even impossible. There is some willingness to see single-family home lots decrease in size to 3,000 square feet but maintaining rural character and small-town feel are important considerations for most residents.

Some stakeholders also felt that finding a solution for manufactured homes was critical in the provision of affordable housing. It was suggested that White Salmon needs a vision that incorporates manufactured housing as part of the solution, and embraces policies that ensure manufactured home parks have a sense of permanence, are attractive and well-maintained, and have better support and management.

For all housing product types in all communities, maintaining long-term affordability, de-emphasizing the development of short-term rentals, and preventing displacement of locals are top priority, according to stakeholders. Property value appreciation caps were suggested by a couple of stakeholders as solutions worth exploring. While these stakeholders preferred a market-based solution, there was some acknowledgement that the market may not be able to keep as much housing affordable as needed.

#### **Central Communities - Dallesport, Goldendale, Murdock, and Wishram**

In Goldendale, housing products that are affordable for the workforce, including smaller single-family homes and multifamily housing, such as duplexes and apartments, are desired. The greatest need identified by stakeholders was for one- or two-bedroom multifamily rental units. Stakeholders acknowledged that this could be accommodated preferably with quality duplex housing, or zero-lot-line homes (townhouses). Stakeholders also noted that “affordable” housing in Goldendale must be for sale at \$125,000 to \$175,000 but expressed that this cost is difficult to

achieve when building new units. There is demand for additional manufactured housing in Goldendale, but there are also community concerns with development standards; the community is sensitive to ensuring that regulations support strong aesthetics and quality of manufactured housing.

Mixed-use planned unit developments with apartments, townhomes, and small single-family dwellings would be ideal in Dallesport. Balancing the need for housing diversity and choice with maintaining rural character is essential; stakeholders would like to see innovative solutions, such as agricultural-urbanism or development standards, that preserve rural and bucolic character. For low-income earners, there is a desperate need for anything other than single-family dwellings; more than 90 percent of new permitted housing stock is made up of single-family dwellings, almost all of which is unaffordable for an average wage earner.

Urban-style townhomes were identified by stakeholders as the most desirable housing product in Wishram.

#### **Eastern Communities - Alderdale and Roosevelt**

Stakeholders suggested that Alderdale and Roosevelt need small, single-family dwellings, townhouse developments, and apartments. According to stakeholders, it is common for two or three families to share a single townhome in this part of the county, because sharing the housing cost burden amongst several families is the only way to make living in a high-quality home affordable. A few stakeholders also noted that there is high demand in eastern Klickitat County for manufactured homes. These stakeholders advised that most families that have stable incomes have transitioned from older, single-wide mobile homes into newer, more attractive manufactured housing.

Stakeholders suggested that Alderdale would need some rezoning to make additional housing development possible. Currently, Alderdale lot sizes are typically 20-acre minimums, but 1- to 5-acre parcels are popular, indicating demand for these smaller lot sizes.

Roosevelt has existing low-income apartment housing, but most Republic Services employees do not qualify. Roosevelt needs workforce-market apartments and single-family dwellings, but due to its lack of services, is unlikely to attract significant executive housing demand. Even with the lack of services, participants estimated a need for 20 to 30 housing units, mostly one- and two-bedroom apartments.

#### **Specific barriers to housing development in Klickitat County.**

##### **Western Communities - Bingen, Husum, Lyle, and White Salmon**

The cost of construction and land is a key barrier for housing development in much of the western part of the county. As previously stated, development costs overall are very high, and this reinforces market pressures that drive the average home prices up. According to stakeholders, it is not uncommon to see modest homes on view lots being purchased for



