



INVESTING IN WASHINGTON'S ECONOMIC FUTURE

Community Economic Revitalization Board

1011 Plum Street SE • PO Box 42525 • Olympia, WA 98504-2525 • (360) 725-3151

Welcome to the 2019 Community Economic Revitalization Board's Project Tour at the Port of Shelton. Today we will take you on a tour to give you a snapshot of the type of projects awarded by the Board between 2016 and 2018.

Since 1982, CERB invested in 15 projects throughout Mason County, which resulted in:

- \$7,747,898 total CERB investment
 - Core CERB \$4,931,250
 - Rural Broadband \$2,816,648
- 765 permanent, private jobs created
- 74 construction jobs created*
- \$6.6 million in match
- \$2 million in private investment

**Each \$1 million invested in new construction creates an additional 9.6 construction jobs.*

Source: Office of Financial Management.

The primary goals of the Board are to support private sector development and job creation by investing in economic development public infrastructure. It is gratifying to see the Board's goal carried out so wonderfully in our communities, and Port of Shelton is no exception. These projects exemplify leadership, energy, and partnership; it's evident in every project that we will visit.

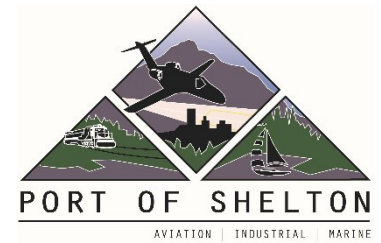
CERB's history has shown that these qualities at the local level are essential elements of successful economic development projects.

The Board would like to extend a special Thank You to the Port of Shelton, Belco Forest Products, and Lynch Creek Farms. This tour wouldn't be possible without your help and support.

Thank you for taking the time to join us today.

Randy Hayden
Community Economic Revitalization Board Chair

Port of Shelton Expansion at Johns Prairie Industrial Park 2016



The Port of Shelton received a \$160,000 loan and a \$160,000 grant for the conversion of an existing 11,600 square foot shed into a steel fabrication assembly building that includes space for the manufacturing and testing of industrial electrical control panels. Site and building improvements include adding exterior walls, overhead shipping and personnel doors, floor leveling, extension of underground power, water, and storm water, and the addition of a restroom and interior walls.



Unfortunately, the original business that was on the original application, Fraser Metal Works, is no longer in business. Fraser Metal Works was an ironwork and steel fabricating business.

The Port of Shelton still went forward with the project as the construction still needed to happen to make the building viable for a future tenant.

At this time, the building is being shared by Lynch Creek Farms and Belco Forest Products.

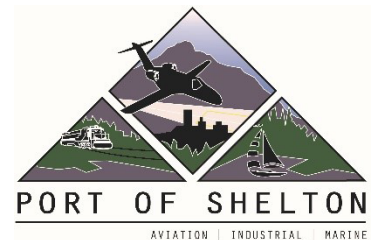
Estimates from the application:

New annual state and local revenue generated by the private business are estimated to be \$56,277.62. For every CERB dollar, \$0.18 is projected to be generated annually as a result of the public infrastructure project. (\$56,277.62 annual estimated new taxes / \$320,000 CERB)

An estimated \$1,269,500 in private capital investment by the private business was spurred by \$320,000 of CERB funds invested in the public facilities. This is a ratio of \$3.97 in private dollars, for every CERB dollar invested. (\$1,269,500 private investment / \$320,000 CERB)

The project is estimated to create 50 full time jobs, and retain 19 full time jobs. (Median hourly county wage \$18.49 / Median hourly new job wage \$23.00)

Port of Shelton Lynch Creek Farms Lynch Creek Property Expansion Project 2017



The Port of Shelton received a \$300,000 loan and a \$300,000 grant for the construction of three loading docks, removal of concrete footings, wall-in an additional building, conversion of building floor, asphalt repair to make site safe for vehicles and forklifts, racking and computer automation combined with smart conveyer automation, and the installation of a 8,000 square foot cooler.



Lynch Creek Farm is a family-owned business that started at the Olympia Farmers' market in 1980. They are now one of the largest evergreen retailers in the US thanks to their online sales. In 2000, Lynch Creek Farm had a total workforce of 4 part-time employees. They worked in the back room of a farmhouse and sold wreaths at the local farmers markets. The company

has grown significantly in the last 16 years, currently employing 20 full-time employees, and 189 seasonal employees, making them one of the fastest growing local companies in Mason County and one of the top employers with a total of 235 new jobs created.

"Lynch Creek Farm is a dedicated corporate citizen, providing 20 jobs in our rural community. With this expansion, Lynch

Creek Farm plans to expand and bring more jobs into our area. Support of these improvements is good not only for the company, but also for Mason County.”

