

**U.S. EDA Recompete Grant Application – Strategy Development Grant Narrative
Washington State Coastal Counties Initiative Submittal**

Washington State Coastal Counties Initiative is a coalition of entities formed to address and solve the Prime Age Employment Gap (PAEG) in Grays Harbor County and Pacific County in Washington State. The Washington State Coastal Counties Initiative team members seek funding from the U.S. Economic Development Administration (EDA) for a Recompete Strategy Development Grant to develop and refine a region-wide plan that is actionable to address PAEG. This Recompete Strategy Development Grant Narrative is structured to address the four evaluation criteria sequentially for program clarity and ease of review. Following the four sections is a summary level 10-step process to be utilized to develop a comprehensive and inclusive strategic development plan.

Regional context. Grays Harbor County and neighboring Pacific County is a region in SW Washington State bound by the Pacific Ocean to the west. Both counties serve as gateways to the Pacific Ocean and the Olympic Peninsula. The area historically benefited from a resource-rich economy of timber harvesting and commercial fisheries.

1. Understanding conditions that led to the region’s high prime-age employment gap.

From the early 1900s through the mid-1980s, both counties were home to wealthy industries of logging and lumber mills, commercial fishing and fish processing plants. Timber and fishing industries led to a vibrant economy, with skilled workers and good jobs. Starting in the 1960s, local mills suffered declines with Asian mills outbidding them for logs. This was followed by federal logging restrictions in the 1980s due to threats to the spotted owl and salmon. Fishing and clamming, critical to the local economy, diminished over time based on depleted stocks. For the past 30 years, the area has experienced continuous economic decline, high unemployment rates, growing poverty, and increases in drug addictions, behavioral health challenges, crime, and a growing homeless population. For decades, Grays Harbor and Pacific Counties have struggled to regain the economic prominence of those times gone by. Once thriving businesses have been replaced with shuttered storefronts, and commercial and retail businesses now largely rely upon out-of-area tourists visiting the Washington coastal areas or traveling through, to the Olympic National Forest recreational areas. The number of skilled workers has diminished, and wages have declined. Generations have left the area for better opportunities or stopped looking for work altogether. Poverty, crime, homelessness and

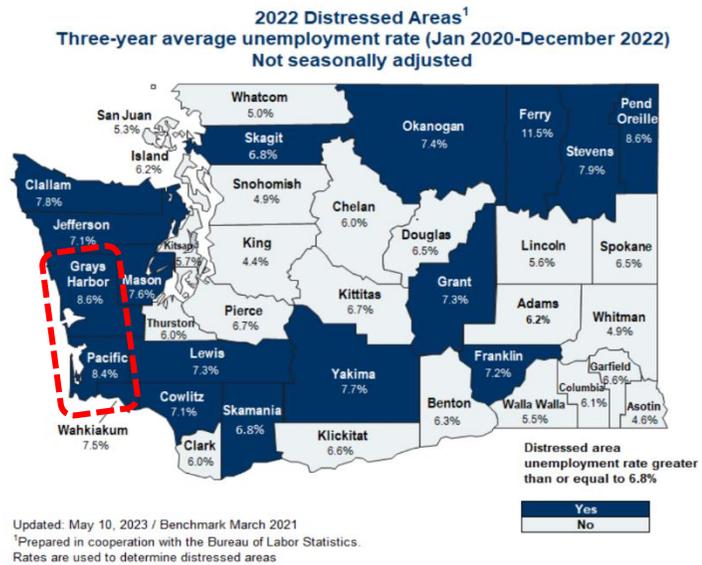


Figure 1. WA State Distressed Areas Map shows Grays Harbor and Pacific Counties as Leading Distressed Areas in the state.

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substance abuse issues have only added to the challenges the region faces to recompetete. In 2021, the majority of firms and employment are in the services sector industries relying on tourism destinations, as well as charter fishing and the ocean beaches. Currently, the majority of employment is in government services. (source: WA State Employment Security Dept.)

The conditions discussed above have had a profound negative effect on the area’s prime-age employment participation. Both counties are presently designated by WA State Employment Security Department in cooperation with the Bureau of Labor Statistics as 2022 Distressed Areas with unemployment exceeding 20% of the statewide average unemployment rate (see Figure 1). Employment statistics show large numbers of the prime-age population have given up searching for work altogether. EDA PAEG mapping tool identifies Grays Harbor County as the highest PAEG of all counties in WA state at 14.99. Pacific County’s PAEG is also high at 5.44.

