

CHAIRMAN'S CORNER

The Start of 2024 Looks Promising Indeed

BY LUKE MOERKE

Chair - Economic Alliance of Lewis County

As we bound through February and into March, things have been hopping at the Economic Alliance of Lewis County.

We had a successful annual banquet, hosted at the Jester Auto Museum and Event Center on Feb. 2 (you can read about the venue on page two of The Economic Forum in our Member Spotlight). The banquet was well attended, with a sold-out crowd of over 200 for the evening.

A huge thanks to the Economic Alliance staff for all the planning to bring it all together, and for the fun event that it is. Thanks also to everyone who sponsored this successful event. It is wonderful to have so many business owners and leaders come together for events like these in our community.

There were several awards given out to recognize significant efforts in resource stewardship (awarded by The Chronicle), community service, industry and a special staff award. These are for individuals in our community who have led by example.

The Alliance's Staff Award was given to Charles "Buck" Hubbert, who died on Dec. 6, 2023. The Alliance's Staff Award will now be known as the Buck Hubbert Award.

The Russ Mohny Recreation and Stewardship Award was given to Dustin Klatush, chair of the Confederated Tribes of the Chehalis Reservation. Klatush supports the Pacific Northwest Hydrogen Hub along with increasing the Chehalis Tribe's business efforts.

The Community Commitment Award went to former Chehalis Mayor Fred Rider. Rider has been on a number of other local government entities and commissions along with being a Rotarian, president of the Washington State Snowmobile Association and the Lewis County Demolition Derby Association.

The Gail & Carolyn Shaw Industry Award, was given to Washington state 20th District Sen. John Braun, R-Centralia, owner of Braun Northwest.

They were all worthy of their recognition.

Right after the banquet we had the Clean Energy Summit at Centralia College on Feb 5. This was well attended, and we had several quality industry experts involved in the discussions. The panel "The Economics of Clean Energy" was the latest forum in an ongoing debate on how closely Lewis County residents should align themselves to the emerging technology.

Panelists for the forum included

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LUKE MOERKE
Chairman — Economic Alliance of Lewis County



The housing market in Lewis County is up in number of listings compared to a year ago in January.

only fall to around 6% by the end of the year.

3. Listing activity will rise modestly

Although I expect a modest increase in listing activity in 2024, many homeowners will be hesitant to sell and lose their current mortgage rate. The latest data shows 80% of mortgaged homeowners in the U.S. have rates at or below 5%. Although they may not be inclined to sell right now, when rates fall to within 1.5% of their current rate, some will be motivated to move.

4. Home prices will rise, but not much

While many forecasters said home prices would fall in 2023, that was not the case, as the lack of inventory propped up home values. Given that it's unlikely that there will be a significant increase in the number of homes for sale, I don't expect prices to drop in 2024. However, growth will be a very modest 1%, which is the lowest pace seen for many years, but growth all the same.

■ SEE HOUSING, PAGE B3

A Buyer's Market

According to Realtor.com, Lewis County remains a buyer's market, meaning supply is greater than demand

BY THE ECONOMIC ALLIANCE OF LEWIS COUNTY

Editor's Note: In October of 2023 the Economic Alliance of Lewis County presented the Lewis County Infrastructure and Real Estate Seminar at The Loft in Chehalis, featuring keynote speaker Matthew Gardner, the chief economist for Windermere Real Estate. Gardner addressed housing shortages, infrastructure, short term rentals, purchase and sales and real estate trends. He's back with his predictions for 2024.

1. Still no housing bubble

This was number one on my list last year and, so far, my forecast was spot on. The reason why I'm calling it out again is because the market performed better in 2023 than I expected. Continued price growth, combined with significantly higher mortgage rates, might suggest to some that the market will implode in 2024, but I find this implausible.

2. Mortgage rates will drop, but not quickly

The U.S. economy has been remarkably resilient, which has led the Federal Reserve to indicate that they will keep mortgage rates higher for longer to tame inflation. But data shows inflation and the broader economy are starting to slow, which should allow mortgage rates to ease in 2024. That said, I think rates will

Alliance Hosts Women In Business Seminar

Event Takes Place March 19 in Chehalis

BY THE ECONOMIC ALLIANCE OF LEWIS COUNTY

The Economic Alliance of Lewis County will host the Women In Business Seminar from 1 to 3 p.m. at The Loft in Chehalis (547 NW Pacific Ave.) on Tuesday, March 19.

