Investing in Washington's Economic Future

ECONOMIC REVITALIZATION

CERB

2004 Legislative Report

Community Economic Revitalization Board

2003-05 BIENNIUM

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INVESTING IN WASHINGTON'S ECONOMIC FUTURE

Community Economic Revitalization Board

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I am pleased to introduce the 2004 Legislative Report of the Washington State Community Economic Revitalization Board (CERB). The report highlights activities and outcomes of the 2003-05 Biennium.

While Washington communities worked through 2004 to overcome the lingering effects of the state's most recent economic downturn, CERB approved nearly $8.7 million for public economic development infrastructure financing for 19 new projects that will yield 1,154 jobs in 11 counties. These projects will help boost local economies by generating an estimated $99 million in private capital investment and $5.7 million in new state and local tax revenue. The remainder of CERB's 2003-2005 Biennium funding will be allocated to projects during 2005.

CERB helps communities "connect the dots" to achieve economic goals. CERB also encourages innovative local strategies and collaboration. In 2004, the Port of Klickitat tapped CERB assistance for infrastructure to support development of related businesses with proximate locations as a significant regional industrial cluster. In Port Angeles, CERB helped fund completion of the North Olympic Peninsula Skills Center—a tangible outcome of Clallam County's industrial cluster strategy and the work of a countywide coalition to unite workforce education and training services with emerging business development opportunities. Both projects illustrate how industrial clusters can lead to improved product development and business practices, reduced transportation costs, responsive work force training, and positive gains in the competitive marketplace.

The tradition of trust in CERB to deliver resources as needs and opportunities emerge is the key to CERB's future. CERB is Washington's economic development trust fund and continues to make strategic economic investments in local communities. Future known demand for public economic development infrastructure over the next four years exceeds $58 million. To respond to future policy initiatives, trends and demand, CERB requires additional resources by July of 2007, when the program's largest funding source ends, dropping available funding by nearly 50 percent.

I am very proud of CERB's past contributions and future potential. CERB's record exemplifies commitment, excellence and results. On behalf of CERB members, I thank you for your continued support and invite you to help us be an effective financial source to enable future investments in Washington's economic development future.

Judith Boekholder, Chair
Community Economic Revitalization Board

Community Economic Revitalization Board

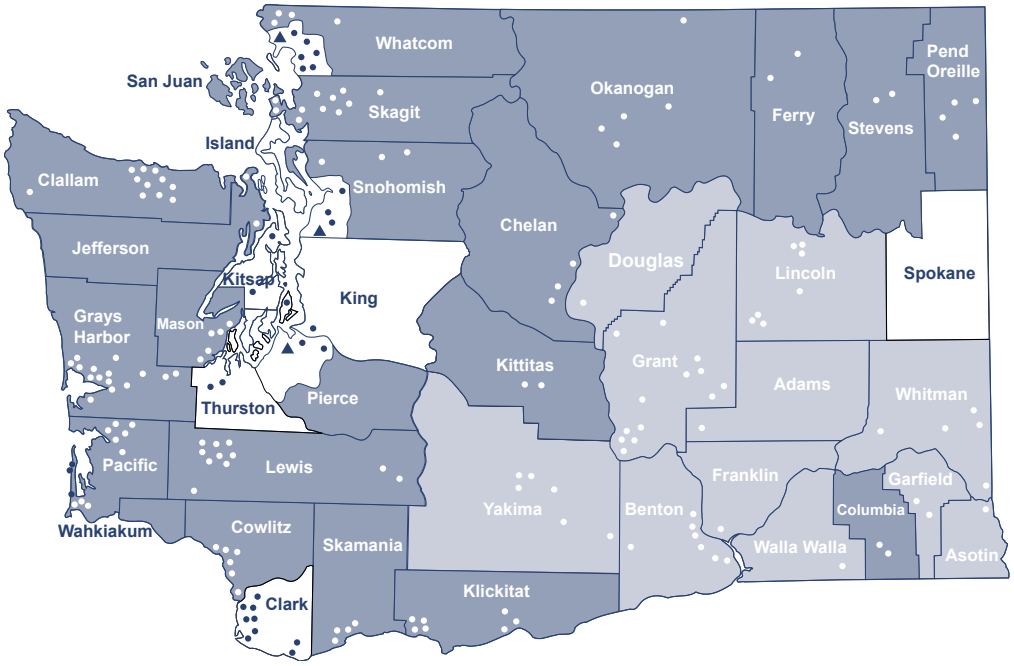
The Community Economic Revitalization Board (CERB) is a unique statewide economic development resource administered by the Department of Community, Trade and Economic Development (CTED). CERB assistance is valued because it helps communities:

- Respond rapidly to immediate business siting and expansion needs
- Build feasible industrial sites for future business development
- Target expansions in manufacturing, food processing, assembly, warehousing, industrial distribution, advanced technology, and other key sectors
- Spur creation and retention of higher wage jobs

Since 1982, CERB has encouraged new development and expansion in areas where growth is desired. The Legislature created CERB to provide low-interest loans (and in unique circumstances grants) to help finance the local public economic development infrastructure necessary to develop or retain stable business and industrial activity. These improvements include industrial water, general-purpose industrial buildings and port facilities, sanitary and storm sewers, industrial wastewater treatment facilities, railroad spurs, telecommunications, electricity, natural gas, roads, and bridges. CERB investments have been made in 35 counties since the program began.

The 20-member Board represents private and public sectors from across the state, as designated in statute. The Board sets policy and selects projects to receive CERB financing assistance. Administrative support to CERB is provided within the Economic Development Division of CTED. CERB's statutory authority is codified in Chapter 43.160 RCW.

CERB Funded Projects in Washington State, 1982-2004



- Rural Natural Resource (RNR) county (timber and salmon impact area)
- Rural county (population less than 100 per square mile)
- ▲ Urbanized area in metropolitan county excluded from RNR eligibility
- ● CERB project locations

Construction Jobs

Although jobs created during construction of CERB public infrastructure projects are not counted in CERB job totals, they have considerable statewide impact.

- *Each $1 million spent on new construction creates an additional 30.8 jobs, primarily in construction and other related industries.*
- *Each $1 million spent on new construction, generates an additional $2.25 in economic activity throughout the state.*
- *For CERB, these multipliers translate into 6,046[1] construction jobs and $620[1] million in additional economic activity based on total cumulative investment of $265 million in CERB projects[1].*

[1]Impact numbers are calculated over the past 22 years at present value. The $265 million total includes $97 million in CERB funds and $168 million in public and private funds leveraged as match for the CERB project.

CERB Investments and Returns

Since 1982, CERB has returned more to the state's economy than the $97 million it has invested:

- Creation and retention of nearly 22,000 jobs
- Over $2.3 billion in actual private capital investment in facilities, machinery and equipment by business and industry
- Generation of an estimated $57.8 million in new annual state and local taxes to help stabilize local economies and generate future income

Spurs Job Creation and Retention

CERB's investment in public facilities required by business and industry creates opportunities for job creation and retention. The Grays Harbor County and Port of Klickitat case studies on pages four and five illustrate how CERB investments in public infrastructure have helped industrial business developments retain existing jobs and create new jobs.

CERB's 22-year job total is a combination of new jobs plus retained existing jobs. According to the businesses, these 22,000 jobs would have been lost to the state without CERB's investment in the public infrastructure.

During the 2003-05 Biennium CERB approved 19 projects in 11 rural counties. These projects represent 1,154 full-time jobs and CERB investments totaling nearly $8.7 million. The private capital investment in business facilities for these projects is estimated at nearly $96 million.

CERB has helped strengthen businesses and communities by encouraging industrial sector developments. In CERB projects, the average wage created by industry almost always exceeds the average annual county wage rate.

