6.1 INTRODUCTION

The phrase “economic development” means different things to different people. For the purposes of this Comprehensive Plan, it means strengthening and diversifying the City’s economy by building upon existing assets, providing business and employment opportunities for City residents, and taking steps to create an environment that offers greater potential for upward mobility. Economic development is not just about “growth.” In fact, “growth”, by itself, does not necessarily mean “development”, which builds capacity and enhances quality of life. In Moscow, growth will certainly occur, but the challenge is to tap the creative energy of the City’s people and leverage the City’s assets and quality of life to enhance the community’s social and economic capacity.

The economic development strategy is set out in detail in the City of Moscow Economic Development Strategy Plan, which is available as a separate document. The strategy is driven by three broad, overarching goals followed by more specific goals for the multiple strategic components listed at the end of this chapter:

- Provide for sustainable economic growth and employment opportunities where existing and new businesses can thrive, while preserving and enhancing the character of the community.
- Enhance and strengthen the regional economy utilizing the strengths and assets of the region.
- Promote and enhance the arts and cultural resources as catalysts for economic development and tourism.

6.2 ECONOMIC CONTEXT

6.2.1 The Region

Moscow is a key player in a regional economy. There are significant economic ties among Moscow, Latah County, Pullman, and Whitman County, Washington. Moscow is not only a participant in a regional economy, but also a national

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1 Data used in this chapter were provided by EMSI an economic consulting firm located in Moscow. See http://www.economicmodeling.com
and international economy, and each has a varying level of impact upon the City’s economic health. However, for the purposes of this Comprehensive Plan, the principal economic context for the City of Moscow will be Moscow, Latah County, the City of Pullman, and Whitman County, Washington.

Regionally, recent research reveals that Moscow is trending toward a role as a residential community for employers located within the region. If this trend continues, Moscow’s residential population will increasingly bear the burden of the cost of delivering the infrastructure and services that support the City’s exceptional quality of life. As such, a key objective for economic development is to create a better jobs-housing balance within the City.

### 6.2.2 Major Employers and Industries

Moscow’s major employers are heavily represented in the education, healthcare, and government fields. **Table 6.1, Major Employers in Moscow (2017),** sets out the figures for the number of employees who worked for each of Moscow’s major employers in 2017. **Table 6.2, Major Employers in the Region (2017),** shows prominent employers for Moscow residents located outside of Moscow.

#### Table 6.1
**Major Employers in Moscow (2017)**

<table>
<thead>
<tr>
<th>Employer</th>
<th>Type</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Idaho</td>
<td>Education</td>
<td>1,997</td>
</tr>
<tr>
<td>Gritman Medical Center</td>
<td>Health Care Services</td>
<td>380</td>
</tr>
<tr>
<td>City of Moscow</td>
<td>Government</td>
<td>200</td>
</tr>
<tr>
<td>Latah County</td>
<td>Government</td>
<td>160 (not all in Moscow)</td>
</tr>
<tr>
<td>Wal-Mart</td>
<td>Department Store</td>
<td>150</td>
</tr>
<tr>
<td>Moscow School District</td>
<td>Education</td>
<td>140</td>
</tr>
<tr>
<td>Economic Modeling Specialist Inc.</td>
<td>Professional Services</td>
<td>130</td>
</tr>
<tr>
<td>Good Samaritan</td>
<td>Health Care Services</td>
<td>110</td>
</tr>
<tr>
<td>Winco Foods</td>
<td>Grocer</td>
<td>99</td>
</tr>
<tr>
<td>Moscow Family Medicine</td>
<td>Health Care Services</td>
<td>90</td>
</tr>
</tbody>
</table>

#### Table 6.2
**Major Employers in the Region (2017)**

<table>
<thead>
<tr>
<th>Employer</th>
<th>Type</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington State University</td>
<td>Education</td>
<td>5,194</td>
</tr>
<tr>
<td>Schweitzer Engineering</td>
<td>Professional, Scientific, and Technical Services</td>
<td>2,344</td>
</tr>
</tbody>
</table>
With respect to the overall number of jobs in the community, Moscow’s top five industries are government and government enterprises (including the University of Idaho), retail, accommodation and food services, health care and social assistance, and professional and technical services, which together accounted for a total of 14,089 jobs in 2015. With respect to earnings per worker, the top five industries with more than 20 employees are government (including the University of Idaho), wholesale trade, manufacturing, health care and social services, and finance and insurance. With respect to job growth from 2011 to 2015, top industries included educational services, retail trade, construction, accommodation and food services, and professional, scientific and technical services. Altogether, these industries added 926 jobs to the Moscow economy between 2011 and 2015. 

