

## Benton-Franklin Trends e-Newsletter - 2016 #1

### Welcome:



Welcome to the second edition of our newsletter. We hope that this is becoming an increasing resource to you as we seek ways to strengthen our regional community. During the last quarter a significant event took place. It has taken us five long years but September 30, 2015 the Department of Energy transferred 1,341 acres to TRIDEC who then provided the land to the City of Richland and Port of Benton. Why does this matter? Our regional community has a limited amount of industrial space. Recently the City of Kennewick was denied expansion of industrial land due to growth management policy. We have a highly skilled workforce to retain and having one of the few large parcels of 200 plus acres within the state of Washington focused on clean energy manufacturing and research sets us apart. It ties back to our regions work in STEM education at Delta High, the polytechnic focus of WSU Tri-Cities and the technical excellence of Columbia Basin College partnered with Pacific Northwest National Laboratory. We believe this is beginning of the next chapter of our community's contribution to solving real world challenges. By doing so we keep our region at the center for companies seeking a low cost for doing business; providing a great transportation system and offering of a highly trained workforce that share in this vision.

Keep your eye on Benton Franklin trends to see our progress and join us in supporting efforts to solve our region's needs.

Thank you  
Diahann Howard  
Director of Economic Development & Governmental Affairs  
Port of Benton and Tri-Cities Research District

### Indicator News:

#### Do You Know Where Crime is Occurring in Benton & Franklin Counties?



Are you curious as to where and what type of crime is occurring near your residence, place of work, or anywhere in the Tri-Cities region? Each law enforcement agency in the county tracks and reports criminal offenses. [SpotCrime](#) gathers this crime occurrence data and reports it through their free crime data mapping tool and through alerts.

According to their website, "SpotCrime is a crime data aggregator. We map the crime incidents, plot them on Google Maps, and deliver alerts via email, Facebook, Twitter, SMS, RSS and a multitude of

other platforms. The data comes from police departments, news reports and user-generated content. Our goal is to provide the most accurate, timely geocoded crime information to the public.”

## OSPI Releases 2014-2015 Data



The Washington State Office of Superintendent of Public Instruction (OSPI) releases public school data from the 2014-2015 school year. This data includes indicators on the Benton-Franklin Trends site such as: [On-Time High School Graduation Rates](#), [High School Students Dropping Out in the 11<sup>th</sup> and 12<sup>th</sup> Grade](#), [Share of Classes Taught by Highly Qualified Teachers](#), and all of the K-12 state standardized test scores, such as [math](#), [writing](#), and [science](#) - just to name a few.

## WHA Releases 2015 *Community Checkup* Report



The Washington Health Alliance (WHA) has released their 2015 [Community Checkup](#) annual report. The annual report is used to highlight “health care quality and value at medical groups and hospitals in Washington State.” The report “has become the go-to resource for unbiased, trustworthy data about the quality of health care in Washington State.” To view the 2015 Community Checkup Chart Pack, a companion document to the Community Checkup report, but all in easy to digest graphs, [please click here](#).

### Featured Indicators:

#### *Annual Average 24-Hour PM 2.5 Concentration Below National Standards by Matt Lower & Dr. Patrick Jones*

An important metric of air quality is the measurement of *Particulate Matter (PM)* per cubic meter. PM is defined as the solid and liquid particles found in ambient air. PM can come in many different sizes; Benton Franklin [Trend 5.1.3, the Annual Average of the 24-Hour PM<sub>2.5</sub> Concentration Levels Based on Continuous Monitoring](#), measures PM less than

2.5 micrometers in diameter (PM<sub>2.5</sub>). Research conducted by the Environmental Protection Agency and other organizations have found that exposure to elevated levels of PM<sub>2.5</sub> particles leads to higher cases of respiratory illnesses and respiratory illness-related mortality. When inhaled, PM<sub>2.5</sub> is small enough to lodge deep into the lungs, damaging delicate lung tissue. While PM<sub>2.5</sub> can effect anybody, populations especially sensitive to the negative effects of PM<sub>2.5</sub> include people suffering from existing heart and lung diseases, as well as pregnant women, young children, and the elderly.