Keynote speaker is Cathy Hoover, the Washington state Legislature's House Republican Caucus Senior Leadership Counsel. Other panelists featured are Joy Templeton of Once Upon a Thyme, Heidi Pehl of I-5 Cars, Mary Ferris of Rainier Eye, Lisa Perry of Sierra Pacific, with the event master of ceremonies Centralia Mayor Kelly Johnston.

Keynote Speaker

Cathy Hoover grew up in North Seattle, got her undergraduate degree from the University of Washington and then graduated with a law degree from the University of California College of the Law, San Francisco.

She returned to Seattle in 1992 and worked in private law firms for six and a-half years.

As the first female associate attorney to become pregnant, her firm aimed to reduce her billable hourly requirement to accommodate her pregnancy. As a practical matter this didn't happen, so shortly after her first son was born, she left private practice, moved with her family to Olympia, and worked as an Assistant Attorney General for 15 years, during which time she and her husband added their second son to their family.

Hoover left the Attorney General's Office in 2013, worked as a legislative director for a state agency for two years, managed litigation for another state agency for one year, and then in 2018 was recruited as Senior Leadership Counsel for the House of Representatives Republican Caucus.

Although retirement is not imminent, it is within Hoover's sights. This has prompted her to think about not only what she's learned from her past, but also about what will be next, post-retirement. Hoover will talk about the intricate balance between family, career, health and well-being and share lessons

she's learned — sometimes the hard way.

She remembers having two young boys and a student loan. She needed to work to help pay the bills.

"At different stages in my career, I had to balance my family life and health," she said, adding sometimes there just wasn't time to put herself first.

"I had no time for the gym as a working parent. I learned how to take care of yourself, to balance that," she said. "Today, many times I bring all three meals from home to work."

It's not always easy as pizza and sandwiches and snacks are constantly circulating within the office, compounded by a free candy machine right outside her door.

Upon an eventual retirement from politics, she intends to pursue health coaching. She contracted a painful health issue five years ago, and had to change her life habits. She now makes sure to take the time for a healthy breakfast, lunch and dinner, as well as daily exercising, not so easy during the state legislative session now underway.

Hoover and her family have lived in

■ SEE SEMINAR, PAGE B2

SPONSORED CONTENT

THURSTON-LEWIS-MASON CENTRAL LABOR COUNCIL

Lewis County, Washington Issued 'AA' Ratings for Woody Biomass Opportunity Zone

The skilled forestry workforce, infrastructure and access to markets are key to sustainable economic growth.

In a groundbreaking announcement, the Economic Alliance of Lewis County and Ecostrat proudly introduce the newly designated Lewis County Bioeconomy Development Opportunity (BDO) Zone. This milestone marks the first 'AA' BDO Zone rating in Washington State for Pulpwood, Forest Residues, and Sawmill Residuals, signifying a major leap in the region's commitment to bio-based projects and sustainable economic development.

The Lewis County BDO Zone boasts "very high quality" fiber supply chains and stable lumber markets, featuring at least ten companies with dedicated pulpwood chipping capacity. Covering Centralia and generating an impressive 600,000 bone-dried tons of woody biomass annually, the region's industrial infrastructure is primed for large-scale bio-based initiatives.

The BDO Zone rating is an internationally recognized standards-based technical risk assessment of biomass feedstock, supply chain, and infrastructure risk regarding the development potential of new biofuel, renewable chemical, biogas, and bioproduct plants. Lewis County's



achievement in obtaining an 'AA' rating is expected to attract new bio-based manufacturing plants, creating employment opportunities, and fostering sustainable growth.

The Economic Alliance of Lewis County, a public-private partnership, has played a pivotal role in supporting economic vitality by assisting over eighty firms to locate in the region, providing over 2,300 jobs to the community. The BDO Zone Initiative, certifying regional readiness for bio-based manufacturing, connects project developers globally and creates opportunities for clean energy initiatives.

Labor unions and forestry workers in Lewis County are

poised to benefit significantly. Bio-based projects expected to be attracted by the "AA" BDO Zone rating opens up new employment opportunities within the forestry and manufacturing sectors. As the demand for biomass and sustainable resources increases, so does the need for skilled workers in forestry, logging, and wood processing.

As the county becomes a focal point for sustainable economic growth, the collaboration between the Economic Alliance of Lewis County, Washington State Building & Construction Trades, and Forestry Workers is integral to ensuring that the benefits of this achievement are maximized for the entire community.