Leverages Private Investment

CERB tracks the actual private sector investment in business facilities made as a result of the CERB project and compares it to the estimated private investment at the time of the CERB application. CERB investments leverage private capital at a ratio of 23 to 1.

Generates New Tax Revenue

Since 1991, CERB applicants have been asked to estimate how much state and local tax revenue the project will generate if funded. To date, these state and local estimates from property, business and occupation, and retail sales tax revenue equal $57.8 million. These new sources of revenue help local governments provide services to their communities.

In 2004, CERB began asking applicants whose projects have been funded to report actual new tax revenue generated as a result of the catalytic effect of improved infrastructure on business developments. Although the sampling is small, the actual average annual new tax revenue generated per CERB project is $409,600.

Accelerates Assessed Value

In 2002, CERB started tracking how its economic development infrastructure investments affect the value of land and buildings and subsequent business developments that occur. Assessed valuation growth ranges from 1.1 to 66 times baseline assessed value at the time of application. This growth in revenue through increased assessed value is illustrated in the case studies for Grays Harbor County and the Port of Klickitat.

Case Study: Grays Harbor County

VALUE-ADDED FOREST PRODUCT BUSINESS DEVELOPMENT IN GRAYS HARBOR COUNTY

Two value-added forest products companies are doing business in Grays Harbor County with no worries about future industrial water supply. The Aberdeen Industrial Waterline project, initiated in 1999 with CERB and other state, federal and local funds, provided the industrial water needed by Grays Harbor Paper and Sierra Pacific Industries. The paper mill in Hoquiam, owned by Grays Harbor Paper since 1993, is in business, in part, because of the waterline, its sole source of six million gallons per day of industrial water. Sierra Pacific Industries, a new value-added lumber mill, also relies on the regional, inter-jurisdictional industrial water system.

Grays Harbor County was awarded $1 million of CERB funds in 1999 as part of an overall $11 million project to rehabilitate the six-mile Aberdeen Industrial Waterline and retain Grays Harbor Paper operations in the state. The project converted the nearly 60-year-old wood stave waterline into a reliable industrial water source to entice development of new industrial properties. The waterline renovation helped Grays Harbor Paper retain 230 jobs and a $12 million annual payroll.

In 2001, the County applied to CERB for $1 million to help construct a 6,600-foot rail spur, as a condition to site the Sierra Pacific Industries state-of-the-art $45 million lumber mill. Shipping 90 to 95 percent of product via rail, the rail spur and waterline were essential. Sierra Pacific now employs 215 with an annual payroll of $13 million. Without the spur and the Industrial Waterline, the company could not locate in Grays Harbor County.

The Grays Harbor County Economic Development Council now has 300 acres of industrial property to market and attract new businesses that rely on readily available and sufficient industrial water resources.

Grays Harbor Paper manufactures quality uncoated freesheet in Hoquiam.

Sierra Pacific Industries' Aberdeen mill began operating at full capacity in April 2004, running a three-shift schedule.

"Mr. Red Emerson, owner of Sierra Pacific, was very specific and adamant that without a rail line serving the proposed mill site, his mill would not be built. Rebuilding the Industrial Waterline is a key component to retain jobs at Grays Harbor Paper and bring new industry to Grays Harbor. Because of CERB, both projects have become very successful realities."
—Dennis Morrisette, Chairman, Grays Harbor Board of Commissioners

"A reliable supply of industrial water is essential to our operations. The poor condition of the 60-plus year old waterline was a constant worry and impediment to industrial development in Grays Harbor. The waterline improvements substantially reduced the risks of unscheduled downtime. Our working relationship with the City of Aberdeen, Grays Harbor County, Grays Harbor EDC, CERB and other agencies is a model for what can be accomplished with public-private partnerships."
—Patrick Quigg, CFO, Grays Harbor Paper L.P.

"Our new sawmill and cogeneration facilities are located exactly where we wanted them to be in Washington. There were other industrial sites outside of this area that would have been a good second choice, but we are very glad to have gotten our first pick. Without CERB funding and excellent cooperation from Grays Harbor County there would have been no industrial water, no railspur, and no Sierra Pacific Industries in Aberdeen, Washington."
—Jack Stanley, Regional Controller, Sierra Pacific Industries

Grays Harbor Paper, L.P. Sierra Pacific Industries, Inc.	Estimate in Application	Actual 2004
New Jobs created & existing jobs retained (in full time equivalent jobs)	392	445
Private capital investment	$65 Million	$75 Million
Annual state & local taxes generated*	$3.9 Million	$4.6 Million
Increase in assessed valuation of the area of the CERB investments	$19,016,615	$69,514,076

*Property, B&O, Sales & Use, as applicable

Case Study: Port of Klickitat

Insitu's ScanEagle military surveillance drone, now in full production, carries an affordable price tag of $70,000. Another use includes spotting fish at sea for the fishing industry.

Innovative Composites Engineering, a local carbon composites tubing manufacturer, produces the composite wings for the ScanEagle in the Port of Klickitat building.

"Through supportive partnerships with Klickitat County, CERB, USDA-Forest Service and CTED, the Port of Klickitat has provided in-ground infrastructure, paved roads, and over 50,500 sq. ft. of light manufacturing space at Bingen Point. These projects would not have been possible without financial partnerships, given the Port's very limited resources."
—Dianne Sherwood, Executive Director, Port of Klickitat

"We appreciate the support of the Port of Klickitat, Klickitat County and CERB, which provided the necessary financing to construct the building. Our business was allowed to grow at the Port of Klickitat, which otherwise might have occurred in another location if the facility construction had not been possible."
—Dr. Steven Sliwa, President & CEO, Insitu Group, Inc.

"In 1995, our building in White Salmon burned to the ground. The Port of Klickitat was there for us with a facility where we were rapidly able to eclipse all prior production records. In 1999 and 2000, ICE began to grow even more rapidly and the Port was again ready with a new, larger facility. These investments were all made possible by CERB and, as an industry leader, we appreciate the speed with which we have been supported that allowed us to grow in terms of overall sales, payroll, and taxes returned to the community."
—Steve Maier, President and CEO, Innovative Composites Engineering, Inc.

Insitu Group, Inc. Innovative Composites Engineering, Inc.	Estimate in Application	Actual 2004
New Jobs created & existing jobs retained (in full time equivalent jobs)	73	67
Private capital investment	$380,000	$1,126,000
Annual state & local taxes generated*	$51,518	$50,784
Increase in assessed valuation of the area of the CERB investments	$493,000	$4,300,000

*Property, B&O, Sales & Use, as applicable

INDUSTRIAL CLUSTER DEVELOPMENT IN THE COLUMBIA GORGE

In the small town of Bingen, in the Columbia River Gorge, very big things are happening. The Port of Klickitat has fostered business developments to make the Port the center of a high-tech industrial business cluster. This emerging economic development strategy is affecting business development within a 25-mile radius of the Port of Klickitat.

Insitu Group, Inc. is the cornerstone of the cluster. The company has evolved from its Bingen beginning in 1994 to a nationally recognized leader in the production of miniature unmanned aerial vehicles (UAV) for military and commercial applications.

In May 2004, the company moved to its new headquarters in the Port of Klickitat's Bingen Point Business Park. Insitu had outgrown its former location at the Port and required a larger facility. To help relocate the Insitu Group, a public-private funding solution was developed. In 2002, with a $650,000 CERB loan and $1,770,000 of Port, Klickitat County and other state and federal funds, a 25,000 sq. ft. Port building was constructed.