The federal standard for PM<sub>2.5</sub> is revisited every 5 years and was last addressed in 2012.

Currently, the EPA deems 35 micrograms per cubic meters as the maximum acceptable level for PM<sub>2.5</sub>, a level first established and unchanged since 2006. The standard is based upon the three-year average of the 98th percentile 24-hour (daily) average, using a federal reference method sampler. The National Ambient Air Quality Standards for Particulate Matter [can be found here](#).

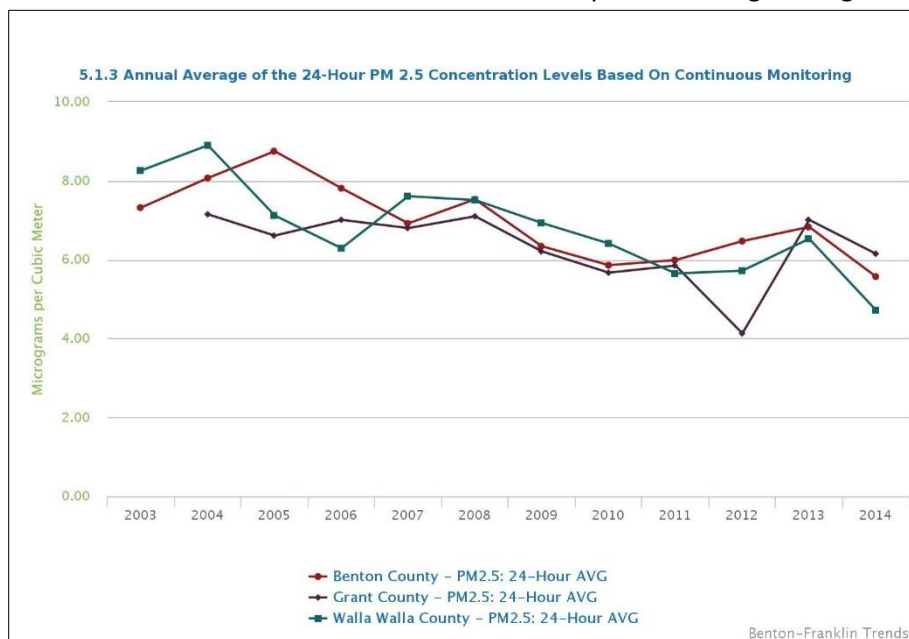
The PM<sub>2.5</sub> levels for both Benton and Franklin counties were far below the maximum allowed levels in 2014. In Benton County, there was 5.57

micrograms of PM<sub>2.5</sub> per cubic meter, decreasing over an entire microgram from 2013's annual 24-hour average of 6.83. In Franklin County, there was 5.28 micrograms of PM<sub>2.5</sub> per cubic meter, also decreasing over an entire microgram from the county's 2013's annual 24-hour average of 6.90. This increase is not significant given the low levels and probable due to Mother Nature, explains Karen Wood, the Section Manager the Washington State Department of Ecology's Eastern Region Air Quality Program. However, Wood notes that the winds the roll up and down the Snake and

Columbia River Valleys can disperse PM<sub>2.5</sub> levels to a minor degree.

PM<sub>2.5</sub> in Benton-Franklin comes from a few different sources. Wood says that "the majority of PM<sub>2.5</sub> emissions in both Benton and Franklin County is from agricultural operations- mostly tillage, dust from harvest, and agricultural burning. Mobile sources, non-paved roads, smoke from distant wildfires, and outdoor burning are also large contributors of PM<sub>2.5</sub>." She explains that regional agencies have many

measures in place to regulate these sources of pollution. Permits must be obtained for agricultural burns and the farmers work with the



Department of Ecology so burning occurs on a day where smoke dispersal will be quick. The Benton-Franklin Council of Governments operates a Commuter Trip program that requires and incentives any business with 100+ employees to support carpooling and working at home. In terms of mitigating PM<sub>2.5</sub> levels through city planning, the Growth Management Act has outlawed yard and garden debris burning, and planning agencies often work to put new industrial facilities in areas where emission impacts will be minimal.