Lewis County's dedication to fostering prosperity, sustainability, and a resilient future through bio-based manufacturing sets a powerful precedent for environmentally conscious economic development. As stakeholders collaborate to harness the benefits of this achievement, the region stands poised for a new era of growth, employment opportunities, and advancements in clean energy solutions.

To learn more, go to the Bioeconomy Development Opportunity Zone Initiative.

MEMBER SPOTLIGHT



A wedding party emerges from the auto museum.



The outside of the venue shows off a few cars.

Photos Provided by Jester Auto Museum & Event Center

Jester Auto Museum & Event Center

Venue showcases classic cars, boats, motorcycles and even planes

BY THE ECONOMIC ALLIANCE OF LEWIS COUNTY

Jester Auto Museum & Event Center recently hosted the Economic Alliance of Lewis County’s annual banquet, and is our newest member.

The center can seat 300 people, and regularly hosts corporate events, private parties, galas, weddings and celebrations of life.

“We could not be more pleased with

the event for our annual banquet,” said Richard DeBolt, Economic Alliance of Lewis County executive director. “The classic cars and boats on display give everyone something to talk about during the social hour. The sound system, catering and service was superb.”

The building is one part event center, one part private auto museum, with more than 45 impeccable classic cars and boats.

For weddings, the center offers seating for 300, portable bars, sound system with cordless mics, four big-screen televisions, a large catering room and a classy bride and groom suite.

Private party events can book up to

eight hours with the same amenities. For a hot summer day, the center is fully air conditioned.

Deb Corbin has been managing Jesters for the past two years. She has known owner Don Jester for more than 40 years, going back to their days in the Alaska fishing industry (Jester had a fleet of fishing boats, she ran canneries).

Corbin, 64, loves her job. This past week she was onboarding a 1913 Indian motorcycle.

“It’s amazing — the cars. They trigger memories, probably the best part of the center,” she said.

But it’s not just the fancy cars, boats, motorcycles and planes that make her

job worthwhile.

“There’s a lot more enjoyable than there is bad,” she said. “I love to work with the people.”

Corbin also appreciates her new partnership with the Economic Alliance.

“It’s a great association and what it stands for,” she said. “They’ve come to Jesters for quite a few years. They are a great group of people — easy to work with.”

If You Want to Go:

Address: 321 Hamilton Road, Chehalis
 Contact: (360) 269-1312 or
 jesterautoandevents@gmail.com

Discover the Grand Finale

How to End Your Winter Season with Unforgettable Experiences

BY LENE LANGDON

Tourism Alliance of Lewis County Program Coordinator

Get ready to wrap up winter in Lewis County with a bang. This snowy wonderland transforms into a playground of frosty fun and lively shindigs just before spring peeks in.

Don your warmest mittens and your cheeriest smile; we’re about to dive into a blizzard of unmissable events that’ll make the season’s finale epic!

Twilight Snowshoe Extravaganza at White Pass Ski Area

Ever danced with snowflakes under the moonlit sky? Now’s your chance. The Twilight Snowshoe Tour is your ticket to a magical winter wonderland at White Pass Ski Area. You’ll be gliding through a snow-globe world, led by guides who know the Cascades like the back of their mittens. Wander through stunning forests, sneak peeks at Leech Lake, and tiptoe along the Pacific Crest Trail. Join the snowshoe party on Saturday, Feb. 25, from 4:15 p.m. to a star-studded 6:15 p.m.

Winter Carnival Extravaganza

Kick-off March with a snow castle so grand it could be King Winter’s abode. Saturday, March 2, is when the Winter Carnival unfolds its snowy gates at White Pass Ski Area. Marvel at a castle built by the coolest volunteers around — open from 10 a.m. to 5 p.m. for your royal inspection. And hey, why not slide down its tubing lanes while you’re at it? Got little snow princes and princesses? The Kids’ Obstacle Course Race at 11 a.m. will

crown the bravest knights of winter. As the sun dips, hit the slopes for night skiing from 2 to 8 p.m. And the grand finale? A Torchlight Parade and fireworks that’ll outshine the stars, followed by a dance-off with Merritt and Bill’s toe-tapping tunes.

Go Wild, Go Free: WA State Parks Day

Circle March 9 and 19 on your calendars, folks — the great outdoors is calling, and it’s toll-free. Washington State Parks are rolling out the green carpet — no fees, no passes, just pure nature.