1.a. Preliminary idea of the assets and potential interventions to address PAEG challenges. The Applicant team has identified 69 regional assets by market sectors that are key partners or stakeholders that can provide potential interventions to address PAEG challenges. These assets form a region-wide coalition of entities led by the Applicant. The comprehensive list is a starting point to identify assets available and what potential interventions each can address to solve PAEG challenges. Some assets serve multiple market sectors:

REGIONAL ASSETS BY MARKET SECTOR	# OF ASSETS	INTERVENTION STRATEGIES TO ADDRESS PAEG CHALLENGES
Major Industries and Businesses (public, private sectors)	37	Good paying jobs in existing sustainable industries, growing, and new industries
Workforce Training, Education, Internship programs, Apprenticeship programs	10	Providing tailored workforce training and education programs aligned and partnered with major industries and businesses
Wrap Around Services	19	Programs that focus on support services such as daycare, housing, healthcare, behavioral health, wellness, crime prevention, substance abuse, public transportation, and social services
Programs Focused Primarily on Economic Development Opportunities	3	Coordinate and develop economic opportunities that promote and preserve current business opportunities, business growth, and new business opportunities.

In addition to the above regional assets (a detailed list is available), the applicant team has a commitment from Federal, State, County, and City leaders, business executives, and organizational change agents in public and private organizations to serve as advocates and catalysts in pursuit of advancing good jobs and reduce the PAEG in an equitable inclusive manner.

2. The proposed activities' potential to prepare the region to identify and implement place-based interventions to increase prime-age employment opportunities, including among

underserved workers. The EDA Strategic Development Grant is a vital lifeline towards funding and implementing two proposed strategic activities to identify and implement place-based interventions to increase prime-age employment including underserved workers:

Activity No. 1. Coordination and execution of an inclusive, locally defined planning process, across jurisdictions and agencies, to develop a comprehensive regional strategy to address prime-age employment gaps.

Activity No. 2. Provide crucial funding for hiring a Recompete Plan Coordinator (RPC) and other necessary staff to lead the overall planning process.

The two counties' designations as Depressed Areas with a High PAEG are well-known to the area's public and private sector businesses that have lost skilled workers essential to maintain a steady workforce, grow their businesses, and foster new business opportunities. Likewise, many social services and work force development, skills training, and educational organizations have seen first-hand the challenges of a depressed area struggling to provide solutions through their individual programs.

As a part of the process for developing this application, the applicant team members have been overwhelmed with interest by many in doing something. We have found that there is tremendous desire from public and private employers to solve the PAEG and develop a skilled local workforce to grow an equitable, sustainable economy with good paying jobs, including a focus on historically underserved populations. Likewise, ample support service programs of all types exist throughout the region to address the myriad of challenges the local population faces. Our focus will be to bring public and private industry together, with a comprehensive approach to integrate employer needs with the many support services programs throughout the region to address all obstacles. So, when any prime age person needs help, regardless of individual circumstances, we have a comprehensive program of resources tailored for each person, through place-based intervention services, to solve challenges and get people back to work with good paying jobs.

With Strategy Development Grant funding, the Applicant will hire a designated RPC and other essential staff to lead the overall planning process. The RPC qualifications will include extensive diversity, equity, and inclusion program experience ensuring historically marginalized populations receive equitable and inclusive services. The RPC and support staff will serve as a direct point of contact with leadership responsibility to take ownership and to coordinate and execute an inclusive, locally defined planning process, across jurisdictions and agencies and industries, to develop a comprehensive regional strategy to address prime-age employment gaps.

3. The eligible entity's organizational and leadership capacity, including its capacity to engage necessary local partners inclusively and equitably and garner private-sector, public-sector, and philanthropic commitments. The Strategy Development Grant Applicant is Greater Grays Harbor, Inc. (GGHI). GGHI is a Washington State Nonprofit Corporation focused on business and industry for a prosperous community. GGHI serves as the region's economic development council and chamber of commerce. GGHI is also the state-designated *Associate Economic Development*

Organization for Grays Harbor County. The state of Washington’s Department of Commerce website explains, “Each county in Washington is represented by an Associate Economic Development (ADO) organization that furthers the county’s or region’s economic development goals. ADOs are funded in part by the Washington State Department of Commerce and their performance and expertise is critical to our goal of growing the economy and building communities statewide.”