Figure 6.1, Employment and Income, illustrates major employment industries within the Latah County.

### 6.2.3 University of Idaho

The University of Idaho is the economic engine of the City of Moscow. A study completed by Steven Peterson and Stephen Pool (An Analysis of the Economic Growth of Moscow and the Regional Economy, 2013) concluded that approximately 50 percent of the local economy is supported by the University of Idaho for all sources of spending, and that every student at UI creates $57,400 in sales, $31,000 in wage and salary earnings, and three quarters of a job in the community while enrolled.

Consequently, a significant economic indicator for Moscow and Latah County is the size of the University of Idaho’s student population. On-campus enrollment at the University of Idaho peaked at 10,992 in 2010 and since that time has fallen to 9,942 in 2016. See Figure 6.2, UI and WSU Enrollment, (next page).

As of 2018, the University of Idaho employs 1,997 people, which includes 684 faculty members, 786 classified staff, and 527 administrative/professional.
6.2.4 Washington State University

Washington State University (WSU) is eight miles from Moscow. WSU has a 620-acre core campus with 21,193 students enrolled in the 2016-2017 school year. WSU enrollment (head count) has grown steadily between 2006 and 2016, increasing by 2,893 students during the time period. See Figure 6.2, UI and WSU Enrollment.

In addition to its student population, WSU employs 4,418 people, including 1,481 faculty members, 1,546 classified staff, and 1,391 administrative/professional. WSU reports that 730 of its employees live in Moscow as of 2016. As such, WSU Pullman is an important employer for Moscow residents.

WSU brings a source of good jobs to the region, along with notable programs in biotechnology, veterinary medicine, hospitality management, and business.

6.2.5 Healthcare

For more than 100 years, Gritman Medical Center has been the principal health care facility in Moscow. In addition to providing a 25-bed full-service hospital...
facility to City residents, Gritman Medical Center is an important part of the City’s economy. In 2016, Gritman paid $25.8 million in wages and salaries and another $6.2 million in benefits. In 2016, the average hourly wage at Gritman was $32.60, with an additional 24.18 percent of that value provided in benefits. Gritman provides 380 full-time equivalent positions (FTEs) that employ approximately 279 full-time employees and 222 part-time employees.

In addition to the hospital, there are three rural clinics located in the unincorporated areas, and a large number of doctors’ offices of all types. Gritman Medical Center and several community physicians also established the Palouse Surgery Center on West “A” Street in Moscow in 2004, which provides outpatient surgical services.

In 2016 Gritman constructed an addition 54,000 square foot medical office facility located directly across from the hospital on Main Street which houses CHAS Latah Community Health (a sliding-scale payment clinic), cardiac rehabilitation services, oncology services, and a medical education instructional space for the University of Idaho’s WWAMI (Washington, Wyoming, Alaska, Montana, Idaho) medical extension program.

6.2.6 Manufacturing

According to the U.S. Bureau of Economic Analysis (BEA), in 2006, 421 people worked in Latah County’s manufacturing sector for an average wage of $38,914. By 2015, employment in the sector grew to 478 people who earned an average wage of $42,136.

6.2.7 Agriculture

Latah County has extraordinarily productive soils for agriculture. Like many areas of the country (and the State of Idaho) where farms are being consolidated or disappearing altogether, in Latah County the number of farms decreased slightly from 1,104 in 2007 to 1,053 in 2012. In 2012, 60.5 percent of the total land area in Latah County was used for agriculture.

The U.S. BEA estimates that an average of 1,123 people were employed in agriculture in Latah County in 2015. Agricultural employment peaked in 2011 at 1,130.

+ In 2015, there were 26 forestry and logging businesses in Latah County with an annual average employment of 247 people.

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2 Source: U.S. Census of Agriculture
3 Estimates are for covered and noncovered employment for NAICS categories 111 Crop Production; 112 Animal Production; 1151 Support Activities for Crop Production; and 1152 Support Activities for Animal Production.
6.2.8 Information

The information sector includes the publishing industries (software publishing; traditional publishing and publishing exclusively on the Internet); the motion picture and sound recording industries; broadcasting industries (including traditional broadcasting and those broadcasting exclusively over the Internet); telecommunications industries; industries known as Internet service providers and web search portals; data processing industries, and information services industries. U.S. BEA reports there were 209 part-time and full-time jobs in this sector in Latah County in 2015.

