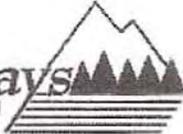


# Scenario Planning Project for Workforce Development

Planning for the Future:  
Cowlitz County 2010 and Beyond



A project of *Pathways*  
2020 

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Preface and Introduction

In the years 2001-2002, Pathways 2020, the Cowlitz Economic Development Council and other organizations sponsored a project to look at possible futures for Cowlitz County. A team of community volunteers met with numerous organizations and individuals in the community to solicit their insights, premonitions, assumptions, suspicions and visions of the future. The Scenarios offered in this book are predictions of possible outcomes for the county based on this input.

In reviewing these Scenarios, it may help the reader to understand some basic data about our county and to have a perspective of events that were shaping our tomorrow as we wrote. The following is a summary of this data, and the state, national and global activities in process during this project – as well as some speculation about possible outcomes by the year 2012.

In the year 2012, Cowlitz County is emerging from a decade of significant change. It has evolved from a collection of blue collar, mill town communities dependent upon its natural resource based economy and has struggled to find a new industrial niche. The change started in the 1970, when new environmental regulations initiated the decline of the forest products industry. It is an area that was redefined by the eruption of Mt. Saint Helens in 1980, which set off 15 years of a stalled local economy.

By 2012, the population of Cowlitz County has reached approximately 123,000 with approximately 40% of the population at least 49 years of age. The community remains predominately white, with citizens of other ethnic background accounting for approximately 8-9% of the population. Population density has grown greatly in Woodland through Kalama by 2012, due to the expansion of the Vancouver and Portland areas to the south.

Cowlitz County covers 1,139 square miles; 18% of the land was available for development in 2002. Approximately 1000 acres undeveloped industrial property was available in the area in the year 2002. However, even in 2012, Cowlitz County will have geographic restrictions on where building can occur. These restrictions include ownership of the land (government to private ratios), naturally occurring events (ages-old, active mudslides, periodic floods and possible volcanic eruptions) and the lack of earlier land use planning that enabled residential/commercial development on properties that may have been better developed for industrial use.

One of the most strategic advantages of Cowlitz County continues to be its proximity to I-5, railroads and river. Even if the condition of these advantages deteriorates (due to lack of maintenance/improvement funds created by the initiative process) or through further delays in the Columbia River dredging project, there will always be some perceivable advantage.

The State of Washington and local governments have struggled with and are recovering from the impacts of earlier voter initiatives, specifically Initiatives 601 (limitations on state spending/budgets), 695 (reduction of vehicle licensing fees), 728 (transfer of lottery dollars to education), 747 (limitation on property tax assessments), and legislature referendums 47 (property tax reduction) and 49 (license tab reduction). Even though some of the voter initiatives were challenged and defeated in the courtroom, balancing services with budgets lead to some changes in legislation that created new revenue sources for government, while forcing local agencies to consolidate and combine efforts to achieve efficiencies in delivering mandated services.

In 2012, Washington has made some progress in becoming a more business friendly state. The gubernatorial election after Governor Locke's term focused on the loss of Boeing, the aluminum industry



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and other industries to the state. However, the changes so far have been minor as the State was fearful of passing any business tax legislation that would further reduce potential revenue.

At the national level, many events have shaped our future – with perhaps the most significant one being the September 11, 2001 terrorist attack. The impacts were numerous – from our individual sense of safety to the way we conduct business on global level. It also created changes in consumer behaviors that are still being realized in 2012; one outcome is that family-oriented, domestic automobile travel increased.

The September 11 event was seen as the blow that plummeted the nation into a true economic recession; however, in Cowlitz County the recession was already well underway with plant closures and lay-offs preceding national activity. The aluminum industry in the Pacific Northwest had come to a standstill when it was unable to compete with cheaper imported metals from nations that subsidized these industries and when an energy crisis hit the region. The new local steel companies went through change as both were sold to new owners, resulting in one closing down and combining its operations with the new owner's plant in Arkansas. These activities in the global metals industries brought home the message that Cowlitz County is significantly impacted by international commerce.

