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Kent Jones is Always Looking for Improvement



"I spent my life being an auditor and looking for things that can be done better," Kent Jones explains. Jones, 76, has been a director of the Grant County Economic Development Council for nearly five years. He was also part of the group that originally was asked to help establish the EDC. "I think communities need to have some leadership entity to help coordinate the growth of that community," Jones says. Jones explains that the city and the county can't do that job, so it falls to the EDC.

Jones, a man with a ready smile, moved to Moses Lake from California in 1948 when he was 8 years old. He attended Washington State University and Eastern Washington University, but decided he was wasting his time and his parents' money, so he joined the Army. He spent two years in Munich, Germany saying it was "wonderful duty."

Jones got his real estate license in 1962 and "failed miserably." "They forgot to tell me you had to work in this business." After a few years working outside of real estate, he returned and was successful, obtaining his Real Estate Brokers license in 1969. "Real estate is a people business," Jones says, "and I like people. Real estate doesn't have problems, only people have problems."

The challenge of real estate today, Jones explains, is "staying ahead of the consumer." With so much information available, the job of the real estate agent is to "interpret" and decide what to do with that information. "It's communication," Jones says.

Jones has also been a Port of Moses Lake commissioner for thirteen years. "A whole lot involved in being a commissioner," he says. "It feels good to help a community grow and have some direction on where that growth would take place." The one part of being a commissioner that Jones does not enjoy is the "political aspects." Jones says he tried to run for the legislature but lost. "I think I would have been a good legislator, but I was a

terrible politician."

When he was asked by EDC President Juliann Dodds to be on her executive committee, Jones became a director at the EDC.

Jones says he's never shy about sharing his opinions and he thinks the EDC is "doing its job description. What it tells its donors and directors it's doing." But "You don't have to get sick to get better." Jones adds: "We need to make sure the growth we have is consistent with the community we like."

Jones is glad the EDC helps local businesses and would like to see more of that. "Competition for businesses among states is really high. If you don't take care of them, they will go elsewhere in a heartbeat."

"Overall, people need to take more interest in the EDC because of the affect it has on the growth of the community," Jones says. "Maybe we as directors need to let people know" more about the EDC.

The biggest change Jones has seen in Grant County is that when he came here, Moses Lake had a population of 800. They'd just built a new high school on the edge of town, surrounded by alfalfa fields. It's now Frontier Middle School. "The world is changing so fast," Jones says with a characteristic smile.

"Grant County and Moses Lake are new communities," Jones says. "The attitude new people bring is good."

Jones likes the weather in Moses Lake. He and his wife enjoy



ASPI Group Wanted to Help the Community

"Why don't we help out the community by doing this kind of project?" says Kim Foster of the ASPI Group's decision to take the old K-Mart building and turn it from an eyesore into a premium retail location called the "Moses Lake Town Center."

The ASPI Group is a real estate development company with large investments in Grant County centered around the Grant County Airport. They have three main holdings totaling approximately 700 acres, Foster explains, including the ASPI Technology Park where SGL/BMW and Fuji Chemical are located, the ASPI Air Park near the airport runways, and the ASPI Commerce Park, mostly along Patton Boulevard that is zoned for light industrial and distribution.

After a project with Boeing to bring more industry to Grant County failed, Foster says, one item of feedback was the lack of retail in the area for potential employees. Grant County has a lot of positives for industry, Foster says: the airport, the low electrical rates, the relatively low land costs, and others. But lack of retail is a negative.

According to Foster, Moses Lake doesn't have enough people in the "trade area" to attract retail through traditional methods. He explains that retailers look at the population and income demographics of an area, and project the kind of revenue they can expect to make there. Then they calculate how much rent they can afford to pay. And developers will calculate what, after all the expenses of constructing a building, what kind of rent they have to charge. The problem in Moses Lake was that the rent needing to be charged was higher than the rent retailers were willing to pay there.

This was made worse by the recession of 2008, Foster says. Retailers may plan to

open twenty stores in a year, he explains, but with the recession, there might be empty retail spaces in Seattle or San Francisco with lowered rents. Retailers would go there, first, and Moses Lake would "drop off the radar." But, Foster says, if the rent was low enough in Moses Lake, retailers might take a risk on going there.

Because ASPI bought the K-Mart building "out of K-Mart's bankruptcy" and because of their "unique cost structure," Foster says ASPI was able to have a "rent structure" that was able to attract retail businesses.