The following local governments have formal contracts and funding agreements with GGHI:

City of Aberdeen	City of McCleary	Grays Harbor County
City of Cosmopolis	City of Montesano	Grays Harbor PUD No. 1
City of Elma	City of Ocean Shores	Port of Grays Harbor
City of Hoquiam	City of Westport	

GGHI is a regional leader bringing public and private organizations together to promote shared economic interests and is an exceptional choice to serve as the region’s Applicant for the Strategy Development Grant. GGHI has the organizational structure and specific knowledge of regional assets and challenges the region faces. GGHI will hire an RPC dedicated to strategic development ensuring ample capacity to engage local partners inclusively and equitably.

GGHI has established an Oversight Committee. The Committee will ensure flexible, bottom-up strategy development and that implementation investments are carefully chosen, managed, and lead to an equitable path to economic prosperity. The Oversight Committee consists of regional leaders that bring public, private, and philanthropic funding solutions. The RPC will be hired by, and accountable to, the Oversight Committee.

The Oversight Committee currently include a diverse group of major businesses, education and workforce training organizations, economic development organizations, and wrap around service providers including: Grays Harbor College, Grays Harbor College Foundation, Pacific Mountain Workforce Council, Summit Pacific Medical Center, Harbor Regional Health, Willapa Harbor Hospital, Grays Harbor Public Health, Coastal Community Action Program, Child Care Action Council, Pacific County EDC, Shoalwater Bay Indian Tribe, The Moore Wright Group, Twin Harbors CLNA, and The Confederate Tribes of the Chehalis Reservation. Additional strategic partners will be added to ensure a diverse oversight committee is an inclusive, broad representation of all market sectors throughout the region.

4. The project budget is efficient and appropriate to the activities to be undertaken. The project budget is identified in the budget narrative. GGHI and the Oversight Committee are focused on maximizing the value of every public grant dollar in an ethical, transparent, accountable manner.

Approach to Developing a Strategic Development Plan. The region's economic distress is a result of a combination of factors, including the decline of traditional industries, loss of skilled workers, and social challenges. To address these roadblocks and get prime age workers back to work, a 10-step outline has been created to form the basis of the Strategic Development Plan. If awarded

the Recompete Strategy Development Grant, funding will be used to develop the plan details and hire an RPC.

Equity, Inclusivity, Accessibility, and Diversity. The Strategic Development Plan will actively engage underserved communities within the region. The plan will articulate specific measurable actions that ensure equity and inclusion, accessibility, and diversity is built-in to our approach. Here is the initial step-by-step plan being developed by the Applicant team to address roadblocks to economic prosperity and address PAEG:

PROGRAM		ACTIVITIES
1	Economic Diversification	Assess Current Economies and Industry Development Opportunities, Support Entrepreneurs
2	Workforce Development	Develop Education and Training, Apprenticeships and Internships, Retraining Intervention Programs
3	Infrastructure Improvements	Improve Public Transit, Utilities Resiliency, Broadband Access, Enabling Equitable Access, Good Jobs, Long-term Regional Investments
4	Social Support	Partner with Childcare, Behavioral Health and Wellness, and Housing Providers for Wrap-Around Services
5	Community Engagement	Develop a Robust Communications Plan to engage Stakeholder, Mobilize Regional Assets and Resources, Develop Intentional Outreach and Inclusion Integration
6	Sustainable Resource Management	Advance Emerging Technologies in Natural Resource Restoration (Forestry, Fisheries Management Programs), Eco-Tourism
7	Address Social Challenges	Partner with Social Service Agencies to address Addictions, Homelessness, Crime Prevention
8	Data-Driven Monitoring and Adaptions	Regular Oversight Committee Monitoring and Adapting based on Performance Metrics, Regular Assessments
9	Marketing and Promoting	Promote Strategic Development Plan, Benefits, Outreach and Inclusion Integration
10	Long-Term Sustainability	Continuous Engagement, Oversight, Dedicated Leadership

Summary Statement. By addressing immediate needs for locally skilled workers for today's economy and economic diversification for a long-term sustainability economy, coordinating workforce development programs and partnerships, improving public services and infrastructure, partnering with social support programs, and engaging the community, this preliminary outline of a Strategic Development Plan aims to overcome roadblocks and create a path towards economic prosperity for the region. With the award of a Strategy Development Grant, the region will be well positioned to build a bright future of economic prosperity, good paying jobs, and highly skilled workers that will recompute now, and for generations to come.

APPENDIX A – MAPPING TOOL SHOWING ELIGIBLE AREAS