The same Port of Klickitat business park that houses the Insitu Group is also home to Innovative Composite Engineering (ICE), a specialized carbon composite tubing manufacturer and sometimes technological partner with Insitu. ICE moved to the Port in 1995 from White Salmon to become a leader in one of the fastest growing industries in the world, producing windsurfing masts, bicycle tubing, aircraft wing parts and other types of specialized composite tubing. The 9,750 sq. ft. Port building ICE leases was constructed in 2000 with approval of $1,105,019 of CERB funds and $310,000 of Klickitat County and Port funds. Altogether, the Insitu Group employs 47 and ICE employs 20, providing an annual payroll of $2.2 million to the Gorge region.

These and other companies are creating an exciting shift for Klickitat County, from dependance on timber/argi jobs to value-added industrial sector employment.

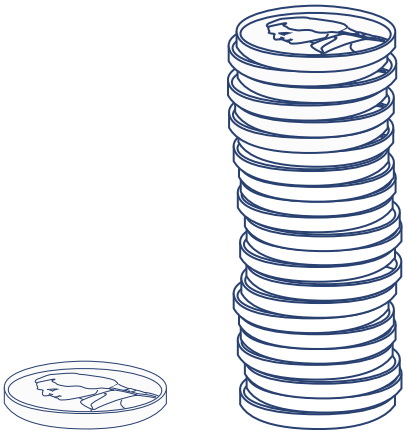
New Private Capital

The $19.4 million, 350,000 sq. ft. regional distribution facility completed by Ferguson Enterprises, Inc. in 2003, is located in the City of Richland's Horn Rapids Industrial Park.

CERB invested $963,000 to help the City of Richland extend Battelle Boulevard, make traffic signal improvements, and extend a rail spur to the Ferguson site. Ferguson has created 80 new jobs, with more anticipated in the future.

Private Sector Investment 1982-2004

To date, CERB's investment of $97 million in public facilities has led to the actual investment of nearly $2.3 billion by businesses in their own facilities and machinery. That is a ratio of $23 private dollars to each CERB dollar invested.



CERB Five-Year Funding: FY 2003 – FY 2007

Over the course of three consecutive Legislative sessions the CERB Program secured revenue to support a five-year funding plan for the program. This success reflects the efforts of many CERB customer groups and individuals, including partnership with the Public Works Board for the major source of the five-year funding plan.

The following list and chart summarizes the five-year funding plan as it currently stands.

- HB 2425 passed in 2002, provides annual repayments for loans previously issued under the Public Works Trust Fund's Timber and Natural Resource loan programs, both of which have economic development goals, were redirected to CERB (approximately $2.2 million in FY 2003 and $4.1 million per year through FY 2007).
- HB 2425 allows CERB to retain interest earned by the CERB revolving account for projects beginning Fiscal Year 2005 (approximately $200,000 per year).
- Beginning in Fiscal Year 2006, SB 5363, passed by the 2003 Legislature, provides an ongoing funding source for CERB's financial assistance programs. It directs interest earnings generated by the Public Works Assistance Account be transferred to the CERB funding account beginning July 1, 2005 (FY 2006). This will provide an additional estimated $800,000 per year for CERB's financial assistance programs.
- Existing CERB loan repayments to the CERB revolving account are appropriated for projects in each fiscal year.
- The 2004 Legislature's Supplemental Capital Budget included a proviso allowing 25 percent of the CERB appropriation to be used for grants, ensuring limited grant assistance would continue to be a financing tool for CERB while minimizing the impact of grants on CERB fund sustainability.

	Fiscal Year	Timber & RNR Repayments Temporary	Est. CERB Investment Earnings Ongoing	Est. PWAA Investment Earnings Ongoing	Est. CERB Repayment Income from Loans	Less Operating Budget	Total Available for New Projects
Year 1	2003	2,266,895			2,236,262	(316,000)	4,187,157
Year 2	2004	4,155,970			2,465,497	(316,000)	6,305,467
Year 3	2005	4,155,970	180,000		2,114,227	(316,000)	6,134,197
Year 4	2006	4,155,970	180,000	800,000	2,099,975	(316,000)	6,919,945
Year 5	2007	4,155,970	190,000	800,000	2,099,319	(316,000)	6,929,289
	2008		200,000	800,000	2,380,851	(316,000)	3,064,851
	Total	18,890,775	750,000	2,400,000	13,396,131	(1,896,000)	33,540,906

Sustainable Revenue Strategies: FY 2008 and Beyond

The goal for the future is to identify a revenue source to sustain CERB as Washington's economic trust fund. The goal is to achieve secure funding that builds CERB revenue to $10 million a year over the long term.

Based on a current project list, CTED can demonstrate a four-year funding need estimated at over $58 million for public economic development infrastructure projects statewide.

Five-Year Project Tracking

CERB tracks job and private investment data on each project for a period of five years after the public project construction is complete. Projects on the five-year tracking list for the 2004 Legislative Report are a combination of projects completed since 1999 and new projects approved since the 2002 Legislative Report. After five years, CERB discontinues tracking job and private investment data as a direct result of the CERB investment. Between the prior legislative report and July 2004 (the cut-off date for inclusion in this report), CERB has approved 22 new projects. Three of those projects were withdrawn by the applicants due to changed project conditions; the remaining 19 are shown among those listed below. Please note the following items:

- In the CERB Applicant column, the symbol (†) indicates the 19 projects funded in the 2003-05 Biennium.
- In the Private Business/Development Site column, an italicized name denotes a CERB-assisted development site where estimated job numbers depend on future business development. Businesses and actual jobs are listed as development occurs.
- In the Actual Jobs Created & Retained column, the symbol (■) indicates the applicant is working to complete the final CERB contract and construction of the public infrastructure project.
- In the Actual Jobs Created & Retained column, the symbol (◆) indicates the business has located in the CERB-assisted facility, but has not yet created jobs.
- In the Actual Jobs Created & Retained column, the symbol (‡) indicates inactivity due to economic conditions.

PUBLIC INVESTMENT PROJECTS							PRIVATE DEVELOPMENT OUTCOMES		
CERB Application	Project Type	Application Year	CERB Loan	CERB Grant	Other Monies Leveraged	Project Total	Private Business/ Development Site	Est. Jobs Created & Retained	Actual Jobs Created & Retained
BENTON									
City of Richland	Rail Spur	1997	$750,000		$1,256,000	$2,006,000	International Hearth Melting	115	62
							Meyer Plastics		9
City of Prosser	Water/Indus. Wastewater	1999	$300,000	$200,000	$2,051,000	$2,551,000	C.M. Holtzinger Fruit Company, Inc.203	169	
							Hogue Cellars, Ltd.	17	10
							Kenyon Zero Storage, Inc.	17	6
							Kestrel Vintners	10	8
							Port of Benton Incubator Building	46	17
							Tree Top, Inc.	180	150
City of Kennewick	Water/Sewer/Road	2000	$125,000	$500,000	$228,500	$853,500	Welch's Food, Inc.	198	191
							Columbia Industries Sheltered Workshop	74	39
Port of Benton	Industrial Building	2000	$210,000	$500,000	$1,200,000	$1,910,000	Nuvotec, Inc.	250	115
City of Prosser	Water/Sewer/Road	2001	$350,000	$137,510	$474,140	$961,650	*North Prosser Business Park*	73	
							Inn at Horse Haven		7
							Wine Country RV Park		2
City of Richland	Road/Rail Spur	2003	$780,000	$183,000	$350,000	$1,313,000	Ferguson Enterprises, Inc.	90	80
CHELAN									
Port of Chelan County	Telecommunications	2000	$825,000	$175,000	$4,900,000	$5,900,000	*Technology Training Center*	25	‡
CLALLAM									
Port of Port Angeles	Industrial Building	1998	$500,000		$451,593	$951,593	*Port Angeles Indus. Mfg. Bldg.*	40	
							Westport Shipyards, Inc. (boat building)	200	90
							Westport Shipyards, Inc. (cabinet shop)		60
							Harbor Action, Inc.		20
City of Forks	Feasibility Study	1999		$22,500	$22,500	$45,000			
City of Port Angeles†	Feasibility Study	2004		$25,000	$18,750	$43,750			
City of Port Angeles†	Feasibility Study	2004		$50,000	$75,000	$125,000			
Clallam County†	Industrial Building	2004	$75,000	$250,000	$1,135,000	$1,460,000	*Clallam Business Incubator*	196	■
CLARK									
Port of Ridgefield	Water/Sewer/Road	1996	$419,000		$60,000	$479,000	Bonar Plastics, Inc.	65	130
							Pacific Detroit Diesel Allison		77

