

framework



COMPREHENSIVE AIRWAY HEIGHTS PLAN UPDATE

2023 UPDATE
Volume II - Economic Development

Contents

- Introduction 3
- Employment..... 3
 - Classifications 3
- Industry of Employed Persons 4
- Occupation of Employed Persons..... 5
- Income 6
- Capture of Retail Potential 7
 - Sales..... 7
- Consumer Expenditures 9
- Potential Business Opportunities..... 10
- Land Use..... 11
 - Commercial Land..... 11
 - Industrial Land 11
 - Residential Land 11
 - Zoning..... 12
 - Availability of Commercial & Industrial Lands 12

ECONOMIC DEVELOPMENT

Introduction

Volume II of the Economic Development provides additional background data and information related to employment and non-residential growth for Airway Heights during the planning period.

Employment Classifications

As Table 7.1 demonstrates, in Airway Heights, as in Spokane County, the most prevalent class of worker is private for-profit wage and salary workers. In Airway Heights, this group comprises 64.8 percent of all total workers. Airway Heights also exhibits a high percentage of federal government workers relative to Spokane County.

Table 7.1 – Employment Classifications, 2017

Class of Worker	Airway Heights		Spokane County Percent
	Persons	Percent	
Private for-profit wage and salary workers	1,564	64.8	68.9
Private not-for-profit wage and salary workers	94	3.9	9.9
Local government workers	116	4.8	6.0
State government workers	215	8.9	6.5
Federal government workers	369	15.3	2.9
Self-employed and unpaid family workers	55	2.3	5.8

Source: U.S. Census 2013-2017 American Community Survey 5-Year Estimates

In Airway Heights, 15.3 percent of all workers are federal government workers, while in Spokane County, this number is only 2.9 percent. The relatively large percentage of Airway Heights residents classified as federal government workers can largely be explained by the City's close proximity to Fairchild Air Force Base.

Industry of Employed Persons

As Table 7.2 demonstrates, Accommodation & Food Services is the largest employing industry of City residents, employing 16.1 percent of the workforce. Spokane County as a whole differs from Airway Heights in this respect, as the health care & social assistance industry employs the largest percentage of the County's workers (17.7 percent).

The health care & social assistance industry is also a major employer in Airway Heights, employing 15.6 percent of the work force, followed by the retail trade industry at 12.7 percent. In Spokane County as a whole, the retail trade industry is the second largest employing industry, employing 12.3 percent of the County's workforce, followed by the educational services industry at 9.9 percent.

Other industries that employ significant numbers of Airway Heights workers are public administration; administrative/support/waste management services; and arts/entertainment/recreation. Employment in other industries is presented in Table 7.2.

Table 7.2 – Industry of Employed Persons, 2017

Industry	Airway Heights		Spokane County (%)
	Persons	Percent	
Accommodation & Food Services	389	16.1%	7.2%
Health Care & Social Assistance	376	15.6%	17.7%
Retail Trade	306	12.7%	12.3%
Public Administration	258	10.7%	5.0%
Administrative & Support & Waste Management Services	162	6.7%	3.7%
Arts, Entertainment, & Recreation	159	6.6%	2.1%
Educational Services	135	5.6%	9.9%
Construction	126	5.2%	5.5%
Manufacturing	119	4.9%	8.6%
Transportation & Warehousing	102	4.2%	4.5%
Other Services, Except Public Administration	94	3.9%	4.5%
Finance & Insurance	81	3.4%	4.2%
Professional, Scientific, & Technical Services	53	2.2%	4.9%
Utilities	21	0.9%	0.7%

	Airway Heights		
Industry	Persons	Percent	Spokane County (%)
Wholesale Trade	18	0.7%	3.9%
Real Estate & Rental & Leasing	14	0.6%	2.4%

Source: U.S. Census 2013-2017 American Community Survey 5-Year Estimates

Occupation of Employed Persons

The most prevalent occupation for workers in both Airway Heights and Spokane County is office & administrative support occupations, which amount to 14.5 percent of the total working population in each entity. The next largest segment of Airway Heights workers, 14.3 percent, is employed in food preparation & serving related occupations; Spokane County as a whole differs from Airway Heights in this respect, as only 5.5 percent of the County's population is employed in similar occupations. Sales & related occupations employ 13.4 percent of the City's population (and 11.5% of the County's population). Other occupations prevalent among Airway Heights workers include building/grounds cleaning & maintenance occupations and personal care & service occupations.

