



**LIBERTY LAKE – 2046**

**DRAFT CITY OF LIBERTY LAKE**

**ECONOMIC  
DEVELOPMENT  
ELEMENT**

**FOR THE 2026 COMPREHENSIVE PLAN**

September 19, 2025

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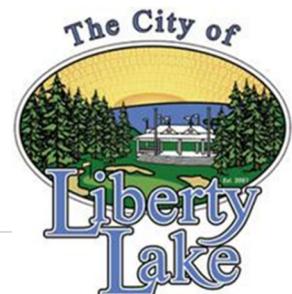
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## A. Introduction

The economy plays a central role in maintaining the vitality and quality of life within a community. A healthy economy creates good paying jobs and helps provide economic opportunities to all citizens. The economy also supports the tax base, providing for schools, police, fire protection, parks, and many other community facilities and services.

The importance of economic development is recognized in state legislation by the inclusion of economic development as one of the planning goals intended to guide local comprehensive plan development, as well as being included as a policy topic in the Countywide Planning Policies for Spokane County. The Growth Management Act (GMA) establishes the following as economic development goals for the State of Washington.

- Encourage economic development that is consistent with adopted comprehensive, strategic, and operational plans.
- Promote economic opportunity for all citizens of the state, especially for unemployed and disadvantaged people.
- Encourage growth in areas experiencing insufficient economic growth.
- Ensure economic growth occurs within the capacities of the state's natural resources, public services, and public facilities.

The City of Liberty Lake is known as a desirable place to live, work, and play. One of the most important factors that determine whether people or businesses locate here is the area's livability. Among the factors that influence livability are the area's ability to provide employment opportunities, viable businesses that provide goods and services, the quality of public services, the area's natural beauty, good schools, strong neighborhoods, and efficient traffic circulation. Maintaining our community's livability requires that we maintain a strong, sustainable, economic climate.

The purpose of the Economic Development Element is to present goals and policies that support and encourage a strong, vibrant economy. The element focuses on business startup, business retention, expansion and recruitment, regional collaboration, income, education, training, and tourism. While this element focuses on these specific topics, it is important to recognize that the Comprehensive Plan as a whole can be considered as an economic development tool.

## B. Economic Development Goals & Policies

**Economic Development Goal 1:** Maintain a healthy and sustainable local economy.

**Policy 1.1:** Prepare and implement a local economic development strategy in consultation with local businesses, regional economic development organizations, property owners, and residents.

**Policy 1.2:** Work with economic development and community organizations as well as businesses and community members to establish specific evaluation methods that will

annually measure the community’s overall quality of life and economic viability. The following issues, among others, should be considered when developing indicators to establish evaluation goals:

- a. Quality of life issues such as crime rate, schools, childcare, health care, roads and infrastructure, affordable housing, employment opportunities, and cultural amenities; and
- b. Economic development issues such as wages; per capita personal and median household income, percentage of population below poverty level, business formation, expansion and retention, economic base, and education.

**Policy 1.3:** Support economic development efforts that target employment opportunities that:

- a. Provide good living wages;
- b. Help diversify the economy; and
- c. Capitalize on the strengths of the region.

**Policy 1.4:** Continue to support the start-up, retention, expansion, and recruitment of businesses.

**Policy 1.5:** Provide consistent, fair, and timely regulations that are flexible, responsive, and effective.

**Policy 1.6:** Periodically review and update policies, permit processes and regulations to provide a business climate conducive to new and start-up businesses.

**Policy 1.7:** Continue to encourage creation and retention of home- based businesses that are compatible with residential neighborhoods.

**Policy 1.8:** Work with local and regional Chambers of Commerce, economic development agencies, business associations and local development groups to support patronage of local businesses.

**Policy 1.9:** Provide for the option of Tax Increment Financing (TIF), and Local Infrastructure Financing Tool (LIFT) when appropriate and available to support infrastructure development and preservation in support of economic development.

**Policy 1.10:** Encourage educational institutions to locate in the City of Liberty Lake, especially those that provide Science, Technology, Engineering, Arts, and Math (STEAM) education, technical training, internships, and apprenticeship programs to support local businesses and facilitate the development of skills essential to our future labor force.