PUBLIC INVESTMENT PROJECTS							PRIVATE DEVELOPMENT OUTCOMES		
CERB Application	Project Type	Application Year	CERB Loan	CERB Grant	Other Monies Leveraged	Project Total	Private Business/ Development Site	Est. Jobs Created & Retained	Actual Jobs Created & Retained
COWLITZ									
Port of Longview	Industrial Building	2001	$1,000,000		$825,000	$1,825,000	Brown-Strauss Corporation	31	33
Port of Longview†	Rail Spur	2004	$1,000,000		$654,000	$1,654,000	Pacific Vehicle Processors, Inc.	200	■
FERRY									
Republic PDA†	Feasibility Study	2003		$50,000	$50,000	$100,000			
GARFIELD									
Port of Garfield	Road/Bridge	2001	$20,000	$80,000	$475,000	$575,000	*Port of Garfield Industrial Park*	38	■
GRANT									
Port of Moses Lake	Industrial Wastewater	1998	$1,000,000		$3,014,000	$4,014,000	Chemi-Con Material	92	90
Port of Moses Lake	Industrial Building	1999	$998,827	$300,000	$1,677,818	$2,976,645	Genie Industries, Inc.	450	170
Port of Mattawa	Industrial Building	2000	$75,000	$75,000	$50,000	$200,000	Wood Box Factory	5	6
Port of Quincy	Rail Spur	2001	$125,000	$375,000	$2,058,000	$2,558,000	*Intermodal Industrial Park*	120	■
Port of Royal Slope	Water	2001	$565,000	$175,000	$185,000	$925,000	Royal Ridge Fruit & Cold Storage	39	12
Port of Mattawa†	Industrial Building Expansion	2003	$54,000	$2,250	$19,745	$75,995	Wood Box Factory	2	◆
Port of Mattawa†	Water	2003	$110,000	$27,300	$68,700	$206,000	Taylor Orchards, LLC	205	■
Port of Mattawa†	Feasibility Study	2004		$14,000	$14,000	$28,000			
GRAYS HARBOR									
City of Hoquiam	Sewer	1998	$70,000	$280,000	$238,000	$588,000	*5th Street Extension Industrial Area*	300	2
City of Aberdeen	Public Pathway	1999	$50,000	$200,000	$126,659	$376,659	*Wishkah Mall Riverfront Development*	150	188
Grays Harbor County	Water	1999	$700,000	$300,000	$10,897,743	$11,897,743	Grays Harbor Paper, L.P.	242	230
Grays Harbor PDA	Building, Road, Telecom	1999	$581,000	$200,000	$352,675	$1,133,675	SafeHarbor Technologies, Inc.	200	200
							Boise Cascade		80
							Extreme Internet Solutions		◆
							Mskinner, Inc.		◆
							TechTell		18
Port of Grays Harbor	Water/Sewer	1999	$34,000	$128,000	$18,000	$180,000	*Commerce Industrial Park*	52	
							Familian Northwest	16	5
							J & B Automotive Electric		4
							Masco Petroleum		10
Port of Grays Harbor	Feasibility Study	1999		$25,000	$25,000	$50,000			
Grays Harbor County	Rail Spur	2001	$700,000	$300,000	$394,480	$1,394,480	Sierra Pacific Industries, Inc.	150	215
Port of Grays Harbor	Industrial Building	2001	$80,000	$150,000	$120,000	$350,000	Westport Shipyards, Inc. (boat building)	78	76
Port of Grays Harbor† Expansion	Industrial Building 2004	$180,000	$168,000	$264,800	$612,800		Westport Shipyards, Inc. (boat building)	70	■
Port of Grays Harbor†	Feasibility Study	2004		$50,000	$25,000	$75,000			
KITSAP Port of Bremerton	Industrial Building	2002	$432,000	$2,556,470	$2,988,470		Avian Aeronautics, Inc./ Avian Flight Services	13	20
KITTITAS									
Ellensburg Bus. Dev. Authority	Feasibility Study	1999		$25,000	$100,000	$125,000			
Ellensburg Bus. Dev. Authority	Industrial Building	1999	$425,000	$300,000	$4,034,500	$4,759,500	Hobart Machined Products	10	5
							Pelle Activeware	10	4
							EarthScope		2
KLICKITAT									
Port of Klickitat	Industrial Building	1999	$353,606	$751,413	$310,000	$1,415,019	Innovative Composites Engineering, Inc.	25	20
City of Goldendale	Water/Sewer/Road	2000	$390,658	$390,658	$2,787,275	$3,568,591	Goldendale Energy, Inc.	24	25
							TLC Modular Homes		17
Port of Klickitat	Industrial Building	2002	$650,000		$1,770,000	$2,420,000	Insitu Group, Inc.	48	47
LEWIS									
East Lewis County PDA	Industrial Building	1999	$162,055	$300,000	$240,000	$702,055	*Packwood Business Park*	25	
							The Little Gun Shack		2
Port of Centralia†	Water/Sewer/ Road/Rail Spur	2003	$800,000	$200,000	$653,983	$1,653,983	Centralia Sawmills Corp.	94	■
Port of Chehalis†	Feasibility Study	2004		$45,000	$30,000	$75,000			