6.2.9 Retail

Within the primary trade area of Moscow, defined as a five-mile radius from downtown, it is estimated that in 2016 retailers generated $302 million in sales while demand (retail potential) for retail products totaled $309 million. This appears to reflect a relatively balanced supply and demand of retail trade and that Moscow continues to serve as a retail hub on the Palouse. There are several retail sectors that experience significant leakage to outside markets including automobile sales, electronics and appliance stores, lawn, building materials and garden supply stores, gasoline stations, and general merchandise stores. Third quarter 2016 data from the U.S. Bureau of Labor Standards (BLS) show that retailers in Latah County employed 1,889 people, with an average weekly wage of $445, which (assuming two weeks of time off) is about $22,250 annually.

6.2.10 Tourism

Statewide, tourism is Idaho’s third largest industry. Within Moscow, the University of Idaho provides cultural opportunities, Division II collegiate sports, and periodic visits by parents (especially at the beginning and end of the semester). Arts attractions (e.g., studios, galleries, art tours, and events) and cultural events (e.g., farmer’s market, festivals) provide an additional draw. Additionally, hunting, fishing, river sports, and camping are significant attractions in the areas surrounding Moscow.

6.2.11 Construction

Construction is a highly visible industry that creates wealth in the community. It also has multiplier effects in terms of building materials sales, the provision of housing and commercial, industrial, and civic space, and improvements to existing buildings. Yet, the construction sector is a small component of the City’s labor force.

The U.S. BLS reports that the average construction employment in Latah County in 2015 was 410 people, up from 372 in 2012. Average wages were $31,991 in 2016 compared to $29,698 in 2012, or a 7.7% increase during that time period.
6.3 OTHER ECONOMIC INDICATORS

6.3.1 Labor Force

Latah County’s labor force is relatively stable in size, fluctuating between 17,003 and 19,631 for the past ten years. In 2016, there were 19,093 people in Latah County’s labor force. Of them, 18,443 were employed resulting in a low 3.4% unemployment rate. In Whitman County, the 2016 labor force was 23,979 strong. Of those, 21,834 are employed.

6.3.2 Unemployment

The University of Idaho has a stabilizing effect on Moscow’s economy in terms of employment. Indeed, while neighboring counties that do not have a significant university presence have experienced instability in employment, particularly during the 1980s and early 1990s, Latah County and Whitman County have enjoyed low and stable unemployment rates.

6.3.3 Underemployment

In 2013, the “underemployment rate” in Latah County was 14.4 percent, up from 10.3 percent in 2006. See Table 6.3, Underemployment (2016). That number compares favorably with underemployment in adjacent Idaho counties and the state as a whole. The definition for “underemployment” is complex and can vary across disciplines. However, the general rules are:

- Those already working with skill and educational levels that do not match their current occupations or their fringe or salary compensation can be considered underemployed.
- If workers’ current jobs do not match their desire to work full-time, they can be considered underemployed.

The population of “underemployed” workers is significant in the Moscow economy because:

- Population growth is slow and unemployment is low, resulting in a relatively small pool of people who are unemployed and actively looking for work; and,
- Reductions in underemployment naturally correspond to increases in income and job responsibilities, which benefit the local economy and

<table>
<thead>
<tr>
<th>Table 6.3 Underemployment (2016)*</th>
<th>County</th>
<th>Underemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latah County</td>
<td>14.4%</td>
<td></td>
</tr>
<tr>
<td>Benewah County</td>
<td>13.7%</td>
<td></td>
</tr>
<tr>
<td>Nez Perce County</td>
<td>16.6%</td>
<td></td>
</tr>
<tr>
<td>Shoshone County</td>
<td>12.5%</td>
<td></td>
</tr>
<tr>
<td>Clearwater County</td>
<td>18.4%</td>
<td></td>
</tr>
<tr>
<td>State of Idaho</td>
<td>18.2%</td>
<td></td>
</tr>
</tbody>
</table>

* Source: State of Idaho Department of Labor, regional statistics.
provide additional stability in the workforce.