\$450,000, torn down, and replaced with \$800,000 contemporary homes. Construction and land costs help drive those high values. The regulations imposed by the National Scenic Area (NSA) and other environmental constraints also act as a barrier for housing development. In greenfield development especially, the risk of critical areas is high, limiting the buildability of lots and increasing mitigation costs. Zoning and development standards also present a barrier. While the cities may have more flexible zoning and development codes, there is a lack of consistency between jurisdictions and all codes could be revised to be more flexible in providing housing products that are more affordable to build, primarily as a result of size and density. Stakeholders noted that in the White Salmon UEA, development standards regulating driveways and private roads are expensive to achieve. The City of White Salmon and Klickitat County have expressed a need for an intergovernmental agreement between the City and the County to make development standards between the two communities more cohesive as urbanization occurs. Finally, the availability of infrastructure is a limiting factor. Critical services, such as water, sewer, and high-speed internet, are not available in some areas that have buildable land and are undersized or in poor condition in other, more urbanized areas. In Lyle, the pedestrian network has many gaps, and a backlog of road maintenance makes driving in winter conditions icy and dangerous.

#### Central Communities - Dallesport, Goldendale, Murdock, and Wishram

As with other areas of the county, communities in central Klickitat County struggle most with high construction and development costs. Some contributing costs, like the cost of construction labor, are even higher in Goldendale and Dallesport. The shortage of construction labor and professional tradespeople is starker in central and eastern Klickitat County when compared with the relatively dense and accessible market of western Klickitat County. Also, like other parts of the county, central Klickitat County communities do not have development codes that easily support innovative and affordable housing product types, although there is movement to update codes for housing diversity. These factors contribute to a sobering reality- building new housing in Goldendale is often not profitable enough to entice developers.

A few stakeholders suggested that another barrier is a lack of marketing and developer education. These stakeholders advised that there is a limited understanding of the relationship between potential buyers and potential sellers in Goldendale, made worse by a lack of proactive outreach to developers and real-estate professionals about the benefits of building and selling in Goldendale.

Other barriers in Goldendale identified by stakeholders include a limited job market for prospective newcomers and the cost of required wastewater treatment plant upgrades.

Greenfield development in Dallesport is particularly expensive as a result of environmental constraints. The Dallesport area has a relatively high number of wetlands but very few options for off-site mitigation or mitigation banking alternatives. This often makes wetland avoidance difficult, increasing mitigation costs and development timelines. One stakeholder advised that the Yakama Nation Housing Authority (YNHA) was interested in developing a 5-acre parcel in Dallesport but was told by the U.S. Army Corps of Engineers that the site is encumbered by

wetlands. The YNHA rescinded their permit application from Klickitat County and is instead considering a site in Roosevelt where there is both water and sewer capacity.

Although The Dalles Bridge supports access for large construction in a way that is unavailable in White Salmon and Bingen (resulting from size and weight constraints on the Hood River Bridge), significant construction often faces local opposition from Dallesport residents who are looking to restrict change in their community. One stakeholder noted that redefining “redevelopment” and “infill” may be key to increasing capacity in Dallesport and protecting community character.

#### Eastern Communities - Alderdale and Roosevelt

Stakeholders noted that Alderdale and Roosevelt are remote communities, and there are extremely long driving distances between these communities and larger towns where services are available. Stakeholders suggested the lack of community services is only tolerable to a very small pool of people. Roosevelt’s small size is also reflected in the local school district; Roosevelt does not have a middle or high school, limiting the education options for families with teen-aged children. Families with high-school-aged kids are forced to decide if they want to bus their kids over an hour to Goldendale High School or live in Goldendale and commute to work in Roosevelt. Most families choose to move to Goldendale and commute to jobs in Roosevelt instead. One stakeholder also suggested that the appearance of crime and poverty affect Roosevelt’s desirability. While there is not a particularly high crime rate or drug problem in Roosevelt, its small size means perceived safety and prosperity issues are more apparent.

Stakeholders noted that although Alderdale could expand to the northwest, this will require rezoning and additional water infrastructure. In Roosevelt, infrastructure costs make new housing development unaffordable, even for businesses (such as Republic Services) that already own land. The Klickitat Public Utility District provides water and sewer to Roosevelt, but the capacity limitations, and transmission lines that can only support 20 to 30 housing units, means that local investment in housing is too expensive for most developers or landowners.

