IX: ECONOMY OF THE AREA

<u>Summary:</u> Wallowa County has traditionally relied almost exclusively on agriculture and timber, and to lesser extent government. Today, tourism, retirement, arts activities and diverse entrepreneurial businesses have become significant to the local economy. (Appendix 9-1 & 9-2).

Goal: To diversify and improve the economy of the County (Appendix 9-1).

<u>Findings</u>: The findings below are the basis for planning decisions made with respect to County economics:

Planning

- 1. U.S.F.S. plans which do not support multiple use could have significant adverse effect on the agriculture, timber, recreation and tourist industries in the County.
- 2. The County Strategic Plan has been updated via the Wallowa County Future Search.

Facilities

- 3. Retirees can be an economic asset to the County.
- 4. Alternative electric development would substantially add to the economic base of the county, such as solar, wind and geothermal.
- 5. The Hells Canyon Dam is an important economic asset to the County as it provides for recreational opportunities and, the dam and powerline operators are the largest taxpayers in the County.
- 6. Wallowa County would benefit from the educational opportunities provided by a healthy K through 12, a community college, the County Museum, and a Nez Perce cultural center.

Employment

- 7. Local economy is beset by seasonal fluctuations. Employment may vary seasonally by as much as 75%.
- 8. Within the last 20 years, the County has experienced annual unemployment as high as 14.6 % and as low as 7.5 and has consistently exceeded the state level.

- 9. The County's average wage has increased by about 80% over the last twenty years; however, the County average wage remains about 2/3 of the state average wage.
- 10. Population over the last twenty years has stayed about the same while the work force has decreased by 7%.
- 11. Employment in arts, tourism and government have been increasing over the last twenty years.

Resource

- 12. Agriculture and forestry form the traditional foundation of the local economy.
- 13. Farm income has decreased over the last twenty years by 167% and is now negative. Farm employment has decreased by 36% over the last ten years.
- 14. Over the last twenty years, timber harvest from public lands has decreased by 87%, while the harvest from private lands has remained fairly constant.
- 15. Recreation and tourism has a significant role in local economy. Please see Goal 8 for Findings and Goals related to recreation and tourism.

Construction

- 16. Wallowa County has a shortage of small acreage rural parcels available for vacation or retirement homes.
- 17. The construction industry in Wallowa County is a significant contributor to the County's economic output.

Arts

18. The arts industry is an increasingly important contributor to the County economy.

Industrial

19. Although the County has Industrial zoned lands, an ongoing survey indicates that, due to a variety of limitations, only 20% of the properties surveyed may actually be suitable for industrial uses.

Policies: The following statements of policy are related to satisfying the above goal.

Planning

- 1. Wallowa County will continue reviewing and updating of it's Strategic Plan via "Target Wallowa County" and other means, and use the Plan as a guide for economic development.
- 2. All State and Federal agency plans affecting local economy be coordinated with local needs and that statements of possible economic impact be furnished to the County prior to plan finalization. The County shall work aggressively with these agencies to reduce forest fuel loads.
- 3. Permit procedures be expedited for economic development where compatible with other uses and values.
- 4. The County will encourage and facilitate economic improvement aids such as Economic Improvement Districts, Enterprise Zones, or port districts.

Facilities

- 5. The County will support development of alternative forms of electrical generation, such as solar, wind and geothermal.
- 6. The County shall encourage retention and improvement of the Wallowa Memorial Hospital and shall work to attract and retain highly qualified medical personnel in the County.
- 7. Encouragement and support be given to private retirement, recreational and tourism developments where compatible with other uses.
- 8. The County will support education whenever possible. Specifically, the County shall support the Wallowa County Museum and the Nez Perce cultural center. The County will also promote a healthy K through 12, and will work aggressively for the establishment of a local community college.
- 9. The County will work to preserve the Hells Canyon Dam and to establish a mode of operation which is consistent with recreation and does not unduly jeopardize the economic health of the project.

Employment

- 10. Wallowa County will work to expand the seasons of recreation, tourism, industry and commerce and create year round family wage jobs.
- 11. New diverse commercial and home based businesses be encouraged in order to

keep money at home by providing better local selection and more available goods and services within the County.

Resource

- 12. The County shall continue to pursue retention of productive land for farm and forest uses.
- 13. Industries utilizing local raw materials shall be encouraged, particularly if such location will not have an adverse effect on housing conditions, service costs, or other consideration which make Wallowa County a desirable place in which to live.
- 14. An active program be continued to attract timber processing or related industries, and that the program be a joint private industry-government effort taking into account tax incentives, ordinance and improvement needs, and fee and less-than-fee acquisition techniques.

Construction

15. The County will work to provide for more small acreage rural residential type parcels.

Arts

16. The County shall encourage the establishment of foundries, galleries, and home based occupations and other arts related facilities.

Industrial

17. As a result of the County's ongoing inventory of Industrial zoned lands, the County will rezone lands to eliminate unsuitable parcels and acquire an equivalent acreage of suitable parcels. Public facilities and services should be planned or made available in those locations where it is desirable to attract industries. The County will coordinate with the cities to provide services where appropriate.