### Demographics

Population in the Latah County/Whitman County region (including Moscow) grew by 10.5% between 2006 and 2015 (annual growth of about 827 people, or 1 percent annually). During that same time period Moscow’s population grew by 10.3 percent, while Latah County’s population (without Moscow) grew by only 4.5 percent. Similarly, Pullman’s population grew by 19 percent while Whitman County (without Pullman) grew by only 0.5 percent. These numbers reflect the migration of people from the rural to urban areas and the relatively flat growth rate within the rural county areas. For example, in 1980 approximately 43 percent of the total Latah County population resided outside the City of Moscow, compared to only 35.6 percent in 2015. This trend is reflected in the City of Pullman and Whitman County population counts as well. Additionally, economic development efforts will be impacted by the following anticipated changes to the area’s demographics by 2021:

- According to EMSI Inc. forecasts, the 25 to 39 age cohort is anticipated to increase by 657 people or 10.5 percent, and the 65-84 age cohort is also expected to increase by 387 people or 17 percent.
- Additionally, the 50 to 59 age cohort is expected to fall by 102 people or 5 percent.
- Household size is expected to remain constant at 2.29 by 2021.
- EMSI also predicts that per capita income will increase by 9.6 percent, or 1.92 percent annually, rising from $20,675 to $22,656. However, this increase is unlikely to keep pace with inflation, so in real terms, per capita purchasing power will likely decline modestly.

Despite all the above, there is no evidence that changing demographics are affecting one fundamental — that Moscow’s residents are, on the whole, creative and passionate people.

### The “Creative Class”

The “creative class” is a group of people that one well-known researcher has concluded are the key to twenty-first century economic development. The hypothesis is that the creative class provides the ideas and creativity that form the basis for knowledge-based industry. According to the literature, members of the creative class are footloose professionals who are always seeking the “next best thing,” and an environment of “Technology, Talent, and Tolerance.”

Creative class occupations are well represented in Moscow, and the proportion

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4 Richard Florida, Professor of Business and Creativity at the University of Toronto’s Rotman School of Management, gained widespread recognition for the “creative class” hypothesis with his book The Rise of the Creative Class.

5 A more complete analysis of the creative class hypothesis and its relevance to economic development in Moscow is provided in the Economic Development Strategy Plan.
of creative class workers is increasing slowly. In 2008, 27.8% of Moscow’s workers were members of the creative class, up from 27.3% in 2000.

6.4 COMMUNITY INPUT

6.4.1 Generally

In sum, there is broad agreement that Moscow’s economic base of the City should be strengthened and diversified in the following ways:

- The City should set the stage for spinning off independent, knowledge-based industries from the universities. There are several notable success stories in this regard, including EMSI, Comtech AHA, Alturas Analytics, and Eco-Analysts. These companies offer high-paying jobs and bring dollars in from other places by exporting their products and services.

- The City should take steps to improve the performance of its principal economic engines. That is, the City should coordinate with the University of Idaho to improve student recruitment and retention rates, and should position itself to be attractive to retirees who will support arts and culture and use the services offered by Gritman Medical Center.

- Retail and housing construction should be considered secondary to knowledge-based and “high-tech” jobs that bring money to the local economy from sources outside of Moscow and the immediate region. However, while not widely viewed as “economic development” in itself, retail is an important part of the City’s economy and quality of life and should not be taken for granted.

- Light industrial businesses and professional-technical training opportunities (that are not necessarily highly technical in nature) should round out the set of primary jobs that fuel the local economy.

6.5 ECONOMIC DEVELOPMENT STRATEGIES

6.5.1 Generally

It is the overarching goal of the Plan to “provide for the sustainable economic growth and employment opportunities where existing and new businesses can thrive, while preserving and enhancing the character of the community.” To achieve this end, it is recommended that the City implement a comprehensive economic development strategy based upon the following four principal components:

- Leverage existing assets.
- Grow industries that are compatible with the City’s character and quality of life.
- Strengthen productive networks.
- Reduce the cost of doing business.
The economic development model is based on the overlap of industry and innovation, human talent, and quality of place. See Figure 6.3, Economic Development Model. At the broadest scale, the assets of the City are its highly educated workforce, university and medical infrastructure, a beautiful natural setting, and the generally attractive character of the built environment. The City can help develop its economy by creating a physical and regulatory environment in which the people who are attracted to Moscow can create and grow new businesses. In some cases, the City or other entities should help new industries to lower overhead costs. Helpful programs include grants for certain purposes, micro-loans, low-interest loans, coordinated marketing strategies, technical assistance with regulatory compliance issues, and, if the risk is justified, additional incubator space, and an industrial park.