Table 7.3 – Occupation of Employed Persons

	Airway Heights		
Occupation	Persons	Percent	Spokane County (%)
Office & Administrative Support Occupations	350	14.5%	14.5%
Food Preparation & Serving Related Occupations	346	14.3%	5.5%
Sales & Related Occupations	323	13.4%	11.5%
Building & Grounds Cleaning & Maintenance Occupations	198	8.2%	3.3%
Personal Care & Service Occupations	194	8.0%	4.5%
Management Occupations	111	4.6%	10.4%
Construction & Extraction Occupations	111	4.6%	4.6%
Material Moving Occupations	86	3.6%	3.0%
Healthcare Support Occupations	84	3.5%	3.2%
Health Technologists & Technicians	74	3.1%	2.2%

Occupation	Airway Heights		Spokane County (%)
	Persons	Percent	
Production Occupations	73	3.0%	4.5%
Law Enforcement Workers Including Supervisors	68	2.8%	0.8%
Transportation Occupations	66	2.7%	4.5%
Education, Training, & Library Occupations	43	1.8%	3.5%
Health Diagnosing & Treating Practitioners & Other Technical Occupations	43	1.8%	5.4%
Community & Social Service Occupations	42	1.7%	2.3%
Installation, Maintenance, & Repair Occupations	38	1.6%	2.6%
Arts, Design, Entertainment, Sports, & Media Occupations	32	1.3%	1.9%
Fire Fighting & Prevention, & Other Protective Service Workers Including Supervisors	30	1.2%	0.3%
Computer & Mathematical Occupations	29	1.2%	1.7%
Business & Financial Operations Occupations	23	1.0%	4.5%
Architecture & Engineering Occupations	17	0.7%	1.6%
Life, Physical, & Social Science Occupations	14	0.6%	1.1%
Farming, Fishing, & Forestry Occupations	11	0.5%	0.7%
Legal Occupations	7	0.3%	1.2%

Source: U.S. Census 2013-2017 American Community Survey 5-Year Estimates

Income

Household income for Airway Heights is presented in Table 7.4. The largest group of households within the City, 23.1 percent, fell into the annual household income bracket of \$50,000 to \$74,999. The largest income group for Spokane County was also \$50,000 to \$74,999, although Spokane County showed only 18.6 percent of households falling into this category. On a statewide basis, the household incomes tended to be slightly higher than in the City of Airway Heights. Both the State of Washington and Spokane County also experience greater percentages of households in the highest income categories than does Airway Heights.

Table 7.4 – Percentage of households by income, comparative

Income (\$)	Airway Heights	Spokane County	Washington
< 10,000	4.6	7.3	5.6
10,000 to 14,999	7.2	4.9	3.7
15,000 to 24,999	10.9	10.3	7.9
25,000 to 34,999	8.4	11.3	8.3
35,000 to 49,999	18.9	14.3	12.2
50,000 to 74,999	23.1	18.6	18.1
75,000 to 99,999	16.5	12.9	13.5
100,000 to 149,999	9.0	12.6	16.4
150,000 to 199,999	1.4	4.6	7.1
>200,000	0.0	3.4	7.3
Total	100.0	100.0	100.0
Median Income (\$)	49,844	52,159	66,174

Source: U.S. Census 2013-2017 American Community Survey 5-Year Estimates

Capture of Retail Potential Sales

Not all retail and service purchases by Airway Heights residents are made in Airway Heights. Many purchases take place in the nearby City of Spokane. Likewise, not all retail purchases made within the City are made by residents of the City. Consumers from surrounding areas, particularly Fairchild Air Force Base, have significant impacts upon the total sales within Airway Heights.

Greater Spokane Incorporated, a non-profit organization representing commerce and economic development interests in the greater Spokane area, commissioned a consumer spending report in 2019 that analyzed several aspects of the retail market, both in the overall metropolitan area and within each individual community. The report's analysis of estimated sales by business type in Airway Heights is presented in Table 7.5.

The analysis found that Airway Heights businesses in the Arts, Sports, Entertainment, and Recreation category had the community's greatest share of estimated sales, followed by businesses in the Manufacturing (electronics, furniture, machinery, metal, transportation, misc.) category and then businesses in the Wholesalers category.