**Policy 1.11:** Support and encourage K-through-12 education to include skills-based training and creative partnerships with business.

**Policy 1.12:** Encourage an interactive relationship between schools and businesses through apprenticeship, mentoring, and other programs.

**Policy 1.13:** Identify and pursue sustainable funding sources, such as grants, public-private partnerships, and innovative financing mechanisms, to foster and support economic development initiatives and partnerships.

**Policy 1.14:** Actively encourage tourism by promoting Liberty Lake’s natural beauty, recreational opportunities, cultural events, and community amenities to attract visitors and strengthen the local economy.

**Policy 1.15:** City policies and development regulations should be periodically evaluated and updated to reduce barriers and incentivize the retrofitting of vacant and/or underutilized structures for commercial, industrial buildings or residential uses. Consider opportunities to promote and incentivize infill development and redevelopment of vacant or under-utilized commercial and industrial properties to optimize existing infrastructure, stimulate economic activity, and support efficient use of land and resources.

**Policy 1.16:** Collaborate with local hospitality businesses, regional tourism organizations, and nonprofit partners, utilizing sustainable funding sources such as lodging tax revenues, to support coordinated tourism marketing and visitor services.

**Policy 1.17:** Utilize accurate, timely, and relevant data to inform and evaluate economic development strategies, policy decisions, and resource allocation, ensuring transparent, measurable, and effective outcomes.

**Policy 1.18:** Evaluate existing barriers to locating and operating childcare facilities within the City and revise regulatory allowances to support expanded access and availability of childcare services to the greatest extent permitted under Washington State law.

## **C. Employment Trends and Forecasts**

### **Employment by Industry**

According to the recent Census data, Liberty Lake had an estimated 7,901 employees working within City limits, with a more diverse mix of employment sectors than in 2002 (the most recent Census employment data available). The City has seen significant job growth in the majority of its sectors (see **Figure 1**, below).

**Figure 1: City of Liberty Lake Percentage Change by Industry from 2002 to 2022 (Education Adjusted)**

<b>Industry</b>	<b>2002 Share</b>	<b>2022 Share</b>	<b>2002 Count</b>	<b>2022 Count</b>
Agriculture, forestry, fishing and hunting, and mining	0.04%	0.00%	2	0
Construction	1.04%	2.94%	53	232
Manufacturing	38.97%	21.28%	1,991	1,681
Wholesale trade	0.67%	4.92%	34	389
Retail trade	14.76%	11.16%	754	882
Transportation and warehousing, and utilities	0.20%	0.27%	10	21

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Information	0.51%	3.10%	26	245
Finance, Insurance and Real Estate (F.I.R.E)	18.40%	21.77%	940	1,720
Professional, scientific, and management, and administrative and waste management services	13.70%	12.67%	700	1,001
Educational, health care and social assistance	2.47%	12.13%	126	958
Arts, entertainment, and recreation, and accommodation and food services	5.05%	8.05%	258	636
Other services, except public administration	4.03%	0.94%	206	74
Public administration	0.18%	0.78%	9	62
<b>Totals</b>	<b>100.00%</b>	<b>100.00%</b>	<b>5,109</b>	<b>7,901</b>

*Source: U.S. Census LEHD 2002-2022, Leland Consulting Group, SCJ Alliance*

Finance, Insurance, and Real Estate (F.I.R.E.) is the City’s largest employment sector, comprising 1,720 jobs and 21.8% of all jobs in Liberty Lake in 2022. This sector has added 780 new jobs since 2002. While Manufacturing is the City’s second-largest sector, with 1,681 jobs, it has lost 310 jobs compared to 2002 (Figure 1). Manufacturing now represents only 21.3% of all jobs, compared to 39% in 2002. The fastest growing sector in the City is Wholesale Trade, which grew by 658%, jumping from only 34 jobs in 2002 to 389 jobs in 2022.

The largest employment sectors in Liberty Lake are:

- a. Finance, Insurance, and Real Estate (F.I.R.E.) (22.5%)
- b. Manufacturing (22%)
- c. Services (Professional, Administrative, Scientific, Managerial, Waste Management) (13.1%)

Liberty Lake’s top employment sectors of F.I.R.E and Manufacturing employ a much higher percentage of the workforce compared to Spokane County and Washington State.