6.5.2 Leveraging Existing Assets

Quality of Place

Businesses not dependent on regional agriculture locate in Moscow in large part due to the City’s exceptional quality of life. Among the physical aspects that contribute to the City’s quality of life are its pedestrian-friendly human scale; small-town, historic character, and abundant outdoor recreational opportunities. The social aspects include the City’s civic organizations and social clubs, active citizen participation in local government, and a low crime rate. The cultural aspects include the cultural base of two universities and a vibrant arts community. The quality of place is in many ways exceptional. People stay in Moscow because they want to.

Education, Culture, and the Arts
Education, culture, and the arts are a critical part of Moscow’s quality of place. They are also a significant part of the local economy in their own right.

In terms of their contribution to quality of place, educational opportunities and access to arts and cultural opportunities are important considerations for attracting and retaining the “knowledge-based” workforce. Good schools are often one of the most significant considerations for highly-educated parents who are considering relocation. A strong and active public library is essential to attracting and retaining such residents. It is important to ensure that the Moscow Public Library has the necessary physical resources to continue and enhance its services in promotion of literacy and lifelong learning. It is expected that Moscow’s growing population of senior citizens would also enjoy access to continuing education, such as University course audits, distinguished speakers, and lecture programs. See Figure 6.4, Lifelong Learning. The local emphasis on education, culture, and the arts provides jobs for educators and artists and promotes tourism.

**Downtown**

Moscow’s Historic Downtown extends from First Street to Sixth Street, and centers on Main Street (spanning from Washington Street to the alley between Main Street and Jackson). The heart of downtown is Friendship Square, a pedestrian mall with amenities that include ample seating, a fountain, a message board, and a tot lot. Many aspects of Downtown Moscow are addressed in Chapter 2, Community Character and Land Use, Section 2.4, Downtown.

Downtown is a mixed-use district, with offices, institutional and governmental uses, residential units, and ground-floor retail. Although peripheral auto-oriented retail development with national chain tenants has pushed the downtown to adapt, to date it has not significantly undermined its viability and special character. That is because the location, character, and quality of downtown make it an ideal location for dining, entertainment, and specialty retail. Indeed, downtown business owners noted that people come from as far as 100 miles away to the area’s unique retail stores and restaurants.
Downtown is a source of community pride that contributes to the City’s exceptional quality of life, a “driver” for economic development. In more specific economic development terms, downtown is a center of gravity for the target industries of financial services, healthcare, real estate, dining, entertainment, and tourism. It is also a potential center for higher-end, residential-over-retail products positioned toward professionals and active seniors who do not want the maintenance responsibilities of single-family housing.

**University of Idaho**

The University of Idaho is an exceptional asset to the community not only as an employer, but also as an intellectual and cultural resource. As a premier research institution, the University of Idaho provides opportunities for commercialization of intellectual capital and the transfer of technology to private enterprise within the community. The University also brings a wide array of cultural, athletic, and other entertainment and enrichment opportunities that would not otherwise be possible in a community of Moscow’s size. As such, the University should be viewed as an asset to utilize and support for the betterment of the local and regional economy.

**Local Business Community**

Moscow also possesses an active and vibrant local business community. As with the community’s residents, the business community is deeply committed and economically and socially invested in the future of the community. This level of commitment within the local business community is an asset and a strong partnership that can be utilized to drive the community forward toward prosperity.

**6.5.3 Growing Compatible Target Industries**

**Generally**

The compatible target industries that are described in this section are the broad categories of industries that the City should actively promote due to their compatibility within the community. They are identified based on their physical and resource needs; the availability of a qualified workforce; their likely impact on the local economy; their potential for growth in jobs, earnings, and income; and their relationships to other industries or needs in the community. It is expected that growth in these industries will support other sectors of the economy, including retail, restaurant, entertainment, and construction.

**Arts, Entertainment and Recreation**

According to the U.S. BEA, employment in arts, entertainment, and recreation
grew by 97 jobs, or 27 percent, between 2006 and 2015, and now represents 2.1 percent of the total part-time and full-time jobs in Latah County.