While the Benton Franklin trends for PM<sub>2.5</sub> fall way below the national maximum, the Washington State Department of Ecology becomes concerned when PM<sub>2.5</sub> levels go above 20 micrograms per cubic meter. It is at this level health effects are realized. The elderly population plus children and others who spend lots of time outdoors are at an increased risk for health problems caused by PM<sub>2.5</sub> inhalation. PM<sub>2.5</sub> can enter deep into lungs during

physically activity, Wood explains, thus people of all ages ought to be concerned. PM<sub>2.5</sub> inhalation can cause lung tissue irritation and inflammation. Complications of such includes the aggravation of existing lung conditions, the release of chemicals during inflammation that can impact heart function, blood clots that lead to heart attacks, and increased susceptibility to pneumonia.

### *2014 Exports Increased from Previous Year* By Scott Richter & Dr. Patrick Jones

Exports, defined as goods and services shipped out of one country and into another, are strong job creators and drive many markets. Firms that export often create large economic impacts in a local or regional economy. Dollars received for their goods or services are clearly “new” to the local or regional economy as the exported goods are replaced with what could be considered imported money.

This indicator has four main categories of exports: Food Manufacturing, Crop Production, Computers and Electronics, and “Other”. The “Other” category simply includes all exports that do not fall into the previous three categories.

Export values are provided by the U.S. Census Bureau’s Origin of Movement - Zip Code Based Series (OM-ZIP) which assigns exports to locations based on the United States Principal Party in Interest (USPPI) of record. The U.S. Department of Commerce International Trade Administration (ITA) explains: “The OM-ZIP series can track export sales of states, metropolitan areas, and ZIP codes (at the three-

digit level), with ..... statistics are available for exports of merchandise only.” In other words, exports of services, a growing share of US GDP, are not included,

The ITA describes the USPPI as “The person in the United States that receives the primary benefit monetary or otherwise of the export transaction. Generally, that person or entity is the U.S. seller, manufacturer, or order party, or the foreign entity while in the United States when purchasing or obtaining the goods for export.”

Examining the graph for the [total value of exports](#), after a peak year in 2011, we see that the combined counties had two years of decreases; yet, 2014 represents the first year with an overall increase since 2011 and also represents the year with the fourth highest dollar value of exports in the entire series. In total during 2014, the dollar value of exports in the combined counties was \$798.4 million, increasing from \$588.2 million, or by 36% since 2005.

Specific by category, the dollar value of exports in Food Manufacturing was \$326 million, Crop Production was \$102 million, Computers and

Electronics was \$40 million, and the “Other” category was \$330 million. Each of these categories has increased from the 2005 dollar values with Computers and Electronics producing the largest percentage increase in the series, rising by 167% since 2005.

The share of total exports in Washington State originating in Benton & Franklin Counties combined in 2014 was 1.0%, decreasing from 1.6% in 2005 and from the high mark in the series of 1.8% occurring in 2011.

Agriculture is often considered to be one of the more stable economic sectors during weak economic periods. It is notable that

the two largest export categories are “Crop Production” and “Food Manufacturing”. So one might ask why there has been so much fluctuation in this series from 2005 - 2014?