A considerably lower percentage of the labor force works in transportation, warehousing, utilities, education services, and healthcare compared to Spokane County and Washington.

### **Employment Forecasts**

Employment projections for Liberty Lake were developed using three methodologies, after correcting the historic data for the education discrepancies discussed above. The methodologies were:

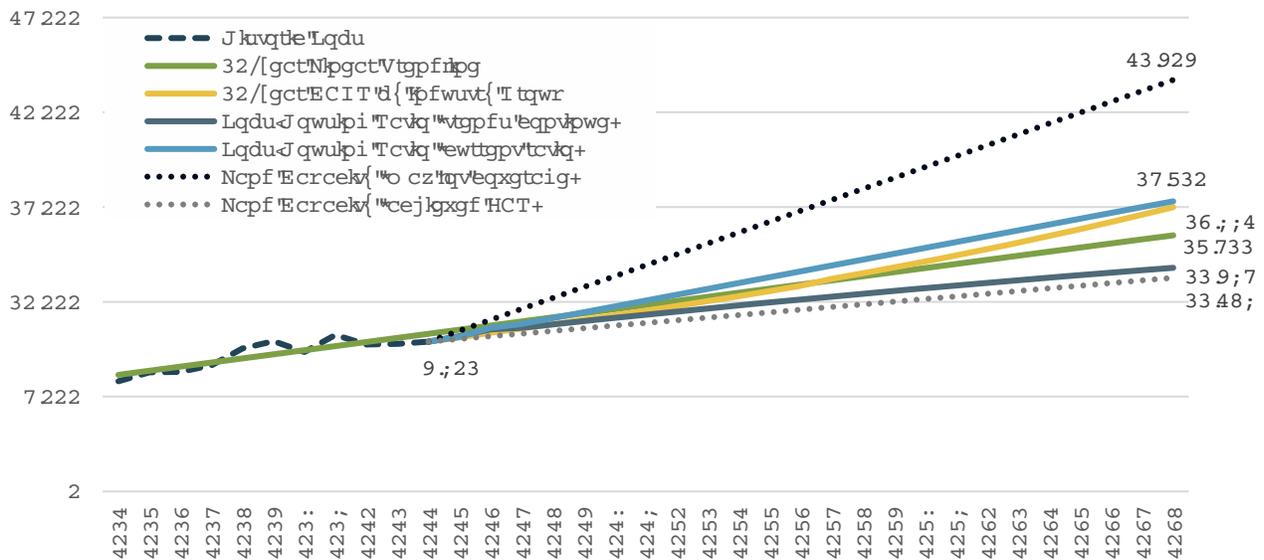
- Trend-Based Forecasts
  - Linear trend to 2046 based on historic 10-year total employment numbers
  - 2046 projections based on compound annual growth rates by industry group over the past 10 years
- Jobs to Housing Ratio
  - 2046 projections based on current jobs-to-housing ratio and 2046 housing unit targets
  - 2046 projections based on a continuation of past jobs-to-housing ratio trends
- Land Capacity
  - 2046 capacity based on the City’s Land Capacity Analysis and achieved commercial densities

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- 2046 capacity based on the City’s Land Capacity Analysis and allowed commercial densities

**Figure 2** below shows the results of each of the employment projections together in a linear chart, and shows net new job projections based upon employment for vacant commercial and industrial lands, as based upon different development densities. Based on this analysis, Liberty Lake is likely to see between 3,894 and 7,409 net new jobs in the next twenty years, for a total of between 11,795 and 15,310 jobs by 2046. Currently, there are 7,901 jobs in the City. The land capacity analysis demonstrates that there is adequate land to support this range of projected employment growth over the next 20 years. The full employment projection analysis is detailed in **Appendix X**.