Arts are a key part of the City’s culture, its self image (Moscow is the “Heart of the Arts”), and its quality of place. The City should support the arts community by:

- Ensuring that appropriate areas are zoned for “live work” units that could include artist workspace and galleries in a neighborhood with residential character;
- Investing in public art and ensure that artistic elements are integrated into new infrastructure investments; and,
- Creating a program of incentives for artists who relocate to Moscow.

Professional, Scientific and Technical Services

Professional, scientific and technical services are growth industry sectors in Moscow and the region. Between 2006 and 2015, employment in this sector grew by 139 jobs, or over 11 percent, and now represents 6.4 percent of all jobs in Latah County with average annual wages of $40,417 in 2015.

The College of Engineering is still the third largest at the University and is a nationally recognized research institution for engineering industries. Moreover, with innovation and expansion, engineering businesses have great potential to increase earnings and wages over time.

Healthcare and Social Services

Healthcare is a significant sector of the economy, and will likely grow as the 55+ age cohort grows. Healthcare is also a knowledge-based, low-impact, and potentially high-paying industry. Between 2006 and 2015, employment in this sector grew by 100 jobs, or 24.1 percent, with annual average wages of $33,643. This sector now represents 8.1 percent of all employment and 9.2 percent of all wages in Latah County.

Tourism

Tourism continues to be a growing industry within Latah County. In 2016, the State of Idaho reported $11.5 million in lodging sales (up 5.4% over 2015), and wages within accommodations and food service and arts, entertainment and recreation industries totaled over $36 million and represented 5% of all wages within Latah County. Although tourism jobs are not generally high-paying, they do provide opportunities for student employment and supplemental income. Between 2006 and 2015, employment grew within the accommodation and food services sector by 36 jobs, or 1.9 percent, and now represents 8.9 percent of all jobs and 4.6 percent of all wages in Latah County.
Tourists spend money in the local economy without placing extensive service demands on the City. As such, the City should enhance its position regarding tourism by expanding its community events (and the marketing of those events), and highlighting its downtown, parks, and access to outdoor recreation opportunities in the region.

6.5.4 Zoning and Available Land

The City’s historic policy of using “holding zones” for land that is not yet proposed for development has lead to, as of 2016, approximately 200 acres within the City limits being zoned Farm/Ranch (FR) and Agriculture/Forestry (AF). This land is predominately located in areas identified as appropriate for commercial, office, and industrial development.

There are also many acres of the City that are zoned Motor Business (MB) that may be appropriate for light industrial uses. In 2015, the City amended the MB district to allow indoor light industrial uses without a conditional use permit.

Finally, although the Zoning Code currently has many elements that protect and enhance community character, more work should be done in this regard. Moscow appreciates quality, and commercial property owners want assurances that their property will not be devalued by incompatible construction on neighboring property. To this end, the City recently amended requirements for street tree planting, buffer yards, and landscaping.

Finally, the City should take steps to upgrade the character of the industrial zone without overburdening it. First, side and rear setbacks should be established so that the use of adjacent properties is not unfairly restricted by fire codes or other functional considerations. Second, enhanced landscaping and aesthetic development standards should be implemented to improve the physical appearance and compatibility of industrial development.

6.5.5 Strengthening Networks

University Linkages

The University of Idaho and Washington State University represent huge sectors of the City’s economy. Strengthening ties between these universities, their host cities, and the private sector will improve opportunities for economic development through technology transfer to the private sector.

By way of example, the University of Idaho received over $100 million dollars in competitive research awards during 2016. The research areas of emphasis associated with these grants and contracts included:

- Biomedical and molecular biology research
- Agricultural and natural resources plant, animal, and fisheries research
• Environmental and ecological research
• Energy and water resources research
• Bioremediation and subsurface science research
• Nanotechnology and material sciences research
• Educational program design and assessment research

The University has a number of research centers and institutes that have great potential to spin off related industries in areas such as transportation technology, advanced materials research, nano technology, environmental sciences, and biomolecular research.

Business Networks and Training

There are several entities involved in business networking and assistance in Moscow. They include:

• The Partnership for Economic Prosperity (PEP) is a non-profit organization dedicated to bringing business, government, education and community leadership together for the purpose of strengthening the Latah County economy through the retention and expansion of existing business and industry, the attraction and recruitment of new businesses, and the continuing diversification of Latah County’s economic base.

• The Clearwater Economic Development Agency (CEDA) is a regional economic development organization that manages more than $2 million in public loan funds; participates in infrastructure planning, grant writing, and contract administration; provides technical assistance, and plans workforce development programs.