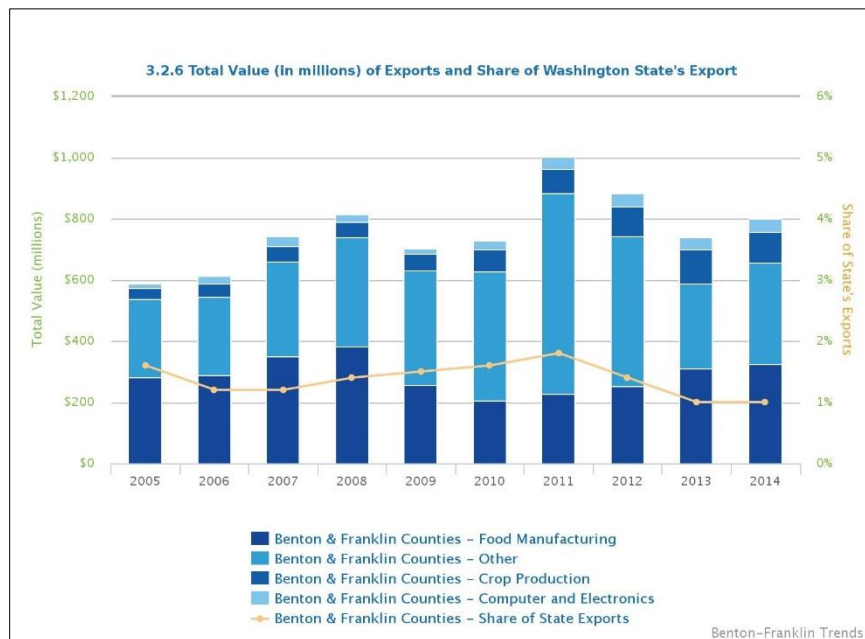
Rebecca Weber, International Trade Specialist with the Washington State Department of Agriculture, explains that importers often seek US, and Washington State products due to their perception as being safe to consume and of high quality. For example, China is the largest apple producer in the world, but they import significant volumes of Washington apples due

to the quality and varieties we grow here. On the other hand, some of the places we ship food products to do not have the climate or available land to produce the crops we grow here. There are other factors affecting this indicator that have nothing to do with U.S. agriculture production or even demand in foreign markets. For example, Weber explains that in 2008, “the U.S. dollar was weak against foreign currency, essentially resulting in an

automatic discount for countries importing agriculture products from the U.S. At the same time, prices were up for commodities such as grains, availability was down from some of our major

competitors, and food safety was a big issue. While export volumes may have been a bit higher that year, the total value of exports appears even higher due to commodity prices.”

To the degree labor disagreements have affected total import values is currently unknown, but at international ports across the Western U.S., these disagreements have kept many containers from even leaving U.S. ports in the last few years.



## Housing Affordability Outperforming State

By Scott Richter & Dr. Patrick Jones

Purchasing a home is one of the most widely shared parts of the American Dream. For the average buyer, it will be the single largest purchase as well as the largest financial investment made in their lifetime. Additionally, homeownership is one of the best ways to maintain affordable housing costs over time.

The Housing Affordability Index (HAI) is calculated and maintained by the [University of Washington Runstad Center for Real Estate](#)

[Studies: Washington Center for Real Estate Research](#) and measures the ability of a middle income family (adjusted for different jurisdictions across Washington

State) to make mortgage payments.

There are two HAI indicators on the Benton-Franklin Trends Site: the for first-time buyers and for all buyers. Although they are different, a central assumption of both HAI indicators is that a household not spend more than 25% of its income on principal and interest payments.

Looking at the [first-time homebuyers HAI](#) indicator, the index measures the ability of a typical family, as measured by household income at 70% of the median, to purchase their

first home. The home price is assumed to be 85% of the area's median price. Transaction assumptions of the first-time homebuyers HAI are a 10% down payment and a 30-year fixed mortgage.

To some degree, housing affordability in the region is now a tale of two counties. Benton County has produced a consistently much higher first-time homebuyers HAI score than in the state. The most recent figure, the third-quarter of 2015, places the HAI in Benton County at 120.7, while the state came in at 78.8. In short, first-time homebuyers in Benton

County had 120.7% of the income to only 78.8% for the state. Averaging out the first-time HAI figures for the entire series, Benton County was 114.1 while the state was 74.0.



During the third quarter of 2012 (12Q3) was the first time in the series where the first-time homebuyers HAI in Franklin County fell below the state benchmark and has remained below the state through the third quarter of 2015. During the third quarter of 2015, the first-time homebuyers HAI in Franklin County was 67.6, compared to the state at 78.8. Averaging out the first-time homebuyers HAI figures for the entire series in Franklin County was 90.1 compared to 74.0 for the state.



For most of the series, the first-time homebuyers HAI in Franklin County was also consistently above that of the state. Dave Retter, Designated Broker and Owner of the Kennewick Windermere franchise, believes that for quite some time “our housing market has been one of the most affordable you can find in the State. When you combine our consistent overall economy (I.e. Job market, salaries, stability, and growth in almost all sectors), with a housing market that is very consistent in appreciation, we score very well against the State averages.”