**Figure 2. Combined Liberty Lake Employment Forecasts, 2022-2046**



Source: U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD), via Census on the Map, Washington Office of Superintendent of Public Instruction SAFS Data Files, Washington State Fiscal Information: K-12 Public Schools: District Staffing & Finance Data, Washington Office of Financial Management, City of Liberty Lake Land Capacity Analysis, City of Liberty Lake Zoning Code, U.S. Energy Information Administration Commercial Buildings Energy Consumption Survey (CBECS), Leland Consulting Group

**D. Employment Land Capacity**

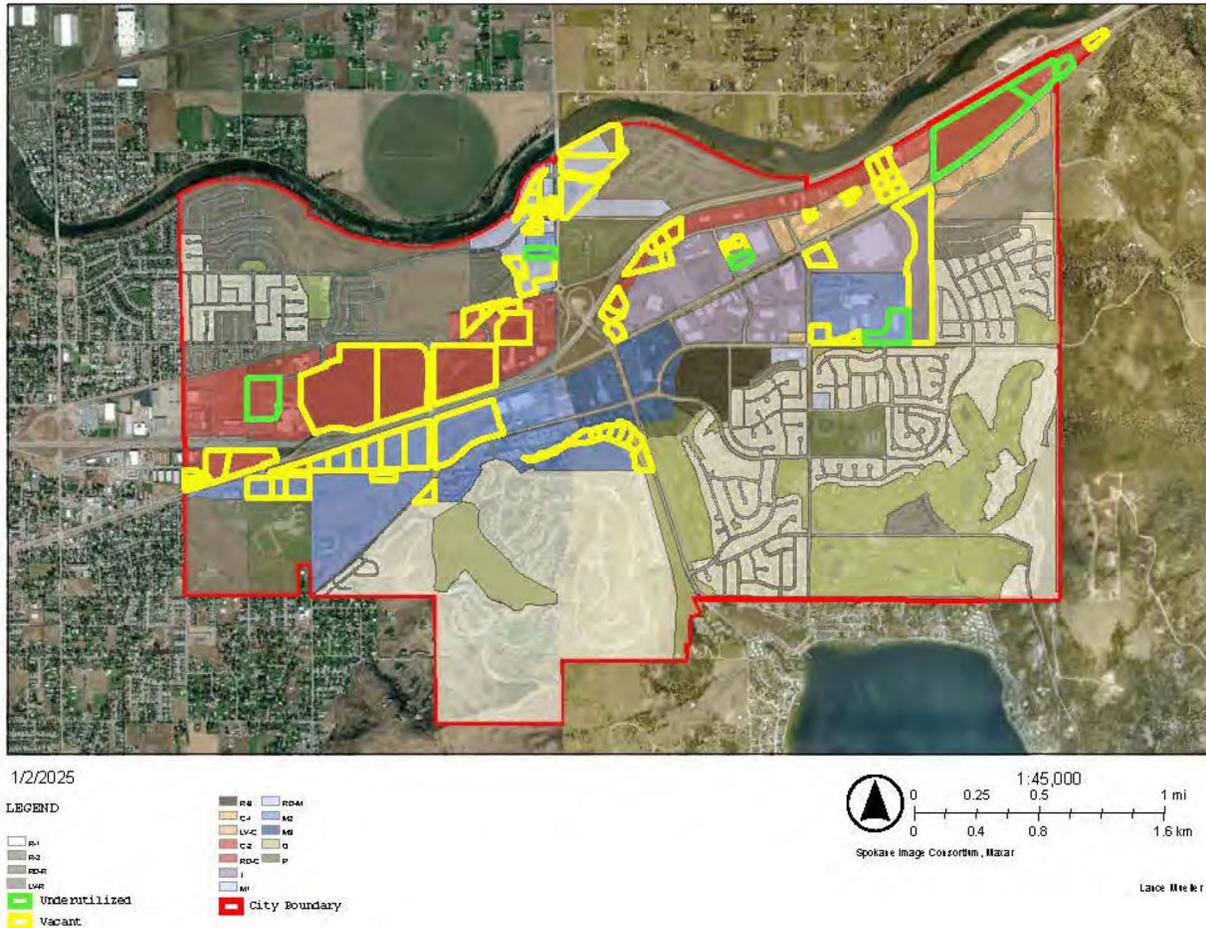
Each potential business has its own unique set of location requirements. Sites must be available in a range of sizes and locations with appropriate zoning and compatible surrounding land uses. Infrastructure availability is one of the most critical factors to encourage economic development. Sewer, water, transportation facilities, and communications facilities must be available or easily obtained. For attracting industrial uses, an adequate supply of usable industrial land unencumbered by conflicting land uses and/or environmental constraints is important.