- Lynn Longan, Executive Director
Economic Development Council of Mason County

New annual state and local revenue generated by the private business are estimated to be \$85,181.14. For every CERB dollar, \$0.14 is projected to be generated annually as a result of the public infrastructure project. (\$85,181.14 annual estimated new taxes / \$600,000 CERB)

An estimated \$1,100,000 in private capital investment by Lynch Creek Farm was spurred by \$600,000 of CERB funds invested in the public facilities. This a ratio of \$1.83 in private dollars, for every CERB dollar invested. (\$1,100,000 private investment / \$600,000 CERB)

Lynch Creek Farm is estimated to create 30 full time jobs, and retain 20 full time jobs. (Median hourly county wage \$16.48 / Median hourly new job wage \$26.62)

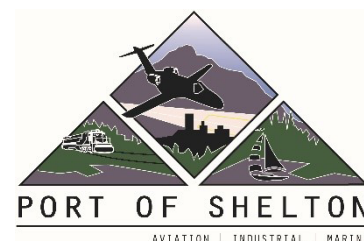
.....

Port of Shelton

Belco Forest Products

Belco Forest Products Building Expansion 2018

The Port of Shelton received a \$1,500,000 loan and a \$500,000 grant for the construction of a 30,000 Square foot warehouse building including stormwater improvements, major electrical improvements and a fire sprinkler system.



In 1978, Bellingham Lumber Company (Belco) was created as an office wholesale lumber brokerage firm. By 1980, managing partner John Staley purchased the company. John began putting inventory on the ground around the greater Seattle area. Hence, Belco could better service its growing customer base in Alaska. Belco Forest Products is currently under second-

generation ownership. This project will allow a place for a new machine center that will eliminate production inefficiency, ensure material for existing products and allow new products.

“Belco Forest Products have been in business since 1978 and have been in Shelton since 2004. They are a multi-generational company that believes a company is as strong and healthy as the community they serve in. Their growth helps our community to continue to improve. They are a dedicated corporate citizen providing 32 jobs in our rural community. With this expansion, Belco Forest Products plans to expand and bring 35 more jobs into our area. Support of these improvements is good not only for the company, but also for Mason County and our local economy.”

- Jennifer Baria, Marketing and Communications Director
Economic Development Council of Mason County

New annual state and local revenue generated by the private business are estimated to be \$85,969.05. For every CERB dollar, \$.04 is projected to be generated annually as a result of the public infrastructure project. (\$85,969.05 annual estimated new taxes / \$2,000,000 CERB)

An estimated \$750,000 in private capital investment by Belco Forest Products was spurred by \$2,000,000 of CERB funds invested in the public facilities. This a ratio of \$0.37 in private dollars, for every CERB dollar invested. (\$750,000 private investment / \$2,000,000 CERB)

Belco Forest Products are estimated to create 38 full time jobs, and retain 30 full time jobs. (Median hourly county wage \$16.48 / Median hourly new job wage \$16.50)

2019-21 Board Members

Agency Appointments

Randy Hayden, Chair

Pasco, WA - Port Official

Michael Echanove, Vice-Chair

Palouse, WA - Public

Andrea Alexander

Mountlake Terrace, WA - Small Business

Richard Bogert

Pasco, WA - Small Business

George Brady

Pateros, WA - Small Business

Paul Cross

Richland, WA - Large Business

James Jaime

Forks, WA - Federally Recognized Indian Tribe

Candace Mumm

Spokane, WA - City Official

Vange Ocasio Hochheimer

Spokane, WA - Economist

Randy Ross

Aberdeen, WA - County

Daniel J. Seydel

Shelton, WA - Small Business

VACANT

Large Business, West of the Cascades

Legislative Appointments

Representative Mike Chapman

House Majority Caucus

Representative Jim Walsh

House Minority Caucus

Senator Judy Warnick

Senate Majority Caucus

Senator Dean Takko

Senate Minority Caucus

Agency Representatives

Mark Barkley,

Department of Commerce

Elizabeth Robbins,

Department of Transportation

Paul Turek,

Employment Security Department

Aaron Deggs,

Department of Revenue

2017-19 Overall Highlights*:

- Committed more than \$28.8 million in funding to communities across the state
- Estimates:
 - 2,605 jobs created and retained
 - 6,097 broadband connections
 - \$148 million public match funds
 - \$189 million in private investment

48 Projects

- 23 Ports
- 12 Cities
- 7 Special Purpose Districts
- 3 Counties
- 3 Tribes

Average CERB investment per project: \$634,238

** Projects were not awarded in January and March 2018, due to the delay of the capital budget.*

Since 1982 CERB has:

- Committed more than \$186.8 million in funding to communities across the state
- Created and retained more than 35,600 jobs
- Generated \$403 million in public match funds
- Leveraged more than \$5.7 billion in private investment
- 426 projects

CERB Staff:

Janea Delk, Executive Director & Tribal Liaison

360-725-3151 • janea.delk@commerce.wa.gov

Leslie Wolff, Outreach Specialist

360-725-2777 • leslie.wolff@commerce.wa.gov

Barbara Smith, Program Assistant

360-725-3169 • barbara.smith@commerce.wa.gov



INVESTING IN
WASHINGTON'S ECONOMIC FUTURE

CERB Enabling Legislation: RCW 43.160