#### **Specific knowledge about utility or infrastructure needs to support housing or employment development.**

#### Western Communities - Bingen, Husum, Lyle, and White Salmon

Stakeholders advised that Bingen is currently trying to increase capacity at its wastewater treatment plant. It is very expensive, so currently Bingen is focused on upgrading its facility to “meet the grade” and de-emphasizing future network expansion. Industrial users take up most of the capacity; residential users are a small portion of their customer base. Stakeholders also advised that water quality in Bingen is insufficient to draw bottlers and other potable water-based businesses. This is reportedly the result of the high iron content in the city’s previous source wells and the built-up residue in the city’s aging water infrastructure.

White Salmon has gaps in its water and sewer infrastructure. Limited funds make it impossible to do comprehensive water infrastructure upgrades and upgrading its old, inadequate, and undersized pipes currently occurs in a piecemeal fashion. Upgrading White Salmon's aging infrastructure and securing additional water rights are expensive endeavors, and currently work is mostly focused on patchwork repairs. The City of White Salmon has recognized that it needs more accurate forecasting for future needs and to accelerate sewer infrastructure development in the UEA. Wastewater infrastructure in the UEA is necessary to open up land to higher-density development; lot size minimums are currently oversized to accommodate septic systems. One stakeholder noted that a sewer main line is needed in Loop Road through to Pucker Huddle Road and the wastewater treatment plant. Stormwater is another infrastructure challenge for White Salmon; the City needs a stormwater management plan, with a special focus on the UEA.

Homes in Husum have access to the Fordyce Water Company, which abuts the White Salmon water service area. However, there is limited water availability in Husum, and water service may be insufficient for increased housing development.

Internet access is a real challenge for increased residential development in the area, especially for the UEA and other unincorporated communities. While internet service in the city is good, there are some indications that quality is decreasing, and speeds are getting slower. Stakeholders feel strongly that internet availability decreases dramatically outside of the city limits, with residential areas along Snowden Road having particularly severe challenges. One stakeholder suggested that even though a large portion of housing outside of city limits is reasonably close to town, it is largely considered uninhabitable because of no or poor internet connections. Fiber internet is laid in the ground throughout much of the area; however, the "last-mile" hookup is proving to be a real problem.

Fire protection was also noted by stakeholders as a potential constraint for increased development. In wildfire prone areas, such as White Salmon and Bingen, even Firewise Community participants feel vulnerable, and fire protection is a critical service. Stakeholders suggested there is an opportunity for local fire districts to share resources and more cooperative operations, especially with fire protection providers across the river in Oregon.

In the White Salmon and Bingen area, the bike path network has gaps that should be filled to achieve a more complete, multimodal transportation network. Bike facilities are highly desired amenities and are seen as a major contributor to the area's desirability and competitiveness.

#### **Central Communities - Dallesport, Goldendale, Murdock, and Wishram**

Broadband internet access is a huge challenge in the central part of the county. High-speed internet is essential for rural development; bringing jobs and education to rural communities. In short, broadband internet access drives rural prosperity. In Goldendale, fiber optic is available for large applications (such as a school or hospital), but stakeholders commented that it is very expensive. Reportedly only one internet service provider was able to provide internet speeds

sufficient for modern commercial and residential use. Dallesport also struggles with limited or substandard internet availability.

Goldendale has sufficient water and sewer capacity for significant residential growth (one stakeholder suggested that capacity exists for up to 7,000 people, twice the current population). However, there are several parcels in Goldendale that are large enough (2 to 3 acres) for a planned-unit development (PUD) but that need water and sewer extensions to make them viable.