PUBLIC INVESTMENT PROJECTS							PRIVATE DEVELOPMENT OUTCOMES		
CERB Application	Project Type	Application Year	CERB Loan	CERB Grant	Other Monies Leveraged	Project Total	Private Business/ Development Site	Est. Jobs Created & Retained	Actual Jobs Created & Retained
LINCOLN									
Odessa Public Dev. Authority	Industrial Building	2000	$500,000	$500,000	$102,500	$1,102,500	North Basin Seed Company	20	7
Odessa Public Dev. Authority	Industrial Building	2002	$74,074	$142,839	$5,500	$222,413	Masterpiece Tile, LLC	15	◆
Odessa Public Dev. Authority	Industrial Building	2002	$155,650	$333,184	$7,000	$495,834	Seed-Rite, Inc.	8	◆
Lincoln Co. Regional PDA	Industrial Building	2002	$333,089	$333,089	$239,050	$905,228	American Premix Technologies, Inc.	46	5
Lincoln Co. Regional PDA	Industrial Building	2002	$125,000	$200,000	$33,425	$358,425	American Premix Technologies, Inc.	22	◆
Lincoln Co. Regional PDA†	Water/Sewer/ Indus. Building	2004	$980,000		$30,000	$1,010,000	Columbia Oil Seed Crusher	22	■
MASON									
Port of Shelton	Feasibility Study	1998		$25,000	$25,000	$50,000			
OKANOGAN									
Town of Twisp	Water	1993		$500,000	$876,550	$1,376,550	*Twisp Industrial Park*	50	‡
PACIFIC									
Port of Willapa Harbor	Industrial Building	1997	$75,000	$175,000	$450,000	$700,000	Vanson HaloSource	32	32
Port of Ilwaco	Dredge Harbor	1999	$26,000	$104,000	$41,000	$171,000	Interocean Seafoods	10	◆
							Wilcox & Flegel Oil Company		5
Port of Ilwaco	Water/Sewer	2001	$110,000	$368,000	$120,000	$598,000	*Marina Business Development*	56	53
							Jessie's Ilwaco Fish	64	64
Port of Ilwaco†	Dock Improvement	2004	$150,000	$100,000	$98,354	$348,354	*Tourism Business Development*	10	8
Port of Peninsula†	Dredge Harbor	2004	$325,000	$100,000	$135,964	$560,964	Coast Seafood	138	138
							Taylor Resources	21	17
							Weigardt Brothers & Sons Inc.	68	63
Port of Willapa Harbor†	Water/Sewer/ Road/Dredge	2004	$800,000	$2,000,000	$770,000	$3,570,000	Santa Maria Steel, LLC	63	■
PEND OREILLE									
Pend Oreille County PUD #1†	Telecommunications	2004	$200,000	$265,000	$509,000	$974,000	*Kalispel Tribe Commerce Park*	70	■
							Newport Business Park	33	■
							Teck Cominco America	27	■
SKAGIT									
City of Anacortes	Sewer	1999	$700,000	$300,000	$2,656,000	$3,656,000	T. Bailey Inc.	24	63
City of Mount Vernon	Telecommunications	2000		$500,000	$675,314	$1,175,314	*Telecommunication/Technology Campus*	300	533
							WebEKG	125	25
Skagit County	Water/Sewer/Road	2000	$850,000	$150,000	$4,316,000	$5,316,000	*Fredonia Business Park*	750	‡
							EDCO, Inc.	12	‡
SKAMANIA									
Port of Skamania County	Industrial Building	2001	$342,000	$500,000	$341,000	$1,183,000	Gorge Delights	30	18
WHATCOM									
City of Blaine	Road/Sewer	1997	$482,258		$1,139,502	$1,621,760	Nature's Path Foods (USA) Inc.	31	94
Port of Bellingham†	Industrial Building	2003	$850,000	$150,000	$3,764,721	$4,764,721	Wood Stone Corporation	44	◆
WHITMAN									
Port of Whitman County	Water	2000	$250,000	$300,000	$273,707	$823,707	*Port of Wilma Industrial Park*	168	
							Bennett Lumber	250	117
Port of Whitman County†	Industrial Building	2004	$650,000	$150,000	$937,198	$1,737,198	Isothermal Systems Research	40	◆
YAKIMA									
Port of Sunnyside	Sewer	2003	$500,000		$4,500,000	$5,000,000	Darigold WestFarm Foods	164	80
							Johnson Foods, Inc.	87	129

Total Investment in CERB Public Infrastructure Projects by County 1982-2004

Conty[1]	Number of Projects	Est. Jobs Created & Retained	*Actual* Jobs Created & Retained	CERB Loan to Local Government	CERB Grant to Local Government	Other Public & Private Monies Invested in CERB Projects[4]	Public Project Total
ADAMS	1	80	203	$250,000	$0	$100,000	$350,000
ASOTIN	2	164	112	$128,500	$175,000	$1,149,550	$1,453,050
BENTON	7	1,318	975	$2,990,000	$1,520,510	$5,738,140	$10,248,650
CHELAN	3	569	449	$1,145,000	$195,000	$10,070,000	$11,410,000
CLALLAM	12	1,054	536	$3,250,000	$1,316,031	$6,920,142	$11,486,173
CLARK	8	3,145	3,620	$4,972,523	$2,784,706	$2,541,719	$10,298,948
COLUMBIA	2	22	18	$100,000	$106,750	$73,750	$280,500
COWLITZ	9	1,670	724	$4,067,680	$350,000	$16,796,625	$21,214,305
DOUGLAS	1	100	58	$277,000	$0	$60,000	$337,000
FERRY	2	166	135	$0	$2,320,630	$3,775,000	$6,095,630
FRANKLIN	3	391	975	$1,129,000	$66,093	$1,200,000	$2,395,093
GARFIELD	2	64	46	$20,000	$234,592	$630,408	$885,000
GRANT	13	1,119	771	$3,964,864	$968,550	$7,801,818	$12,735,232
GRAYS HARBOR	21	2,534	1,590	$3,758,600	$3,052,500	$13,206,800	$20,017,900
JEFFERSON	1	268	180	$750,000	$0	$5,693,500	$6,443,500
KING	2	567	391	$0	$1,340,482	$317,832	$1,658,314
KITSAP	2	353	282	$943,000	$0	$7,333,317	$8,276,317
KITTITAS	2	20	6	$425,000	$325,000	$4,134,500	$4,884,500
KLICKITAT	7	687	194	$1,852,264	$2,125,852	$9,647,275	$13,625,391
LEWIS	13	1,728	1,107	$3,506,326	$698,204	$2,625,624	$6,830,154
LINCOLN	6	133	7	$2,167,813	$1,509,112	$417,475	$4,094,400
MASON	4	1,134	590	$480,000	$1,225,000	$5,718,000	$7,423,000
OKANOGAN	4	563	0[2]	$0	$1,525,000	$2,755,050	$4,280,050
PACIFIC	14	1,006	748	$2,341,000	$2,485,343	$3,980,112	$8,806,455
PEND OREILLE	4	1,500	1,503	$1,080,905	$1,161,405	$1,256,303	$3,498,613
PIERCE	2	716	305	$400,000	$2,000,000	$11,810,000	$14,210,000
SKAGIT	11	2,407	1,826	$4,437,000	$2,520,725	$9,291,958	$16,249,683
SKAMANIA	4	126	83	$442,644	$1,115,252	$1,155,617	$2,713,513
SNOHOMISH	6	3,205	697	$1,847,000	$4,109,855	$5,642,056	$11,598,911
STEVENS	3	226	395	$197,649	$689,649	$1,633,818	$2,521,116
THURSTON	2	45	57	$136,000	$0	$10,000	$146,000
WALLA WALLA	1	352	275	$2,000,000	$0	$4,300,000	$6,300,000
WHATCOM	11	1,450	1,146	$7,309,836	$511,500	$7,246,718	$15,068,054
WHITMAN	3	570	536	$1,020,065	$450,000	$1,455,625	$2,925,690
YAKIMA	7	1,176	1,052	$2,318,653	$500,000	$11,560,897	$14,379,550
GRAND TOTALS	195	30,628	21,592[3]	$59,708,322	$37,382,741	$168,049,629	265,140,692

[1]The CERB Program is available statewide, however CERB has not received applications for projects in all 39 counties.
[2]Based on most recent project updates, the number of actual jobs created and retained shows no impact because challenging economic conditions have produced fewer jobs than were estimated in the original project application.
[3]More jobs will be created in projects that have not fully matured.
[4]Does not include funds invested by private businesses in the business facilities.