• The Moscow Chamber of Commerce is an organization that is intended to strengthen, promote, and lead the business community, while preserving and enhancing the quality of life in Moscow. The Chamber is involved in promotion, information, education, and networking for local businesses.

• The Palouse Knowledge Corridor (PKC) is a local non-profit organization that focuses on promoting entrepreneurialism and business development in the Latah County-Whitman County region.

The City works closely with all of these entities to provide entrepreneurial training, business networking, publicity, and low-cost facilities for business development.

6.5.6 Business Development Costs

“Hard” Infrastructure

On the whole, the target industries are not (at least not directly) heavily dependent on significant improvements to “hard” public infrastructure such as highways, water supply, or industrial wastewater treatment. However, bottlenecks in the
existing water, wastewater, and stormwater systems (addressed in Chapter 5, Public Utilities, Services, and Growth Capacity) should be resolved in order to improve the capacity of the City to accommodate both residential and nonresidential development.

Another important issue is the alignment of U.S. 95. The future alignment in the southern part of the City is as yet uncertain with a new lawsuit that was filed against the project during the summer of 2017. The final resolution of the new highway alignment must be resolved in order to promote investment in the southern portion of the City. This is particularly important because near-downtown industries will likely relocate to the southern part of the City. As such, the City should seek to resolve any uncertainty and conflict regarding the alignment as soon as possible.

Water supply is also an important issue for economic development. Although the target industries are not highly water dependent, an increase in the City’s population will likely involve additional pressure on the water supply. As discussed in Chapter 5, Public Utilities, Services, and Growth Capacity, the City must develop a sustainable water supply, which should include a conservation component as strong as reasonably possible.

Palouse River Drive serves more than 60 acres of land that is anticipated to develop as professional office, almost 100 acres of industrial land, and almost 30 acres of Auto-Urban Commercial land. Currently, the property along the road is largely undeveloped, but where there is development, there is no evidence of access management. Future development along Palouse River Drive should be subject to access management standards to preserve the function of the road as a minor arterial, as shown on Map 3.1, Thoroughfare Plan.

“Soft” Infrastructure

High-speed internet access opens the door to developing knowledge-based industries that rely on large data sets and reliable communications among a number of locations. As the speed and reliability of the communications infrastructure improves, the range of opportunity for economic development increases.

Fiber optic lines run between Moscow and Pullman, and from Pullman to the “outside world.” The lines that run from the University of Idaho library into Moscow are owned by the City of Moscow, and the lines that run from the library to Pullman, Washington are owned by the Port of Whitman. The nearest “point of presence” (that is, location for servers and internet interconnections) is in Pullman, so local internet service providers must generally lease fiber between their Moscow offices and the Pullman point of presence. The challenge
for Moscow is that, although the City is internally well wired for high-speed access, the connections to the outside world are somewhat limited, and dedicated access is expensive.

**Alturas Technology Park**

Alturas Technology Park is located south of S.H. 8 and west of Mountain View Road. It was established to provide a location for technology-oriented businesses. Many of the businesses located in Alturas are graduates of the prior University of Idaho Business Technology Incubator.

A special zoning district was formed to encourage a cohesive and consistent district to stimulate economic development. Alturas has fostered economic growth and diversification by establishing a place for research and technology companies to locate and grow in the company of related businesses. Lots are generally built to suit the particular needs of companies that are locating in (or relocating to) Alturas.

**Legacy Crossing**

The Legacy Crossing district was established in 2008. Its purpose is to guide the development and redevelopment of the agricultural industry corridor along the railroad and Paradise Creek alignment between the University of Idaho and downtown. The intention of Legacy Crossing is to spur the transition of properties from former agricultural and/or industrial uses to new high-intensity mixed-use developments to create a vibrant place for economic activity and to enhance the integration of the University of Idaho and downtown.