Ladies Night and A Night of Magic

Gather the gals for Ladies Night on March 9, where downtown Chehalis becomes your playground from 2 to 7 p.m. Begin your enchanting evening at the Vintage Grand Room and strut over to The Loft for “The Night of Magic.” Magician Jeff Evans is ready to bedazzle you with tricks up his sleeve while you dine in style. Grab your tickets, and don’t miss out on the magical mingling.

Lewis County’s Winter Finale Fiesta

But wait, there’s more. Lewis County doesn’t do dull — from ice skating to snowmobiling, there’s a flurry of frosty fun to be had. Keep your eyes peeled for spontaneous winter fests and chilly thrills.

For the snow warriors, the adrenaline junkies, and the cocoa-sipping snugglers, Lewis County is your winter wonderland. Shake off the hibernation blues and join in the season’s snowy send-off. Discover the joys of wintering in Lewis County — it’s where the cool crowd celebrates!



White Pass Ski Area

White Pass Ski Area features a snow castle during its Winter Carnival Extravaganza March 2.



Discover Lewis County

Enjoy a free entrance to state parks on March 9 and 19, including a visit to Rainbow Falls State Park.

CHAIR:

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representatives from Fortescue, the Renewable Hydrogen Alliance, FirstMode, Lewis County Transit and the Center of Excellence for Clean Energy, as well as Lewis County Commissioner Lindsey Pollock.

In her remarks, Centralia Mayor Kelly Smith Johnston said long-term residents “know we’ve taken our hits. We’ve been an impoverished, struggling community for decades. It’s time for us to thrive,” Smith Johnston said, as reported

in The Chronicle.

This was an important event and it fulfilled my commitment as the chair of the Economic Alliance to provide an opportunity to hear questions from the community and have well-versed people available to answer some of those questions. Not all questions have been answered by any means; there are lots of moving parts to the different clean energy economies that are emerging right now.

The overwhelming majority of those in attendance appreciated the opportunity and felt it was informative. I encour-

lis, and loves to run and walk on Lewis County trails.

Mary Ferris of Rainier Eye

Ferris is a panelist at the seminar. She’ll share the need for “constant grit” as a working woman. Most of her staff are women. They cover each other when

age any in opposition to this developing industry to continue to look at what other areas are doing. Hydrogen is a rapidly growing clean energy economy across the U.S. and the world.

Lewis County is in an advantageous time and place to be a part of this new emerging market. If it works out, we are poised to benefit from it for many years to come.

Continuing into the New Year, I’m excited to see more things developing for our community, including the upcoming start of construction on the Port of Chehalis grain storage project, Centralia Sta-

working and balancing raising families. “We build a work culture where family is important,” she said. “It sometimes takes a village of partners, friends and neighbors. You get creative.”

Her staff is dedicated to the success of the business, but sometimes life gets in the way. One of her staff, for example, had a two-year-old with a fever. Work

tion and an uptick in construction jobs.

Right now the federal stage looks a bit bleak to me. We’re staring down another election cycle that will certainly contain lots of mudslinging. We have questionable legislation and workarounds on border laws happening that are upsetting wide swaths of people and will seriously damage our country if left unchecked.

Despite this, I’m hopeful for our community. We have the time and ability to affect change in our backyards, while being content with what we’re given and doing our best to be good stewards of the resources in our grasp.

was calling. The office got a dog bed and let the child rest with a blanket, all helping to watch the child. Work got done. “We needed her,” Ferris said. “We came up with creative solutions.”

Cost for the seminar is \$10; you can pre-register by calling Dolly with the Economic Alliance at 360-748-0114.

SEMINAR:

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Chehalis since 2016. Her children are proud W.F. West Bearcats. When the Legislature is not in session, she works remotely from her home office, rides horses at Acres of Arabians in Cheha-

COMMERCIAL PROPERTY SPOTLIGHT • BISHOP ROAD WAREHOUSE

1441 Bishop Road, Chehalis • \$4 million

Rare find with this optimally located warehouse minutes off the Interstate 5 corridor. This 24,000-square-foot warehouse sits on 2.73 acres. The building features three dock level doors, three grade level doors, three-phase power, 25 to 28 foot tall ceilings, about 1,300 square feet of office space, about an acre of paved lay down yard space in the rear and on the side of the warehouse with potential yard expansion of 15,253 square feet, a large internal crane system and much more. Zoning allows for multiple uses. Listed by Century 21, Lund Realtors.