County Totals

Total Investment in CERB Public Infrastructure Projects by Legislative Distict[4] 1982-2004

Leg District[1]	Number of Projects	Est. Jobs Created & Retained	*Actual* Jobs Created & Retained	CERB Loan to Local Government	CERB Grant to Local Government	Other Public & Private Monies Invested CERB Project[5]	Public Project Total
7	17	2,538	2,040	$3,446,367	$6,680,796	$8,926,096	$19,053,259
8	5	1,001	670	$2,390,000	$1,020,510	$5,464,640	$8,875,150
9	8	878	897	$1,418,565	$859,592	$3,335,583	$5,613,740
10	1	51	31	$0	$374,000	$164,919	$538,919
12	6	719	507	$1,422,000	$720,000	$11,041,550	$13,183,550
13	15	1,139	777	$4,389,864	$1,293,550	$11,936,318	$17,619,732
14	3	239	177	$1,044,039	$0	$1,424,750	$2,468,789
15	15	1,750	1,152	$3,569,522	$3,741,104	$20,939,039	$28,249,665
16	8	1,082	1,573	$3,829,000	$672,843	$5,847,250	$10,349,093
18	10	1,315	3,129	$4,480,203	$828,522	$8,299,924	$13,608,649
19	27	2,995	1,578	$5,752,600	$3,514,843	$15,821,691	$25,089,134
20	13	1,728	1,107	$3,506,326	$698,204	$2,625,624	$6,830,154
22	2	45	57	$136,000	$0	$10,000	$146,000
24	24	2,672	1,316	$6,266,000	$3,164,031	$24,664,608	$34,094,639
26	2	353	282	$943,000	$0	$7,333,317	$8,276,317
29	1	75	60	$400,000	$0	$10,000	$410,000
31	1	641	245	$0	$2,000,000	$11,800,000	$13,800,000
34	1	90	60	$0	$280,000	$200,000	$480,000
35	5	1,334	888	$1,061,000	$1,425,000	$6,070,675	$8,556,675
38	3	2,050	1,329	$1,547,000	$4,076,370	$4,959,100	$10,582,470
39	4	1,155	-632[2]	$300,000	$55,210	$704,681	$1,059,891
40	10	2,400	1,749	$5,287,000	$2,275,000	$12,870,035	$20,432,035
42	10	1,406	1,192	$6,459,836	$361,500	$3,481,997	$10,303,333
47	1	477	331	$0	$1,060,482	$117,832	$1,178,314
49	3	2,495	1,077	$2,060,000	$2,281,184	$0	$4,341,184
Grand Totals		195	30,628	21,592[3]	$59,708,322	$37,382,741	$168,049,629

[1]The CERB Program is available statewide, however CERB has not received applications for projects in all 49 legislative districts.

[2]Based on most recent project updates, the number of actual jobs created and retained is negative because challenging economic conditions have produced fewer jobs than were estimated in the original project application.

[3]More jobs will be created in projects that have not fully matured.

[4]Legislative districts reported in this table reflect redistricting adopted by the Washington State Redistricting Commission and the 57th Legislature on February 8, 2002.

[5]Does not include funds invested by private businesses in the business facilities.

Program Description

The purpose of the Community Econonomic Revitalization Board is to help communities create and retain jobs in partnership with business and industry. CERB provides low-interest loans (or, in unique circumstances, grants) to local governments to help finance construction of public facility projects supporting private sector development.

CERB Traditional Program

The Traditional Program is available statewide and provides funding assistance to economically disadvantaged communities for public facilities to foster the creation and/or retention of jobs by industry. The Traditional Program requires an eligible private sector business at the time of application. The applicant and business must provide evidence that a private development or expansion is ready to occur, and that the private development is contingent upon the approval of CERB funds.

CERB Rural Program

CERB's Rural Program is targeted to rural counties and rural natural resource areas affected by downturns in the timber and commercial salmon industries. (A "rural county" is defined as one with a population density of less than 100 persons per square mile.) The program funds economic infrastructure for prospective economic development projects when feasibility is demonstrated. Tourism development projects may be supported in rural areas. The Rural Program also funds project-specific feasibility studies, planning and predevelopment activities to help evaluate high priority economic development projects that will assist communities in meeting their economic development goals.

CTED Staffing

Staff support for CERB is provided by two work units within Community, Trade and Economic Development's Economic Development Division: the Community Economic Assistance Center delivers program managment, contract management, Board support and project development; the Business and Project Development Services Unit works exclusively with applicants to develop projects for CERB review.

Technical assistance—Staff help each community/applicant identify project barriers, evaluate project feasibility, and develop funding and implementation strategies when the project is ready to proceed.

Project advocacy—Staff prepare a comprehensive analysis of each project with recommendations to CERB. This analysis identifies the relative benefits of the project to the local community, the project dynamics, and areas of merit and/or controversy.

Project monitoring—Staff help local governments work out emergent problems during contract development and project implementation.

Eligible Private Sector Businesses

CERB funds public infrastructure that will result in private development or expansions in manufacturing, production, food processing, assembly, warehousing, industrial distribution, advanced technology, research and development, recycling facilities, or businesses that substantially support the trading of goods and services beyond state borders.

Eligible Applicants

Washington counties, cities, towns, port districts, federally recognized Indian Tribes, plus special purpose districts, municipal corporations, and quasi-municipal corporations conducting economic development activities may apply for CERB funding.

Applicants must demonstrate that no other timely source of funds are available at reasonably similar rates.

Eligible Public Facilities

Eligible public facilities include bridges, roads, domestic and industrial water, sanitary sewer, storm sewer, rail spurs, telecommunications, electricity, natural gas, general purpose industrial buildings, and port facilities.

Responsible Stewardship

CERB is a responsible steward of public funds. As a result of the Board's prudent decisions, the program has no delinquent loan contracts.

CERB's Primary Goals

- Encourage business and industry expansion and retention to provide stable employment.
- Expand employment opportunities in economically distressed regions.
- Strengthen the economies of areas with high unemployment by encouraging private capital investment and development.
- Seek opportunities to leverage CERB funds with other public monies.
- Encourage responsible local government investment in public facility projects by requiring a local match.

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CERB MEMBERS
Through December 2004

Governor Appointments

Judith Boekholder, Chair
Toppenish, Washington - City Official

Jeff Matson, Vice-Chair
Sunnyside, Washington - Port Official

George Raiter
Kelso, Washington - County Official

Vicki Gordon
Pasco, Washington - Small Business

Miland Walling
Bickleton, Washington - Small Business

Jack Pittis
Port Angeles, Washington - Public Representative

Joe Pinzone
Camas, Washington - Large Business

Marty Gardner
Kennewick, Washington - Large Business

Tom Trulove
Cheney, Washington - Public Sector Economist

Leroy Williams
Bremerton, Washington - Small Business

Dennis Townsend
Eatonville, Washington - Small Business

Vacant
Federally Recognized Indian Tribe

Legislative Appointments

Senator Betti Sheldon
Senate Majority Caucus

Senator Mike Hewitt
Senate Minority Caucus

Representative John McCoy
House Majority Caucus

Representative Dan Newhouse
House Minority Caucus

Agency Representatives

Victor Vasquez, Assistant Director
Economic Development Division
Department of Community, Trade and Economic Development

Gary Kamimura, Policy Analyst
Office of Policy and Research
Employment Security Department

Skeets Johnson, Tax Policy Specialist
Department of Revenue

Elizabeth Robbins, Manager
Strategic Planning & Programming Division
Department of Transportation

Program History

Created in 1982, CERB's Traditional Program offers funding assistance to local governments for economic public facilities required by industrial and commercial sector businesses. This focus ensures that resulting jobs occur in higher wage categories.

The Legislature has amended the CERB statute five times (in 1991, 1995, 1999, 2002 and 2004) to make its programs more responsive to the needs of communities statewide. In 2002, the Legislature amended the CERB statute to add federally recognized Indian Tribes as eligible CERB applicants. The Legislature's purpose in creating these new opportunities is to help disadvantaged communities develop an economic development infrastructure base, and to position them to attract diversified economic growth.

In 1999, CERB was called upon to launch the Rural Economic Vitality (REV) Program. More projects cannot be approved without additional REV funds becoming available. See CERB's special REV Program report beginning on page 15.

A Special Thank You

CERB members and staff acknowledge the contribution of the following former CERB members who served during the last two years:

LeRoy Allison, Grant County

Terry Knapton, Okanogan County

Representative Jim Dunn

Representative Velma Veloria

Senator Pat Hale

Senator Tim Sheldon

REV Report

Rural Economic Vitality Program

2004 Update

Community Economic Revitalization Board

Rural Transportation Investments

CERB and the Washington State Department of Transportation have collaborated since 1999 to implement the Rural Economic Vitality (REV) Program. This report highlights successes of the joint effort to invest more than $68 million in federal Rural Economic Vitality funding for economic development driven transportation improvements between 1999 and 2001. More projects cannot be approved without additional REV funds becoming available.