In Dallesport, the extension of critical infrastructure, such as gas lines and wastewater, is expensive due to the rocky terrain and other environmental constraints. The Dallesport area needs expanded access to natural gas for heating; Columbia Gorge Regional Airport struggles to heat their hangars without this infrastructure. Expanding wastewater infrastructure is also a challenge in Dallesport. Developing higher density housing is dependent on sufficient sewer capacity, but costs associated with blasting through the local topography remain a barrier. According to stakeholders, expansion of water and sewer infrastructure in Wishram also challenging due to the exorbitant costs and steep topography.

From a transportation perspective, it was suggested that a better roadway (other than The Dalles Mountain Road) be considered to connect between Centerville Highway and Dallesport to provide more north-south access. Dallesport also needs roads built to county standards, as currently many roads are substandard. Additionally, there is no rail access serving Goldendale. One stakeholder suggested that the lack of rail is potentially inhibiting the competitive advantage of the Goldendale Industrial Park.

#### **Eastern Communities - Alderdale and Roosevelt**

According to stakeholders, infrastructure needs in the eastern part of the county are focused on sewer and water; electricity is plentiful and easy to access in most cases. Potable water infrastructure expansion is a key need in Alderdale, and similarly, Roosevelt water and sewer capacity upgrades are needed to support growth. One stakeholder noted that the water quality of Roosevelt's community water system is a large improvement over the former wells used by residents and businesses.

While the transportation network in Roosevelt is generally sufficient, there are some transportation improvement needs according to stakeholders. For example, the angle of Sundale Road at State Route 14 (SR 14) (west of Roosevelt) is too great for safe turning movements from southbound to eastbound; improving the intersection to a right-angle intersection would increase safety and mobility.

The largest infrastructure challenge for Roosevelt, according to stakeholders, is high-quality phone and internet service. Stakeholders commented that service is "essentially non-existent" and that the only landline provider, CenturyLink, is locally known for providing poor quality service. Fiber internet exists in SR 14 and is owned by CenturyLink, but generally is not available or affordable in Roosevelt. Wireless cell service is patchy, but there are two Verizon

cell towers planned (in Alderdale and Bickleton) that will help serve the area, and make local housing a better option.

### **Top priorities the KCPEDA should focus on to enhance housing.**

#### **Western Communities - Bingen, Husum, Lyle, and White Salmon**

- Promote the development of apartments.
  - Focus more on workforce-market housing and less on subsidized-affordable housing.
  - Offer tax incentives for multifamily housing development.
- Support County/City coordination and cooperation.
  - Revise and “right-size” zoning and development codes, and comprehensive plans.
    - Enable housing variety.
    - Streamline development timelines and institute permitting reform.
    - Develop “Accessory Dwelling Unit (ADU) in a Box” kits to help lower upfront costs for homeowners.
  - Support the City of White Salmon in planning a vision for development.
  - Invest in growth planning and larger visioning efforts by collecting data.
- Invest in upgraded infrastructure.
  - Seek grants for water, sewer, and internet infrastructure upgrading and extensions.
- Provide low-interest loans to developers that are tied to certain housing products and outcomes.
  - This will help free up capital for development.
- Broaden the construction labor market.
  - Build relationships with contractors from other areas that have capacity.
- Consider legislative, long-term affordability strategies.
  - Rent control.
  - Property value appreciation caps.
- Establish and support Public-Private Partnerships (P3s).
  - Follow recent, successful P3 models from Hood River.
  - Assist partners in navigating local constraints.
  - Leverage city- or county-owned land.
  - Help manage the housing product to keep it affordable.
  - Support a pilot P3 project with financial assistance.
- Build a multi-business building in downtown White Salmon or at the Port of Klickitat.
  - Include office and warehouse space.
  - Market and manage the building as a business incubator.
- Work with the Port of Klickitat to embrace new business strategies.
  - Acquire Community Economic Revitalization Board (CERB) or other grants to support new construction of essential facilities and buildings.
  - Encourage the Port to sell lots instead of only leasing.
- Create and support beautification programs for unincorporated communities.
  - Focus on streetscape, code enforcement, and design standards.