ERIC SONNENBERG
Economic Alliance of Lewis County External Relations Manager



For information on this property and others available throughout Lewis County (or to list your industrial/commercial property for sale), contact Economic Alliance of Lewis County External Relations Manager Eric Sonnenberg at eric@lewiscountyalliance.org or 208-206-5407.

HOUSING:

Continued From Page B1

Lewis County Real Estate Market Statistics

Total Active Listings

January 2024 — 199
January 2023 — 183
Up 8.74%

Pending Sales

January 2024 — 80
January 2023 — 109
Down 26.61%

Closed Sales

January 2024 — 45
January 2023 — 58
Down 22.41%

Median Price

January 2024 — \$395,000
January 2023 — \$390,000
Up 1.28%

Months of Inventory

4.42

— Source: Northwest Multiple Listing Service

5. Home values in markets that crashed will recover

During the pandemic there were a number of more affordable markets across the country that experienced significant price increases, followed by price declines post-pandemic. I expected home prices in those areas to take longer

to recover than the rest of the nation, but I'm surprised by how quickly they have started to grow, with most markets having either matched their historic highs or getting close to it – even in the face of very high borrowing costs. In 2024, I expect prices to match or exceed their 2022 highs in the vast majority of metro areas across the country.

6. New construction will gain market share

Although new construction remains tepid, builders are benefiting from the lack of supply in the resale market and are taking a greater share of listings. While this might sound like a positive for builders, it's coming at a cost through lower list prices and increased incentives such as mortgage rate buy downs. Although material costs have softened, it will remain very hard for builders to deliver enough housing to meet the demand.

7. Housing affordability will get worse

With home prices continuing to rise and the pace of borrowing costs far exceeding income growth, affordability will likely erode further in 2024. For affordability to improve, it would require either a significant drop in home values, a significant drop in mortgage rates, a significant increase in household incomes, or some combination of the three. But I'm afraid this is very unlikely.

First-time home buyers will be the hardest hit by this continued lack of affordable housing.

8. Government needs to continue taking housing seriously

The government has started to take housing and affordability more seriously, with several states already having adopted new land use policies aimed at releasing developable land. In 2024, I hope cities and counties will continue to ease their restrictive land use policies. I also hope they'll continue to streamline the permitting process and reduce the fees that are charged to builders, as these costs are passed directly onto the home buyer, which further impacts affordability.

9. Foreclosure activity won't impact the market

Many expected that the end of forbearance would bring a veritable tsunami of homes to market, but that didn't happen. At its peak, almost 1-in-10 homes in America were in the program, but that has fallen to below 1%. That said, foreclosure starts have picked up, but still remain well below pre-pandemic levels. Look for delinquency levels to continue rising in 2024, but they will only be returning to the long-term aver-

age and are not a cause for concern.

10. Sales will rise but remain the lowest in 15 years

2023 will likely be remembered as the year when home sales were the lowest since the housing bubble burst in 2008. I expect the number of homes for sale to improve modestly in 2024 which, combined with mortgage rates trending lower, should result in about 4.4 million home sales. Ultimately though, demand exceeding supply will mean that sellers will still have the upper hand.

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About Matthew Gardner

As Chief Economist for Windermere Real Estate, Matthew Gardner is responsible for analyzing and interpreting economic data and its impact on the real estate market on both a local and national level. Gardner has over 30 years of professional experience both in the U.S. and U.K.

In addition to his day-to-day responsibilities, Matthew sits on the Washington State Governor's Council of Economic Advisors; chairs the Board of Trustees at the Washington Center for Real Estate Research at the University of Washington; and is an Advisory Board Member at the Runstad Center for Real Estate Studies at the University of Washington where he also lectures in real estate economics.

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WOMEN IN BUSINESS SEMINAR

MARCH 19TH, 2024
1PM-3PM
AT THE LOFT
547 NW PACIFIC
CHEHALIS

PRE-REGISTER BY CALLING DOLLY AT 360-748-0114

Keynote Speaker
Cathy Hoover
House Republican
Senior Leadership Counsel

Panel of local speakers

- Joy Templeton- Once Upon a Thyme
- Heidi Pehl- I-5 CARS
- Mary Ferris- Rainier Eye
- Lisa Perry- Sierra Pacific
- Event MC - Kelly Johnston - Centralia Mayor

\$10

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