The Washington State Department of Transportation reports that 12 of the 43 approved projects have been completed. The remaining projects are at various stages of implementation. Many of the projects have completed design and engineering phases and have initiated construction. Two completed REV projects are highlighted on page 18.

CERB continues to track REV projects from an outcome and benefit standpoint. As part of the CERB biennial reporting process, REV recipients are asked to report job outcomes and update amounts of other funds leveraged for the public investment. Updated information is included in this report.

PARTICIPATION

- 24 Eastern WA projects
- 19 Western WA projects
- Includes 4 CEZ and 2 Tribal projects

REV INVESTMENT

$68,267,767 in federal TEA-21 resources invested in 43 projects.

LEVERAGED INVESTMENT

The REV projects leveraged more than $65 million in other funding.

JOB ESTIMATE

3,813 jobs in the next 1-3 years and an additional 7,812 jobs in future years.

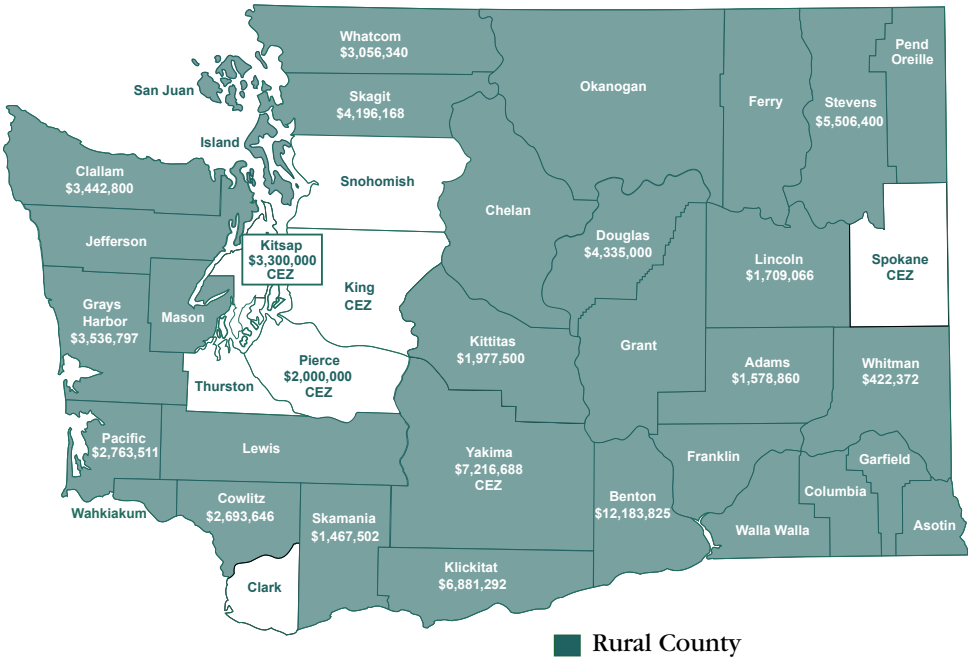
CONSTRUCTION PROJECTS

- 12 Construction projects completed
- 31 Construction projects scheduled to be completed

ECONOMIC BENEFIT

Outcomes include job creation and retention by industrial, commercial or tourism industry business; freight mobility improvements; and private facility developments.

WSDOT/CERB REV Program Investments by County, 1999-2001 Rural County



Rural County
(Population less than 100 per square mile)

Urban County
(Population greater than 100 per square mile)

CEZ Community Empowerment Zone

REV Report

Location	Applicant	Project	Est. Jobs	Actual Jobs	REV Funds	Total Funds	Anticipated Outcomes
Adams County	City of Othello	Lee Road, McManamon Road Widening and SR-17 Right Turn Lane	55	655	$735,780	$956,000	Job creation via agribusiness/cold storage development & improved freight mobility
	Adams County	Booker Road Improvements	†	†	$843,080	$992,000	Job creation/retention via agribusiness expansion & improved freight mobility
	Subtotal		55	655	$1,578,860	$1,948,000	
Benton County	City of Prosser	Wine Country Road Improvements	†	†	$5,370,365	$15,029,553	Job creation via agribusiness expansions & improved freight mobility
	Benton County	Intertie I-82 to SR-397 Improvements	60	■	$1,492,000	$11,894,000	Job retention among existing businesses, plus freight mobility and safer rail bypass
	Benton City	7th Street Extension Improvements	16	3	$779,660	$906,495	Job creation via business development in the downtown core
	Port of Benton/ City of Richland	Stevens Drive Improvements	3,278	247	$2,525,800	$2,920,000	Retention of existing businesses, improved freight mobility, plus job creation via new business development
	City of Kennewick	Gage Boulevard & Center Parkway	505	309	$2,016,000	$5,090,000	Job creation via improved access to indus trial & commercial sites & improved freight mobility
	Subtotal		3,859	559	$12,183,825	$35,840,048	
Clallam County	City of Sequim	Downtown Commercial Core Improvements	40	■	$3,442,800	$3,922,800	Job creation/retention by maintainin businesses in the downtown core
	Subtotal		40		$3,442,800	$3,922,800	
Cowlitz County	Port of Longview/	International Way Improvements	469	60	$460,715	$763,279	Job creation/retention via manufacturing
	Cowlitz County City of Longview	Traffic Signal at Tennant Way and Ninth Avenue	361	100	$76,931	$166,931	expansions & improved freight mobility Job creation through manufacturing business expansions
	Port of Kalama	Industrial Park Bridge Improvements	330	32	$2,156,000	$4,000,000	Job creation via industrial business development & improved freight mobility
	Subtotal		1,240	192	$2,693,646	$4,930,210	
Douglas County	City of East Wenatchee	Wenatchee Valley Mall Central Business District Street Improvements	491	■	$4,335,000	$7,833,000	Business expansion via improved freight mobility & increased connectivity to central business district
	Subtotal		491		$4,335,000	$7,833,000	
Grays Harbor County	City of Montesano	Chehalis River Bank Stabilization	10	130	$542,546	$685,846	Job & industrial business retention through road improvements and revetments that protect city's industrial property and waste water treatment plant
	Quinault Indian Nation	Grays Harbor Vehicular Ferry Project	100	■	$2,335,500	$3,030,000	Job & business retention & development plus improved freight and visitor mobility
	City of Elma	"A" Street to 7th Street	26	13	$658,751	$661,288	Job retention and creation through downtown business development
	Subtotal		136	143	$3,536,797	$4,377,134	
Kitsap County	Kitsap County Transit (CEZ)	Bremerton Transportation Center	159	■	$3,300,000	$3,715,029	Business & job retention & CEZ redevelopment via improved linkages to waterfront & downtown
	Subtotal		159		$3,300,000	$3,715,029	
Kittitas County		Bowers Road and Industrial Park Road	265	■	$1,977,500	$3,682,000	Job creation and retention through manufacturing/commercial business expansions
	Subtotal		265		$1,977,500	$3,682,000	
Klickatat County	City of Bingen	SR-14 and Local Road Improvements	†	†	$2,514,550	$3,925,000	Job creation and retention through manufacturing business expansion and development and tourism development
	Klickitat County	Alderdale Road Improvements	192	1,170	$3,305,990	$3,575,000	Job creation and retention through agribusiness expansion and development and freight mobility improvements
	City of Goldendale	Roosevelt Street Improvements	42	25	$325,302	$382,001	Job creation through manufacturing business expansion
	City of Bingen	Downtown Bingen Revitalization	†	†	$735,450	$2,420,087	Job retention & creation via downtown commerical development, improved access to industrial sites, and enhanced freight mobility
	Subtotal		234	1,195	$6,881,292	$10,302,088	
Lincoln County	City of Davenport	Monroe and Eighth Street Improvements	12	19	$1,190,316	$1,399,143	Job creation through agribusiness expansion and retention
	City of Harrington	Sherlock Street Reconstruction Project	30	18	$518,750	$600,000	Job retention for agribusiness plus safety and
	Subtotal		42	37	$1,709,066	$1,999,143	freight mobility improvements