- Explore alternatives to impact fees to increase funding for schools and local parks and recreation systems.
- Find and support strategies for childcare.
  - Leverage the schools for childcare opportunities; they already have appropriate facilities and staff.
- Support the Hood River Bridge replacement.
  - Recognize and address the cost barrier for low-income people that use primarily cash as opposed to credit for tolls.
- Act as advocates for change.
  - Prioritize the issue politically.
  - Vocally acknowledge and actively demonstrate the negative impact on economic development.
  - Embrace new ways of working with the Gorge Commission to achieve growth related goals.

#### Central Communities - Dallesport, Goldendale, Murdock, and Wishram

- KCPEDA should take on the role of being the housing authority for Klickitat County.
  - The charter and bylaws of the organization empower it to do this and the structure is in place.
- Establish a County-led, long-term housing vision.
  - Use the establishment of the Dallesport Water District and Energy Overlay Zone as models for a successful program.
  - Prioritize the connection between industrial and economic development and housing.
  - Connect housing policies and strategies to specific housing products and outcomes.
  - Strategically assist the market in providing needed housing products.
- Invest in more market and demographic research.
  - Decision makers need data on not just buildable lands, but also on *who wants* to move to Goldendale and Dallesport and how to properly market these communities.
- Encourage housing development in urbanized areas both in and outside of city limits.
  - Upzone and intensify land use.
  - Long-range visioning and planning.
  - Revise zoning and development codes.
- Attract Light Industrial users.
  - Consider incentives (gift of public funds not allowed in Washington State).
  - Leverage Opportunity Zones.
- Support regionally significant projects.
  - Goldendale Pump Storage Project is paramount.
- Invest in green energy.
  - Seek geothermal and solar energy opportunities.
  - Brand the area as a “Capital of Green Energy.”

- Focus on good schools.
  - Remodel Goldendale schools.
  - Acknowledge that good schools are required to attract jobs and grow housing.
- Preserve and market the agricultural and cross-cultural heritage of central Klickitat County.
- Assist with funding for upgrades to the Goldendale wastewater treatment plant.
- Address the continued underperformance of the Goldendale Industrial Park.
  - Redefine and reimagine the industrial park; previous attempts have shown very little return on investment.

**Eastern Communities - Alderdale and Roosevelt**

- Expand services and marketing for eastern Klickitat County.
- Establish a local coordinator or liaison to assist with grants and technical expertise for community development-related funding opportunities. Roosevelt has a high proportion of Hispanic, migrant worker, and low-income residents, and is well positioned to acquire competitive grants.
  - Seek grants and/or low interest loans to expand essential infrastructure.
- Leverage the two available opportunity zones (central and eastern Klickitat County) for tax incentives to entice development.
- Work to open more land availability for housing, such as a 130-acre parcel in Sundale off SR 14.
- Work with residents to emphasize the need to be a “competitive” community and help open minds to positive change.
- Support the long-term development of a high school in Roosevelt.

**Specific opportunity or catalyst sites.**

The stakeholders indicated many opportunity or catalyst sites that should be considered for housing, commercial, or industrial development. A summary of these sites and areas is provided below. The study will refine this list to up to 10 of the most viable sites for consideration.

West		
Community	Site Location and Description	Notes
Bingen	Dickey Farms	Multiuse development with townhouses, apartments, single-family dwellings, hotel, and commercial space.
Bingen	Downtown Bingen along SR 14 and Oak Street	High-density workforce housing for 50- to 120-room hotel.
Bingen	Port area near Insitu	Should emulate Port of Hood River and focus on mixed-use development plan that could include a 50- to 120-room hotel.
Bingen	Off Lincoln Street	Townhomes