As part of the 2026 Comprehensive Plan update, Liberty Lake conducted a Land Capacity Analysis which showed sufficient land capacity to meet the City’s housing targets. This analysis

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also contained an accounting of the available acreage for commercial and industrial development over the planning horizon, a total of 425.06 acres across seven zones. The map below shows the location of vacant and underutilized commercial and industrial land in the City. Underutilized lands are parcels or structures that are developed significantly below their potential based on zoning, market conditions, infrastructure capacity, or economic productivity.

**Figure 3: Vacant & Underutilized Commercial & Industrial Properties in Liberty Lake, 2025**



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In order to determine job capacity on this acreage, a range of potential development densities was developed. The floor area ratio (FAR) that can be achieved based on development regulations in Liberty Lake’s commercial and industrial zones ranges from 3.5 to 4.2, with allowed heights of up to five or seven stories. However, in reality, no commercial development has been built in the City that approaches this density. Analyzing achieved densities of commercial structures shows a range of FAR between 0.12 and 0.24, depending on zone. In order to develop an estimate of potential jobs on vacant and underutilized land that was higher than the achieved density, but below the maximum allowed, FAR assumptions were also developed based on a hypothetical one-story building that fills the maximum area allowed in the zoning code. This resulted in an FAR of between 0.6 and 0.7, depending on zone.

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These potential densities were then multiplied by an assumption of square feet per job based on the types of commercial uses allowed in each zone (e.g. retail, industrial, office) and standard job densities drawn from the U.S. Energy Information Administration’s Commercial Buildings Energy Consumption Survey. Overall, on the 425.26 acres of vacant and underutilized commercial and industrial land in Liberty Lake, there is the capacity for at least 3,368 new jobs (using densities achieved to date) and potentially up to 13,806 new jobs (assuming maximum lot coverage). Note that if multistory commercial development occurred, the potential capacity could be even higher, though this is unlikely due to market trends.

**Figure 4: Land Capacity for Jobs in Liberty Lake, 2020-2046**

Zone	Available Acres	Allowed FAR (5-7 Stories)	Medium FAR (1 story, max lot coverage)	Achieved FAR	Sq Ft / Job	Jobs/Acre (Medium FAR)	Net New Jobs (Medium FAR)	Jobs/Acre (Achieved FAR)	Net New Jobs (Achieved FAR)
C-1	7.96	4.2	0.60	0.20	1,050	24.9	198	8.3	66
C-2	116.42	4.2	0.60	0.12	1,200	21.8	2,536	4.4	507
I	43.5	4.2	0.60	0.24	1,200	21.8	947	8.7	379
I/C-2	21.94	4.2	0.60	0.18	1,200	21.8	478	6.5	143
M-2	115.11	3.5	0.70	0.16	600	50.8	5,850	11.6	1,337
RD-C	79.83	4.2	0.60	0.12	1,200	21.8	1,739	4.4	348
RD-M	40.5	3.5	0.70	0.20	600	50.8	2,058	14.5	588
<b>Total</b>	<b>425.26</b>						<b>13,806</b>		<b>3,368</b>

*Source: City of Liberty Lake Land Capacity Analysis, City of Liberty Lake Zoning Code, U.S. Energy Information Administration Commercial Buildings Energy Consumption Survey (CBECS), Leland Consulting Group*

Based upon Liberty Lake’s projected job growth of 3,894 to 7,409 net new jobs in the 20-year planning period, this analysis demonstrates that the City has sufficient commercial and industrial land under current zoning to reach the projected employment levels.

## E. Economic Development Strategies

### **Sustainable Regional Economic Development**

While the City serves as the greatest advocate for local economic development, it also partners with several regional organizations, such as the Greater Spokane Incorporated, the regional Associated Development Organization (ADO) for economic development, as well as one of the regional Chambers of Commerce that helps attract, create, and retain quality jobs for the region; the Greater Spokane Valley Chamber of Commerce, which helps promote businesses located in eastern Spokane County and provides leadership to create an environment in which members, businesses, and the community can succeed; Idaho Jobs Plus, which is a Coeur d’Alene Area Nonprofit Economic Development Corporation; Inland Northwest Partners, a regional consortium of public and non-profit agencies working together to promote regional economic development; and Visit Spokane, a regional not-for profit that promotes economic development through expanding the regional tourism. By focusing on common goals and

allocating resources accordingly, government and private organizations can work together regionally to maximize successful business start-up, retention, expansion and recruitment efforts, and tourism promotion within our community.