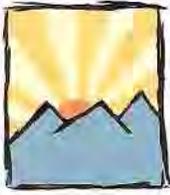
International trade also impacted another local industry - berry farming. This local industry suddenly found itself going head to head with producers from South America in its own local fresh fruit markets. Even in 2002, berry farmers find it hard to compete with the flood of inexpensive produce in their own backyard. They struggled to join together to lobby for trade protection.

The federal government began to respond to these trade concerns by imposing tariffs and restrictions on some of the "dumping" practices. There was a backlash from the World Trade Organization with protest from many of the countries impacted. At the same time, there was a worldwide recession and the European Economic Union was growing with its introduction of the Eurodollar and new monetary policies in 2012. In 2001, the nation went to war on terrorism. The ever-simmering conflict flamed in the Middle East between Israel and Palestine. The next 10 years are significant in redefining the nation's role as a world power, both economically and politically.

Domestically, the presidency of George W. Bush focused on generating social change in the nation. Public education and social services became more accountable, more mandates were passed back to the states (without funding), and attempts were made to place community welfare in the hands of religious organizations. Simultaneously, the nation began building up its deficit by expending funds to the war efforts supported by humanitarian efforts, the new homeland security programs and to economic recovery programs. Continuing the programs started under the Clinton administration, subsequent administrations have viewed workforce development as a key to economic stability and have worked to overcome the generational patterns of welfare dependency started in the 1960's Great Society movement of President Johnson.

With these events unfolding in the background, the participants of this project identified 10 "critical uncertainties" or key indicators of trends or activities that will impact the future of Cowlitz County. A critical uncertainty is something we all know is happening, but cannot necessarily control or predict where it will end and yet we may be able to influence it.

How these uncertainties are dealt with is the subject of the Scenarios crafted by the team of volunteers. The Critical Uncertainties that seemed to be on the community's mind in the years 2001-2002 are as follows:



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- **The Columbia River deepening or dredging project**
  - If this does not happen, will Cowlitz County suffer the loss of revenue from other nations moving to larger ships, which cannot navigate the river fully loaded and will find elsewhere to unload/load?
  - If it happens, will it greatly increase local import/export market capabilities with nations moving to larger vessels and result in a new deep-water port in Woodland, creating extended countywide port district collaboration that rivals Portland/Vancouver?
- **Retrainability of blue collar workforce**
  - New industry seeks different skills – technological and interpersonal – but laid-off workers are not retraining. Will the old blue-collar attitude change at some point?
  - Is the blue-collar, middle class decline creating a have/have not community?
  - Workforce issues significantly impact the ability to attract industry. Even if retraining occurs, what jobs will be available to replace those lost blue-collar, middle class jobs?
- **Kelso/Longview – One Large Metropolitan Area?**
  - Many feel a merger of two cities to create a larger metropolitan area makes sense economically and should become reality after reduced revenues from the initiatives are fully realized. However, will the area overcome its ties to the emotional traditions and adversarial history that keep the cities at odds?
  - A subset of this uncertainty is the merger of similar public systems, such as the two school districts or even more consolidation of public services such as a countywide fire district. Will this also happen?
- **Health Care for Growing Aging Population**
  - Will the educational system respond rapidly enough to the growing shortage of health care workers, especially in medical specialty areas, to support the local aging workforce? There is a strong belief that with local residents needing jobs, local training program should be developed or expanded.
- **Revitalization of downtown areas**
  - Is rebuilding/modernizing downtown areas critical to the ability to recruit industries and professionals to support those industries?
  - Would the area be better able to retain and/or attract younger citizens if downtown areas were revitalized into combination residential, entertainment, and commercial areas?
- **Sustainability of the “river industries” industry and economy**
  - Will the large timber companies still be here in the future, or will they be changed, smaller operations? Who will own, manage, and control Longview Fibre in the future? Will Weyerhaeuser close operations in Longview due to acquisition of Willamette Industries, and will the Port of Longview lose substantial timber shipping business due to this change?
  - Can we sustain a steel industry or expect aluminum plant rebirth in an internationally competitive market where other foreign producers have lower cost advantages in labor rate, no environmental regulation cost and government subsidies that allow them to be more cost competitive internationally? Will China, who is positioning itself through foreign investments, become a major player in raw material conversion market – displacing our local industry?
  - Will the McCook/Longview Aluminum/Reynolds plant ever reopen, and if it does, will it be the same?
  - Most citizens feel there will never be another industry built in the area that supplies the 1000 plus jobs we had in the “hey day” of the area. Is this our new economic reality, small to medium size employers?