West		
Community	Site Location and Description	Notes
Bingen	Dickey Farms - waterfront	100 acres of industrial but all fill behind dike.
Bingen	Corner of Ash and Lewis and Clark Highway	Commercial building where the coffee shop was. Needs flexibility from the City to meet setback requirements.
Lyle	Parcel off SR 14	30-unit condo development.
Lyle	Small vacant lots along SR 14 in Lyle	Commercial or residential infill.
Urban Exempt Area	West end of Brislawn Road	
Urban Exempt Area	Cox Property	
Urban Exempt Area	10-acre parcel near Shelman's property	
Urban Exempt Area	Snowden Road and Simmons Road east of the high school	Housing authority has conditional use permit to build a 52-unit assisted living facility on a 6-acre parcel.
Urban Exempt Area	Old orchard at Powerhouse Road	
Urban Exempt Area	Various parcels	Most have sewer constraints.
Urban Exempt Area	SDS/Butch Clark property - 63 acres between Spring Street and Snowden Road	Needs roads and utilities - \$2.5 million estimated cost and developer needs financial assistance. Half in city and half outside but annexable.
Urban Exempt Area	Mount Adams Mill site	Needs water and sewer, but has mixed-use and high-density residential potential because it's on the waterfront.
Urban Exempt Area	Lot bounded by Pucker Huddle Road and Brislawn, Bryan, and Jewett	
Urban Exempt Area	Wallace Estates near Powerhouse Road northwest of White Salmon in Klickitat County	Has city water. Needs septic approvals to mitigate the nitrogen loading in soils.
White Salmon	Parcel east of new Hood River Bridge bridgehead	Could include a business cluster and park component. Need to think about how to create a new access road from the bridge to Main Avenue.
White Salmon	Rhine Village	Has space for additional multifamily apartment buildings.
White Salmon	Gaps or "broken teeth" along Jewett Blvd in downtown White Salmon	Two- to three-floor buildings with commercial on ground floor and apartments above, and/or 50- to 120-room hotel.



West		
Community	Site Location and Description	Notes
White Salmon	Hospital Hill	Proposed subdivision with 60 to 70 single-family home lots.
White Salmon	Heritage Plaza	Mixed-use business cluster.
White Salmon	Behind New Beginnings Church on Oak Street	
White Salmon	South side of Jewett Blvd east of Eighth Street	Townhomes - a mix of market rate and affordable.
White Salmon	Tillotson Road area	Single-family dwellings.
White Salmon	Unidentified 7-acre vacant parcel within city limits	Single-family dwellings on 6,000-square-foot lots.
White Salmon	End of Pole Yard Road, north and west of Skyline Drive	Ideal for townhomes or apartments. Push the buildings against the bank - challenge is setback from Jewett Creek.
White Salmon	Washington Street trailer court	Already has sewer - capacity might be an issue.
White Salmon	4-acre parcel south of funeral home on Main Avenue	Annexed into the city a while back. Owner brought a development proposal to the City (high-density townhomes with some single-family dwellings) but the project drew opposition and did not move forward.
White Salmon	Property on north side of Waubish Street in west end of White Salmon	
White Salmon	40 acres on Lincoln Street - the "Stevenson" property	

Central		
Community	Site Location and Description	Notes
Dallesport	View parcels in southwest Dallesport along the river	Ideal for executive housing and single-family dwellings.
Dallesport	Intersection of SR 14 and SR 197	Should be reserved for commercial development.
Dallesport	Columbia Gorge Regional Airport	Air-dependent airport industrial development. Small but increasing market demand for "Hangar Homes."
Dallesport	Dallesport Industrial Park	Additional commercial and industrial development.
Dallesport	Sagotech parcel and adjacent lots	Complicated ownership structure and long-term visioning would need to occur to create an ownership structure that would enable development.
Dallesport	Webster Orchards	31-acre parcel.