**Additional Publicly-Supported Development**

Sometimes proactive planning and zoning are not enough to bridge the gap between the cost of development and the ability of businesses to pay those costs. If it turns out that this is the case in Moscow, the City could make targeted investments to support economic development. These may include:

- Developing an industrial park to the south of Palouse River Drive, east of U.S. 95, to provide space for small businesses to grow and job opportunities to diversify.
- Encouraging the development of one or more multi-tenant office buildings (or attractive rental office space in a mixed-use building) to provide a transition space for businesses that do not yet have the resources to purchase a building.
6.6 ECONOMIC DEVELOPMENT GOALS AND OBJECTIVES

6.6.1 General Economic Development Goals

- Provide for sustainable economic growth and employment opportunities where existing and new businesses can thrive, while preserving and enhancing the character of the community.
- Enhance and strengthen the regional economy utilizing the strengths and assets of the region.
- Promote and enhance the arts and cultural resources as catalysts for economic development and tourism.

6.6.2 Leveraging Existing Assets

Objectives:

A. Provide for the diversification of the local economy while maintaining and enhancing the character of Moscow.
B. Strengthen and enhance the vitality of downtown as the community’s civic core.
C. Reposition the industrial areas currently located near downtown to another location so as to allow for downtown redevelopment with modern mixed-use developments.
D. Strengthen the physical linkage between Downtown Moscow and the University of Idaho.
E. Expand and enhance the promotion of education, arts, and culture.

Implementation Actions:

1. Ensure that new commercial development is consistent and compatible with the character of Moscow and contributes to the community’s quality of life.
2. Allow for development and redevelopment of mixed-use projects in and around the downtown area to bring added activity and vitality to the downtown area.
3. Invest in the public infrastructure (sidewalks, street furnishings, signage, etc.) within the downtown area to enhance the appearance and character of downtown.
4. Identify and rezone appropriate areas in the southern part of the City to allow the relocation of current near-downtown industrial and agricultural support uses.
5. Continue to support the work of the Moscow Arts Commission to develop and promote festivals and cultural events, and integrate public art and artistic elements within public and private developments.
6. Increase the physical capacity of the Moscow Public Library, expanding...
its programming, collections and meeting space, and making innovative library uses, such as a makerspace, possible.

6.6.3 Growing Compatible Industries

Objectives:

A. Increase the supply of land available for modern commercial, office, and light industrial uses.

B. Make the development review process more “user-friendly” and efficient, without compromising the quality and character of development.

C. Provide a positive regulatory environment for investment in research, technology, and light industrial uses.

Implementation Actions:

1. Proactively zone land for needed future commercial, office and light industrial uses as identified upon the Map 2.2, Future Land Use and Growth Plan. (The areas designated for nonresidential development on Map 2.2, Future Land Use and Growth Plan, provide enough land to accommodate projected demand, plus a 25 to 30 percent surplus to promote a healthy land market.)

6.6.4 Strengthening Networks

Objectives:

A. Continue to foster strong relationships among the City of Moscow, the University of Idaho, Latah County, the City of Pullman, Washington State University, and Whitman County.

B. Promote efforts of local and regional economic development agencies to provide education, training, and networking for local businesses and entrepreneurs.

Implementation Actions:

1. Enhance coordination of economic development activities among the City of Moscow, University of Idaho, City of Pullman, Washington State University, Latah and Whitman Counties, and the economic development organizations within the region.

2. Create better physical linkages between the City and the University of Idaho through the redevelopment of the historic industrial areas near downtown.

3. Continue to support regional transportation and transit services to enhance regional employment and economic integration.

4. Continue to promote and enhance education, training, and networking programs to support local business development.
6.6.5 Business Development Costs

*Objectives:*

A. Ensure capacity for growth in the water, wastewater, and stormwater systems.
B. Provide a sustainable water supply.
C. Provide adequate streets to support traffic generated by planned employment and retail centers.
D. Improve the reliability and speed of internet access in the City, and reduce the cost of access.
E. Provide increased certainty for investment in industrial uses in the southern part of the City.

*Implementation Actions:*

1. Implement infrastructure and water supply recommendations of Chapter 5, Public Utilities, Services, and Growth Capacity.
2. Plan for the orderly development of transportation systems as described within Chapter 3, Community Mobility and the Map 3.1, Thoroughfare Plan.
3. Provide an inventory of sites for light industrial uses with varying levels of infrastructure and services, in order to ensure that a portion of the available industrial sites are affordable to emerging businesses with few service needs.
4. Support efforts to establish high-speed internet connections to provide faster, more reliable communications between the Moscow-Pullman region and major internet trunks such as the Inland Northwest GigaPop, an advanced fiber-optic network that enables regional, high-speed data exchange.
5. Work with industrial landowners within the south portion of the City to resolve engineering and regulatory issues surrounding the area’s floodplain designation.