Table 7.5 – Airway Heights estimated sales, 2017

Business Type	Total Businesses	Estimated Employees	Estimated Sales
Accommodation and Food Services	23	259	\$28,447,000
Administrative and Support and Waste Management and Remediation Services	1	5	\$296,000
Agriculture, Forestry, Fishing and Hunting	3	7	\$989,000
Arts, Sports, Entertainment, and Recreation	6	2,464	\$184,640,000
Banking, Finance and Insurance	8	33	\$6,627,000
Construction	17	165	\$44,053,000
Education	2	50	\$484,000
Health Care and Social Services	3	22	\$1,639,000
Information	4	8	\$4,625,000
Manufacturing - Chemical, Fuel, Paper, Plastic, Wood	2	182	\$67,249,000
Manufacturing - Electronics, Furniture, Machinery, Metal, Transportation, Misc.	13	495	\$97,757,000
Manufacturing - Processed Food, Textiles, Clothing	2	6	\$327,000
Other Services - Repair, Personal Care, Laundry, Religious, etc.	31	174	\$11,597,000
Professional, Scientific, and Technical Services	4	75	\$16,598,000
Public Administration	11	75	\$75,000
Real Estate and Rentals	6	21	\$3,550,000
Retail: Hobby, Media, General Merchandise	7	36	\$5,164,000
Retail: Home, Food, Automobiles, Personal Care	18	275	\$87,068,000
Transportation and Warehousing: Couriers and Messengers, Warehousing and Storage	1	3	\$3,000
Transportation and Warehousing: Private and Public Transportation, Oil and Gas Pipelines, Sightseeing	2	60	\$11,546,000
Unclassified	1	1	\$1,000
Wholesalers	11	61	\$67,280,000
Total	176	4,477	\$640,015,000

Source: Greater Spokane Incorporated / Applied Geographic Solutions, 2019

Consumer Expenditures

The 2019 Greater Spokane Incorporated consumer spending report also contains data on major expenditures for households in Airway Heights. As shown in Table 7.6, many of the largest expenditures for Airway Heights households include basic necessities – shelter, transportation, food and beverages, and health care, for example. (The food and beverages category also includes bars, restaurants, and other food service establishments.) Among non-necessities, the largest shares of spending by households in Airway Heights went toward entertainment, apparel, and household furnishings.

Table 7.6 – Airway Heights major household expenditures, 2017

Expenditure Category	Household Spending
Shelter	\$ 17,773,000
Transportation	\$ 15,343,000
Food and Beverages	\$ 12,518,000
Health Care	\$ 7,255,000
Utilities	\$ 6,515,000
Entertainment	\$ 4,569,000
Household Operations	\$ 3,181,000
Apparel	\$ 2,883,000
Household Furnishings	\$ 2,848,000
Education	\$ 2,157,000
Gifts	\$ 1,870,000
Miscellaneous Expenses	\$ 1,552,000
Contributions	\$ 1,180,000
Personal Care	\$ 1,116,000
Tobacco	\$ 585,000
Personal Insurance	\$ 251,000
Reading (Newspapers, Magazines, Books)	\$ 179,000
Total	\$ 81,775,000

Source: Greater Spokane Incorporated / Applied Geographic Solutions, 2019

Potential Business Opportunities

By analyzing retail leakage among the various communities in the greater Spokane region, the 2019 consumer spending report also determined the retail potential, both regionally and for each individual locale. Table 7.7 illustrates the market areas in which the analysis determined the greatest retail potential in Airway Heights – that is, the types of businesses with the largest potential for expansion within the City of Airway Heights.

Areas determined to have the greatest potential include gasoline stations without convenience stores, full-service restaurants, and warehouse superstores. These are the areas in which consumers are going outside of Airway Heights to make purchases, meaning there are likely market gaps that exist within the city.

Table 7.7 – Airway Heights retail potential, 2017

Type of Establishment	Retail Potential	Type of Establishment	Retail Potential
Gasoline Stations without Convenience Stores	\$ 5,750,000	Children and Infant Clothing Stores	\$ 154,000
Full-Service Restaurants	\$ 5,064,000	Hobby, Toy, and Game Stores	\$ 138,000
Warehouse Superstores	\$ 4,826,000	Gift and Souvenir Stores	\$ 119,000
Mail Order and Catalog Stores	\$ 2,787,000	Other Apparel Stores	\$ 114,000
Department Stores	\$ 1,895,000	Other Health and Personal Care Stores	\$ 107,000
Family Clothing Stores	\$ 937,000	Office and Stationery Stores	\$ 97,000
Other General Merchandise Stores	\$ 724,000	Men's Clothing Stores	\$ 81,000
Special Food Services and Catering	\$ 565,000	Vending Machines	\$ 80,000
Limited Service Restaurants	\$ 500,000	Clothing Accessory Stores	\$ 74,000
Sporting Goods Stores	\$ 452,000	Used Merchandise Stores	\$ 68,000
Pet and Pet Supply Stores	\$ 406,000	Mobile Home Dealers	\$ 59,000
Shoe Stores	\$ 388,000	Sewing and Needlecraft Stores	\$ 42,000
Hotels and Other Travel Accommodations	\$ 357,000	Musical Instrument Stores	\$ 40,000
Women's Clothing Stores	\$ 351,000	Florists	\$ 35,000
Fuel Dealers	\$ 279,000	Art Dealers	\$ 32,000
Other Direct Selling Establishments	\$ 216,000	Luggage Stores	\$ 15,000
Other Miscellaneous Retail Stores	\$ 186,000	RV Parks	\$ 3,000