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Central		
Community	Site Location and Description	Notes
Dallesport	Roseland Golf Course/Circle T Ranch	1,200 to 1,600 homes on +421 acres. Sewer and water to be provided by Klickitat Public Utility District over time.
Goldendale	Downtown Goldendale	Infill and small-scale multifamily housing.
Goldendale	Old nursing home site on Simcoe Drive east of Columbus Avenue	Employment area, mixed-use PUD with residential component.
Goldendale	The Tuttle Property	
Goldendale	Industrial park	Shovel-ready industrial development.
Goldendale	Commercial nodes off Highway 97 entrances (Broadway Street and Simcoe Drive)	Commercial development.
Goldendale	Vacant properties north and south of Simcoe Drive west of McDonald's	Commercial or mixed-use development.
Goldendale	Residential blocks west of city hall (West Nesbitt Street to Mill Avenue)	Residential infill and upgrading.

East		
Community	Site Location and Description	Notes
Alderdale	Washington Department of Natural Resources parcel northwest of Alderdale, located off Warner Road	Utilities and power are nearby for expansion.
Klickitat County near John Day Dam	Former aluminum smelter plant	Has roads, rail, and utilities that once served a peak of 1,000 to 1,200 employees.
North Roosevelt	4 blocks along Roosevelt Avenue between Gordon Street and Rankin Street	Commercial services/gas station/restaurants.
Roosevelt	Open areas north, west, and south of the school	Compact housing and traditional neighborhoods where kids can walk to school.
Roosevelt	Unidentified location	YNHA development.
Sundale	130-acre parcel off SR 14	Only one access off SR 14.

**Focus group participants.**

Individuals who participated in six focus group sessions are identified below. Stakeholder affiliation is also noted; however, the opinions given were those of the individual and do not necessarily represent the organizations identified.

Jacob Anderson (KCPEDA)  
Betty Barnes (Mayor of Bingen)  
Larry Bellamy (Goldendale City Administrator)  
Greg Bringle (Republic Services)  
Sherry Carver (Goldendale Planning Commission Chair)  
Dale Connell (Riverview Community Bank)  
Jeremy Denny (Pacific Rim Brokers Inc.)  
John Derrick (Mercer Ranches Inc.)  
Richard Foster (KCPEDA)  
Marla Keethler (Mayor of White Salmon)  
Gordie Kelsey (Klickitat County Public Works Director)  
Darin Konrad (The Dalles Fruit Company LLC)  
Jerry Lewis (White Salmon Valley School District)  
Mo-Chi Lindblad (Klickitat County Planning Director)  
Joel Madden (Mid-Columbia Housing Authority)  
Art Mains (Republic Services)  
Dave McClure (KCPEDA)  
Leslie Naramore (Washington Gorge Action Programs)  
Carrie Pipinich (Mid-Columbia Economic Development District)  
Jeff Renard (Columbia Gorge Regional Airport)  
Dean Schlenker (Goldendale School District)  
Maya Sullivan (Insitu)  
David Telford (Klickitat Valley Realty Inc.)  
Tammara Toppel (Mt. Adams Chamber of Commerce)  
Nancy White (Custom Interface Inc.)

**Individual stakeholders interviewed.**

Individuals who participated in the stakeholder interviews are identified below. Stakeholder affiliation is also noted; however, the opinions given were those of the individual stakeholder and do not necessarily represent the organizations identified.

Jeff Barsness (Washington State Department of Transportation [WSDOT]-Planning)  
Larry Bellamy (Goldendale City Administrator)  
Logan Cullums (WSDOT-Planning)  
Rob Kimmes (Skyline Hospital)  
Andy Mack (Zepher Inc.)  
WJ Morris (Dallesport Water District)  
Pat Munyon (City of White Salmon)

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Dana Peck (Goldendale Chamber of Commerce)  
Judy Perez (WSDOT-Planning)  
Jason Spadaro (SDS Lumber Co.)  
Mark Thornsbury (Port of Klickitat)  
Ann Varkados (Lyle School District)  
Kate Watson (Roosevelt School District)

NF:nb  
April 9, 2020