The second housing affordability indicator on the Benton-Franklin Trends site is the [Housing Affordability Index \(HAI\) for All Homebuyers](#). Different from the first-time homebuyers indicator, this HAI assumes a median priced home, a 20% down-payment, and a 30-year fixed mortgage. Unlike the first-time homebuyers HAI, the source only provides this data for the combined counties. As we drill deeper into this indicator, once again we see affordability of the combined counties figures

well ahead of the state benchmark. In fact, throughout the series, the closest the state came to the combined counties was in the first quarter of 2011 when the state trailed by 14.3 points (199.0 to 184.7 respectively). During the third quarter of 2015, the combined counties came in at 183.6 while the state lagged well behind at 138.9. Averaging out the all buyers HAI figures for the entire series, Benton & Franklin Counties combined was 190.6 compared to 154.8 in the state.

Dave Retter explains “For many years now Benton and Franklin Counties have been a leader in affordability. We have a large number of builders and developers that for years have lived and work here regardless of the condition of the local housing market. The builders have consistently shown the ability to scale back or ramp up as dictated by the market. When you add a healthy expanding economy that is growing consistently and not by leaps and bounds you end up with a housing market that doesn’t get out of control with inflation.”

## 5-Questions with Ken Hohenburg - Kennewick Police Chief



**1. As police chief of the largest urban area in Benton & Franklin counties, what are the top three issues that concern you?**

*Criminal Gang Activity, Mental Health Issues, and Education (early learning, keeping kids in schools through graduation).*

**2. Nationwide, law enforcement organizations have increasingly used data to allocate resources. Has this occurred in the Kennewick Police Department, and if so, how?**

*Yes, KPD has done this a number of ways over the years. I was appointed Chief in 2003 and due to violent criminal activity that we were experiencing we created the Criminal Apprehension Team (CAT). This team of 6 detectives plus a sergeant has been responsible for over 1,000 arrests each year since 2004.*

*We have continued to monitor our calls for service and call types through the years and as a result our need for additional patrol officers was explained to the public with the successful passage of the Public Safety sales tax. This will enable us to re-deploy our patrol division to enhance our coverage and deployment during the hours requiring the highest call volume.*

**3. According Benton Franklin Trends, for the past two decades property crime rates in throughout the two counties and in Kennewick have declined dramatically. Over the same time, violent crime rates have stayed essentially the same throughout the two counties, declining slightly in Kennewick. Do you have any thoughts about the divergence?**

*Yes, as a Tri-City area we have focused on violent crime but have also focused on our “target” crimes in Kennewick. Auto theft, car prowls, and burglaries often are the conduit to support addictions and other challenges in the community. Kennewick, Richland, Pasco, and the Benton County Sheriff’s office all have street crimes units that work together. The Metro Drug Task force (in place since 1988) continues to focus on narcotics throughout the Tri-Cities. We now have a strong Federal presence with the FBI Violent Gang Task Force, DEA/Metro, U. S. Marshals, Homeland Security, and ATF along with support for Federal Prosecution. All of these factors have driven down our “crime rate”.*

**4. Public safety measures are undoubtedly affected by socio-economic factors. What measures do you consider most important? And can you find them on the Trends site?**

*Yes, as I mentioned before education is paramount in creating a safe community. There is information from early learning to higher education.*

*Other resource information that contributes to this socio-economic factor could be added as well.*

**5. You’ve been with the Kennewick Police Department for nearly four decades. As you survey the changes to the Tri Cities, and Kennewick in particular, are there any Trends that reflect these changes?**

*Yes several changes over the years:*

*Criminal Gang Violence that continues to be a challenge not only here, or across the state but also the nation.*

*Mental Health issues, funding for programs and resources have been reduced over the years and more people have been mainstreamed without the proper resources and support.*

*In Kennewick we have implemented a Community Care fund through our police Foundation in order to empower our police officers to be able to provide immediate help to individuals and families. Our officers have access to credit cards through the foundation to be able to provide food, gas, lodging, clothing or what is needed to help and provide hope. The program was implemented in March of last year.*