In addition to the rent, ASPI worked hard to sell the community to the retailers. They showed that Grant County has a diversified economy. Foster used the example of a town comparable in size to Moses Lake that might have a Ford transmission plant where most everyone works. If Ford moves that plant to Mexico, retail in that town will suffer. But in and around Moses Lake, Foster says, there's a diversity of companies so if maybe one is having a bad year, another may be doing well. And that, according to Foster, helped make Moses Lake more appealing to retailers. "There's a vibrancy that retailers are impressed with," Foster says. For retailers, the computer may say it's marginal to come to Moses Lake, but once they see our story, "it's worth taking a shot," Foster explains.

"We've taken a negative and turned it into a positive," Foster says. "We're not long-term commercial developers, but we wanted to fix this." Now when industrial companies look at Grant

County, they will see there is more retail for their employees and less need for them to drive to Wenatchee or Tri-Cities, Foster explains. Also, the stores will generate tax revenue for the city and county.

"I think the Marshalls will be very exciting," Foster says. Foster explains that the interior of the store is "first class." Also, he says, other retailers use Marshalls as an indicator of if they should enter a community. If Marshalls is doing

well, other retailers may be attracted to Moses Lake. Foster points to the WinCo that is going to go in next door to the Moses Lake Town Center as evidence that the Moses Lake Town Center is helping to attract more retail.



Marshall's opened in the Moses Lake Town Center

Foster says the three stores that opened earlier are seeing strong results and that word is getting out. The Moses Lake Town Center may "seed" more retail. "Definitely becoming the retail ground-zero in Moses Lake," Foster says.

"The typical developer just builds boxes and rents them out," Foster explains. But, ASPI Group is "marketing Moses Lake around the world."

It was better to divide the large K-Mart building into smaller retail space than try to rent out the whole thing to one retailer, Foster explains, because the store doesn't meet current standards for 100,000 square foot retailers. That, and nationally, retailers are "downsizing" their retail store spaces, Foster says. So dividing the building into four retail spaces made more sense. ASPI group is currently in negotiations to fill that fourth space with "a couple of great companies" and will pick one "soon." Once that fourth space is filled, Foster



Main Streets are the Focal Point of a Community

The main street "is the focal point of a community," says Kent Andersen, the mayor of Royal City. Raymond Gravelle, mayor of Soap Lake agrees: "In small, rural communities like Soap Lake, the main street defines the town."

"People drive through and look at a community," Andersen adds, "and make a judgement of the city based on what they see."

Soap Lake repaved their main street, Main Avenue, last year starting in May, and the project ended in December. They dedicated the new lane on June 6th, 2015. "There was dancing in the street," Gravelle says. "It was a great celebration time for us."

Main Avenue, which is perpendicular to Highway 17, was repaved because, according to Gravelle, it was in terrible disrepair. The aging sewer lines were also replaced. The paving, which covered 1,800 feet, cost \$2.4 million, Gravelle explains. Part of the money came from the Washington State Transportation

Improvement Board (TIB) and some from a Strategic Infrastructure Program (SIP) grant with the help of Grant County Economic Development Council. "We wouldn't have been able to do the project without that money," Gravelle says.



Main Street project in Soap Lake

Gravelle adds that matching funds came from the city. A 50-foot flagpole was paid for partially by citizen donations, Gravelle says. In less than 90 days, \$6,000 was raised. And, Gravelle proudly points out

that Soap Lake is the second city in the county to install LED street lighting.

"This represents the most significant improvement to the town in fifty years," Gravelle says. He says already the city has seen more tourists walking on the extra-wide sidewalks. The project lasted more than two and a half years, according to Gravelle. The City Council appointed a steering committee for downtown which met every month and took citizen input.

Royal City is hoping to start their repaving project next spring, according to Andersen. It depends on funding if they can start that early. The impetus for their improvement was that the water pipes under the street, Camelia Street, are over fifty years old, and were used when installed. There are a number of reasons to replace the pipes, Andersen explains, including that on the east end of the street they are as small as two-inches. That is where Royal City would like industry to locate, and to do that, they need to be able to supply enough water both for the industry and to put out a fire,

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A Case for Business Succession Strategies



There are about 28 million small businesses in the US. Did you know that 50% of the working population works in a small business?