Type of Establishment	Retail Potential	Type of Establishment	Retail Potential
Jewelry Stores	\$ 174,000	Rooming and Boarding Houses	\$ 3,000
Book Stores	\$ 164,000	Gasoline Stations with Convenience Stores	\$ 0
Drinking Places	\$ 160,000	Record, Tape, and CD Stores	\$ 0
		Total	\$ 27,442,000

Source: Greater Spokane Inc. / Applied Geographic Solutions, 2019

The above statistics and analysis are not intended to lead one to conclude that there is guaranteed success in starting new retail outlets in the areas outlined above showing substantial market leakage. Instead, market analysis and the preparation of a detailed business plan is recommended before commitments are made to start up a new retail operation in Airway Heights.

Land Use

Existing land use figures and future land use patterns demonstrate the scope and areas within the City in use or envisioned for commercial and industrial purposes. The amount of land occupied by each type of land use within the City is presented in Table 3.1 (Land Use element, Chapter 3), and the location of land uses envisioned within the City is presented in the Future Land Use map, Figure 3.2.

Commercial Land

Approximately 629 acres of the land within Airway Heights is currently used for commercial purposes (listed in Table 3.1 under the “Commercial & Retail” and “Professional Services” land use categories), accounting for 15.5 percent of the City’s total land use. The majority of commercial land uses are located along Highway 2, Hayford Road, and to the south side of the City. The reason for this is that approximately 75 percent of land in the south side is located within the accident potential zone (APZ) or noise zone of the military base, making it unsuitable for residential use. Consequently, commercial development is encouraged in the south side of the City.

Industrial Land

Industrial land uses (listed in Table 3.1 under the “Industrial/Warehouse” category) currently occupy approximately 569 acres of the land within Airway Heights, representing 14 percent of the City’s total land use. The majority of the City’s industrial land use is found in the southernmost part of the City, along the southern corporate boundary.

Residential Land

Table 3.1 shows approximately 462 acres of land within Airway Heights is dedicated to residential uses (single and multi-family combined), or 11.4 percent of the City’s total

land use. For reasons noted above, residential uses are generally discouraged south of US-2, with housing patterns largely directed north and north east within City limits.

Zoning

Airway Heights' zoning regulations implement City land use policy, directing commercial and industrial development to certain locations within the City. At present, land use and zoning categories differ to some degree, with broader land use categories providing greater flexibility for future implementation. The most current zoning map is available on the City's website, as referenced in Airway Heights Municipal Code.

Availability of Commercial & Industrial Lands

As listed in Table 7.8, the City's commercial zones contain a total of 760.80 acres of land, of which 435.82 acres are currently undeveloped. The industrial zones contain 1,424.53 acres, of which 671.83 acres are currently undeveloped. Of the lands currently zoned for commercial and industrial uses, then, a total of 1,117.55 acres remain undeveloped.

The City conducted a market analysis for the West Plains Transportation Network Plan that included an estimate of demand for commercial and industrial through 2045. Table 7.8 shows the amount of growth in square footage and jobs by land use. The City is anticipating a total of 2,307 jobs during the planning period.

Table 7.8 – Employment Forecast by Transportation Analysis Zone (TAZ) – 2045

TAZ	Industrial	Office	Retail	Hospitality	Storage	
459			20,735			
461				150,000		
462	205,037		426,191			
463			120,000	220,000		
464	846,354	13,852	51,765			
Total sq ft.	1,051,391	13,852	618,691	370,000	0	
Ave. sq. ft./emp.	1,000	350	600	2,000	25,000	Total Jobs
Job Growth	1,051	40	1,031	185	0	2,307

Leland Consulting, 2021

Table 7.9 shows the employment capacity in the City of 9,488 jobs which can accommodate the anticipated growth in jobs of 2,307.

Table 7.9 – Employment Capacity – 2022

Zone	Acreage	Jobs	Sq Footage	FAR
C1/C2	308.286	4,624	26,857,876	2
Industrial 1	132.44	1,324	2,884,543	0.5
Industrial 2	353.94	3,539	7,708,813	0.5
Total	794.666	9488,09	37,451,232.7	

Assumptions

- 90% of C1/C2 is commercial; 10% residential
- 15 jobs per acre in C1/C2
- 10 jobs per acre in the industrial zones
- Vacant industrial land does not include a market factors

City of Airway Heights, 2021