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- **Emphasis and community attitude on social service/non-profit support agencies**
  - Questions arise about whether or not we have become an “enabling community”: are we so good at taking care of our disadvantaged that we are giving handouts instead of leg-ups? Have we become a magnet for transient populations? Declining industry and reduced government funding could lead to revenue loss/budget crises and hard decisions for many area agencies. Further voter initiatives could deepen the funding deficient these agencies will have to address. As the have-not population grows – will we be able to sustain our community attitude and services? Or should we?
- **Where is our community visionary leader?**
  - Elected governmental leadership jobs are designed to be bureaucratic and administrative, leaving little time for leadership to emerge and tending to discourage leaders from stepping forward. Where are the sources of leadership?
  - The Longview/Kelso area is impacted by the legacy of R.A. Long in many ways. Are we waiting for another outsider to provide vision and leadership?
  - Community groups are involved in silo planning or work towards narrowly focused agendas. Many groups have taken attempted future planning, but there has never been an overall, countywide effort to create vision and action plans. Is it time to take our destiny in our hands and create a big picture plan?
- **Residential Sprawl/Bedroom Community**
  - Will Cowlitz County's future include a designation as a rural suburb for Portland/Vancouver, particularly in Woodland and Kalama? If a high-speed commuter rail line is installed with a depot in Kelso, is it possible that the north county (Castle Rock) would be similarly open to Seattle/Tacoma/Olympia commuters?
  - How would this phenomenon impact these cities' ability to provide public services (police, fire, library) if the tax base is not balanced between industry, commercial, and residential? How will these cities deal with further blows from the voter initiative process once the impacts of current initiatives are realized and if further initiatives were passed?
  - Would this growth, coupled with the international competition faced by our local agriculture industry, create further demise of the agricultural portion of our economy (displacing the new Hispanic residents in our community)?
  - Will the county implement a timely comprehensive land use plan that controls unwanted growth and infringement on forested lands and that addresses the communication infrastructure lacking in remote areas of the county?
- **Lower Columbia College - A driving community force**
  - Will LCC become the first in-place, resident knight in shining armor? Will it be the community institution that becomes the impetus of cultural and social change?
  - Will LCC evolve into a local provider of 4-year degree programs, either directly or through affiliations? Will it expand and make use of certain abandoned properties (Triangle Mall, lab facilities at the Reynolds site)? Will it become a provider of medical/technical programs that deal with local labor shortages and provide local training for workforce development? Additionally, if it becomes this type of institution, will it lead to a different community make-up?

*A Note on Voter Initiatives as a Critical Uncertainty:*

An early discussion by this team of whether or not Voter Initiatives are key indicators of change in our community resulted in the initial opinion that it is *not* a Critical Uncertainty. Voter Initiatives fall more into the “predetermined factor” category, or a given that these initiatives will result in revenue reduction to state and local agencies. (It is a known.) It is also fairly predictable that additional initiatives will create



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further revenue shortfalls, so it becomes a matter of how deep the deficient rather than a new, previously unexpected phenomenon.

What is unknown about Voter Initiatives is whether or not there will be additional initiatives. Some individuals who participated in this process felt there would be more initiatives, perhaps in education and transportation arenas.

The three scenarios presented deal with possible future communities based on differing directions from the same uncertainties. In "Victimized" we see the future of a community in economic and social decline. In "Legacy," we learn the story of a community that never overcomes its history and has little control over its own development. In, "Destiny," we learn the story of a community that found its leadership, created its vision, developed its sense of empowerment, and actively worked to build the county it desired.