**Local Economic Development Strategies**

The City recognizes that economic development can be significantly influenced by factors within its direct control, including the regulatory framework, infrastructure quality, transportation networks, public safety, community amenities, education, childcare availability, and overall quality of life.

The City develops a Strategic Plan every four (4) to five (5) years. The City's current and future Strategic Plans are developed to directly align with and support the implementation of goals and policies outlined in this Comprehensive Plan. By ensuring consistency between the Comprehensive Plan and future strategic and operational plans, the City effectively coordinates economic development initiatives, decision-making processes, and resource allocation, fostering cohesive and unified progress toward community objectives.

Liberty Lake maintains a regulatory environment that is predictable, clear, efficient, flexible and responsive, ensuring businesses experience consistency in permitting and land-use decisions. Infrastructure investments in a well-maintained transportation network, and modern communication facilities—are prioritized to meet current business needs and support future growth.

The City invests in high-quality public safety services and community amenities, including parks, trails, and recreational opportunities, contributing directly to Liberty Lake's appeal as a desirable location for both employers and residents. Additionally, Liberty Lake proactively supports educational excellence and accessible childcare services, acknowledging these as critical quality-of-life components necessary to attract and retain skilled workers and families.

By strategically managing these drivers, the City creates a competitive advantage for business retention, expansion, and recruitment, thereby fostering sustainable economic growth and community prosperity.

**Income**

One of the primary reasons to pursue economic development is to increase the standard of living and quality of life for the citizens and businesses located in City of Liberty Lake. A key policy in this economic development element is to create more living-wage jobs. A strategic approach in the pursuit of new jobs is to support the recruitment, retention, and expansion of the types of industries that provide quality, good-paying jobs, and improve the quality of life for its residents

**Qualified Labor Force**

Qualified labor is essential to retain and recruit businesses. The basic cornerstone in the development of a qualified labor force is access to education. Located near the City of Liberty Lake and the surrounding area is a diverse group of higher-education facilities, including

community colleges, universities, and private technical and business schools. These schools, as well as the K-through-12 public and private schools, should be encouraged to constantly evaluate their programs to be responsive to the changing job market. Partnerships between business and the educational community should be encouraged and nurtured by the City and its economic development partners to further this process. Businesses should be encouraged to partner with organizations and educational institutions to develop specialized training programs and apprenticeship programs to meet the needs of employers.

### **Tourism**

The cultural, recreational, and scenic opportunities in the region make tourism an excellent provider of employment. Located either within the City or within an easy driving distance, visitors can enjoy lakes, golf, scenic mountains, community events, and an excellent trail system. Promotion and expansion of tourism serves as an economic development tool, bringing with it an infusion of outside dollars to the benefit of Liberty Lake businesses, as well as the City's revenue stream. The City partners with Visit Spokane, a regional non-profit, and other non-profits such as The Hub Sports Center, along with hotels and motels within the City to promote tourism within the City. The City utilizes lodging tax revenues as a means to finance the promotion of tourism within the City.

### **Infill and Redevelopment**

Infill and redevelopment programs provide an economic development tool to revitalize under-utilized or vacant parcels or structures. Infill development would develop or redevelop vacant or underutilized commercial or industrial structures or parcels of land that are already provided with services. Re-development policies help utilize existing structures before constructing new commercial or industrial buildings. Indicators of under-utilization of lands and buildings may include persistent vacancies, buildings or sites in disrepair, disproportionately low improvement-to-land value ratios, or properties generating minimal economic activity relative to their potential.

## **F. Implementation**

In order to fully implement the goals and policies detailed in this Chapter, it will be essential that the City evaluate and invest in economic development strategies that foster, promote and sustain a vibrant and resilient local economy.

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