REV Report

Location	Applicant	Project	Est. Jobs	Actual Jobs	REV Funds	Total Funds	Anticipated Outcomes
Pacific County	City of Raymond	Business Loop Upgrade	73	213	$1,075,000	$1,660,000	Job creation and retention through manufacturing, commercial and retail business expansion and development
	City/Port of Ilwaco	First Avenue and Howerton Way SE Improvements	†	†	$1,688,511	$1,952,036	Business development & expansion via improved access & linkage to port & downtown properties
	Subtotal		73		$2,763,511	$3,612,036	
Pierce County	City of Tacoma (CEZ)	Dock Street Improvements	409	■	$2,000,000	$2,862,000	Job creation and retention through commercial and tourism business expansion and development in the state designated Community Empowerment Zone
	Subtotal		409		$2,000,000	$2,862,000	
Skagit County	City of Anacortes	17th Street and Port/Industrial Access Corridor Improvements	150	75	$600,000	$700,000	Job creation through manufacturing, service/commercial business development and expansion
	City of Sedro Woolley	SR 20 and Skagit Industrial Park Improvements	645	■	$363,300	$420,000	Job creation and retention through manufacturing business development
	Town of Concrete/ Skagit County	Main Street Improvements	36	■	$312,900	$393,900	Job creation and retention through manufacturing, retail/commercial, and tourism business development
	City of Burlington/ Skagit County	Goldenrod Road Bridge and Roadway Improvements	380	■	$1,049,468	$1,946,987	Job creation and expansion of commercial businesses and freight mobility improvements
	City of Mount Vernon	Old Highway 99 and Anderson Road Reconstruction	489	■	$1,470,500	$1,700,000	Job creation and retention of industrial and commercial businesses
	Swinomish Tribe/ Skagit County	Casino Road Reconstruction	464	■	$400,000	$500,000	Business & job expansion via loop to connect tribal waterfront development
	Subtotal		2,164	75	$4,196,168	$5,660,887	
Skamania County	City of Stevenson	SR 14 Couplet Improvements	31	■	$1,049,827	$1,266,418	Job creation via manufacturing, retail/ commercial, & tourism business development
	City of North Bonneville	Cascade Drive Improvements	45	144	$417,675	$482,861	Job creation via linking commercial & industrial business development sites to SR-14
	Subtotal		76	144	$1,467,502	$1,749,279	
Stevens County	City of Colville	Downtown Corridor Improvements	361	■	$5,506,400	$15,675,000	Job creation & retention via manufacturing, service/commercial, & tourism business development
	Subtotal		361		$5,506,400	$15,675,000	
Whatcom County	City of Lynden	Front Street and Tromp Road Improvements	144	■	$880,000	$1,055,000	Job creation via manufacturing business expansion & development
	City of Ferndale	Rural Avenue and Sunset Improvements	290	■	$2,176,340	$2,521,000	Business development & retention plus improved freight mobility to Cherry Point & Port of Bellingham's airport properties
	Subtotal		434		$3,056,340	$3,576,000	
Whitman County	City of Palouse	SR-272 (East Main Street) and SR-27 Street Improvements	20	30	$422,372	$2,559,136	Job creation & retention via commercial/retail, & agribusiness retention plus improved freight mobility
		Subtotal	20	30	$422,372	$2,559,136	
Yakima County	Port of Sunnyside	Midvale Road Improvements	65	15	$3,136,912	$4,363,912	Job creation via manufacturing & agribusiness development & expansion, plus improved freight mobility
	Port of Grandview	Stover Road Reconstruction	50	46	$352,121	$407,281	Job creation via future development of port industrial property
	City of Union Gap	Valley Mall Boulevard Extension	800	31	$795,000	$10,115,869	Job creation via manufacturing & industrial development, plus improved freight mobility
	City of Yakima (CEZ)	Washington Avenue Industrial Expansion	500	■	$2,361,905	$3,005,337	Job creation & retention via industrial business development & expansion
	City of Zillah	Cheyne Road Capacity and Expansion Project	232	18	$570,750	$1,144,932	Job creation & retention via commercial, light industrial, & tourism business development
	Subtotal		1,647	110	$7,216,688	$19,037,331	
	TOTAL		**11,625**	**3,353**	**$68,267,767**	**$133,281,121**	

■ Projects are working to complete WSDOT contract and transportation project construction.
† Indicates jobs counted in CERB report to prevent double count where REV and CERB funds are combined for the same project area.

(continued from page 15)

Project Highlights

City of Union Gap—The City of Union Gap celebrated completion of the 1.4-mile Valley Mall Boulevard extension in June 2003 with the help of $795,000 in REV funds. The nearly $13 million Phase II project improves and enhances the Yakima Valley's role in industrial development and international trade, while decreasing existing traffic and safety problems. The extension opens up 157 acres of prime industrial property for future industrial business development and job creation. The extension creates a direct freight corridor between I-82 and the Yakima Air Terminal, enhancing possibilities for development of air cargo services, warehouse storage facilities, and foreign trade zone assembly. The arterial is designated the major truck route in the Yakima area and is listed on the National Highway System.

"The Valley Mall Boulevard Extension is one of the City of Union Gap's greatest achievements. This key transportation improvement opens the City to better respond to future business development and achieves important safety improvements."

—Mayor Aubrey C. Reeves, Jr.

City of Union Gap,Valley Mall Blvd

Port of Longview—The Port of Longview completed construction of 2,235 linear feet of International Way to create a key link to the Port's 180-acre West Mill Industrial Park. To meet Cowlitz County industrial road standards, $460,715 of REV funds were combined with $302,564 of Port funds to construct the roadway. International Way is a direct link between Industrial Way (State Route 432), the major industrial truck route in the Longview/Kelso area and the Port of Longview's Columbia River deep-water port. Since completion of International Way, the Port has leased two buildings to industrial tenants employing approximately 65 people. Reconstruction of International Way gave the Port road access to make the buildings available for lease.

"This new roadway is the finishing touch on what has become one of the West Coast's prime marine industrial parks."

—Ken O'Hollaren, Executive Director

Port of Longview, International Way

REV Program History

The REV Program was introduced during the fall of 1998 as part of Governor Gary Locke's Economic Vitality Initiative. Seen as a way to jump-start economic opportunities linked to transportation investments, the strategy garnered broad bi-partisan support. Budget and policy decisions to make the program work were made by the end of the 1999 legislative session.

Since that time, REV has proven to be a success of the Economic Vitality Initiative. More than $68 million of REV funds were invested in 43 projects in 18 rural counties and four state Community Empowerment Zones, benefiting cities, counties, ports, and Indian Tribes.

REV was undertaken as a partnership with the Washington State Department of Transportation. Based on an excellent track record of making public infrastructure investments with sound economic returns, CERB was directed to review REV projects and allocate resources based on projected economic outcomes. WSDOT transportation engineers approved the technical aspects of the road improvements, and the Transportation Commission approved projects with state highway improvements. WSDOT retains administrative authority for the REV Program. A total of $68 million in federal Transportation Equity Act for the 21st Century funds from WSDOT was earmarked for the program.

Overall, REV projects are expected to leverage more than $65 million in other funding and create 11,625 short and long-term jobs.

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