Small businesses have generated 65% of the net new jobs since 1995. What happens when a business owner retires or exits the business? This is a serious issue since INC. Magazine estimates up to 70% of current business owners will

be exiting by 2020. In 2008 the Gallup Press indicated 52% of business owners exiting by 2017. Of those 1/3 hope to sell; 1/3 want a family member to buy the business; 1/3 plan on closing and walking away.

Who does this affect most? Rural and at-risk urban communities. We have lots of examples on every main street in Grant County. Business owners aged 35-54 who get into business are getting smaller as a group. The age group for exiting, 55-74 is increasing. This is definitely a buyer's market!

When the SBDC works with a startup business we always ask the owner to think about their exit strategy too. As it

is; 80% of existing businesses have no plan on how to transition out of the business.

Transitioning a business for sale or to family members is not a quick task. Typically it takes up to 3 years to exit by sale and up to 10 years for a family succession.

So if you are thinking about exiting, it might be a good time to visit your accountant. Getting your financials in shape for a sale is important- even if it is for a family succession. To learn more click check out the [SBDC website](#).

An exit strategy is as important as a startup business plan. But oh... the opportunities coming up!



Jones Cont.

travel, making regular trips to Mexico. "Someplace warm," he says. He likes to go in mid-February "for a couple of weeks" so that when he comes back, spring isn't far away. If he went in January, he adds, he

doesn't know if he could stand waiting through February for spring.

Last year, for their 50th anniversary, Jones and his wife, Pam, took a Danube river cruise. He got to go back to Munich and

explore and see the changes since he was there in the Army.

He enjoys golf with friends and working in his yard. "I like my yard."

says, there will be "dozens and dozens" of jobs at the Moses Lake Town Center.

Foster says that shortly after the ASPI Group bought the K-Mart building, they were approached by someone wanting to put a data center in the building. But they decided that, no, retail development would be best for Grant County. "This is a

one-off for us," Foster says. "Can we take that and do something with it?" Foster says, "Can we heal the derelict eyesore, increase retail, and help with industrial recruitment?" Foster is hoping that more retailers will see that their traditional models give low numbers for the Moses Lake area and will be willing to come here

based on the success of the retailers at the Moses Lake Town Center.

ASPI Group has the contacts to be able to talk to retailers, Foster explains, and that helped with recruitment. "It's been a fun project," Foster says.

ASPI Cont.

Main Street Cont.

Andersen says. Because the water pipes need to be replaced, that will require repaving the street. Royal City also did an SIP grant through the EDC and are hoping for a TIB grant. But the city is paying a lot out of its reserves, Andersen says. The city is paying 50% of the waterline costs, he adds.

Along with the repaving of the street, sidewalks will be installed where there are now "virtually none," Andersen explains.

Lars Leland, who works for the Port of Mattawa, is leading the effort to repave the main street in that city, Government Road. "We're crunching away at it now," Leland says, "working on it pretty hard." Leland is a volunteer and says that, "I love the area and want to see it grow." Mattawa needs to repave their main street, according to Leland, because it's a very old road and hasn't been adapted to the growth the city has experienced. Leland says Mattawa's population went from around 300 to 3,000 in the time he's

lived there. There are potholes and the city needs sidewalks, Leland explains. And because of congestion, the street needs to be widened to "county specs," Leland adds. He says in the morning, the backup at the traffic circle at Highway 243 can be up to a quarter of a mile long.



Royal City, WA

This project is in the early stages. The county provided an "outreach grant" for the initial work which is meeting with stakeholders to see what they want. Leland is hoping the entire project will be paid for by grants. The EDC helped Leland apply for an SIP grant that helped pay for planning. Leland is hoping to "break dirt" in three to four years. "It's a pretty big project," he says. But "it's very

important," he says, because there's over thirty businesses on that street plus the city hall, fire department, post office and

health district. Another major concern is pedestrian safety, Leland explains, especially for kids walking to school. According to Leland, in the morning a thousand school children will be crossing the street and in the afternoon they'll

cross back. They're going to install proper sidewalks and lighting, Leland says. He thinks the project will cost \$2.5 million per mile and will cover three-quarters of a mile.

To help pay for the repaving, the city increased the sales tax by 0.2 cents, Leland explains. Leland says the city wants to make sure everyone knows all that money is going to the repaving.



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