



JOBS. JOBS. JOBS.

ASSOCIATE DEVELOPMENT ORGANIZATION (ADO)

RETURN ON INVESTMENT

January 9, 2012

Q: WHO DELIVERS JOBS IN EVERY COUNTY IN WASHINGTON STATE?

A: ASSOCIATE DEVELOPMENT ORGANIZATIONS (ADOs)

Governor Gardner and the Legislature created *Team Washington* in 1985: a network of locally-based economic development organizations that deliver hands-on business retention, expansion and recruitment programs and initiatives. These organizations are also called Associate Development Organizations, or ADOs.

In 2007 Governor Gregoire and the Legislature took a big step forward with the Governor's *Next Washington* plan which re-emphasized the fundamental importance of local economic development services to the State's success. Working with the Governor, Legislature, Economic Development Commission and the Department of Commerce, the ADO network delivers results year after year.

ADOs leverage state dollars with local private and public dollars to create the backbone of the State's economic development system. Innovation, business retention, and business recruitment ultimately happen at the local level and ADOs provide the structure and expertise to deliver jobs and capital investment for our communities and citizens.

Urban, rural, east and west – every corner of the state has felt the strength and benefits of the ADO network.

Please read on.

For more information about the job creation track record of ADOs, please contact your local ADO or Noah Reandeau, WEDA Executive Director, (253) 620-6500; James Evans, WEDA Government Affairs Consultant, (253) 620-6641; or Bruce Kendall, WEDA Board Member, (253) 383-4726.

Q: WHAT IS THE ADO TRACK RECORD (FY2009-2011)?

A: IMPRESSIVE NUMBERS, INCLUDING:

- **20,004 private sector jobs created or retained in WA State**
 - **\$2.7 Billion in private investment in WA State**
 - **1,402 businesses served in WA State**

Q: WHAT'S THE RETURN ON THE STATE'S INVESTMENT IN ADOs (FY2009-2011)?

A: MORE IMPRESSIVE NUMBERS, INCLUDING:

- **\$273 in private investment for every \$1 in State ADO funding**
- **One (1) job created or retained for every \$502 in State ADO funding**

Q: WHAT ARE SOME EXAMPLES OF JOB CREATING DEALS OR PROJECTS DELIVERED BY ADOs (FY2009-2011)?

A: ADOs RECRUITED 147 COMPANIES, RETAINED/EXPANDED 807 COMPANIES AND HELPED 448 NEW BUSINESSES GET STARTED.

Source: ADO Report, Washington State Department of Commerce, November 2011

Q: DO YOU HAVE ANY JOB CREATION EXAMPLES?

**A: CHECK OUT THE FOLLOWING – these are just some highlights,
many more are available:**

Snake River Boat Builders Export Program and AMN – ASOTIN COUNTY

The Southeast Washington Economic Development Association (SEWEDA), the local ADO, partners with a variety of organizations and manufacturers to promote the Snake River Boat Builders Export Program. The goal of the program is to develop viable foreign markets for the welded-aluminum jet boat manufacturers and suppliers located in the greater Lewiston, Idaho/Clarkston, Washington region.

In January, 2011 the program participants exhibited in the Snake River Boat Builders Pavilion at the “*boot Düsseldorf*” trade show in Germany. The show encompassed 1,550 exhibitors and approximately 240,000 attendees from over 50 countries.

In 2011, the program participants participated in training on Export Financing, Freight/Logistics and the CE Mark Certification. In September, four European U.S. Commercial Service Trade Specialists visited the Lewiston/Clarkston Valley to begin a business relationship with program participants. They came from Brussels, Belgium; Frankfurt, Germany; Madrid, Spain; and Izmir, Turkey.

The export program will result in the retention of 150 boat building industry jobs and help boat building firms expand in the Valley.

Also, SEWEDA helped create the American Manufacturers Network (AMN), a consortium of manufacturers organized for the purpose of responding to large manufacturer and U.S. Department of Defense supply needs. The AMN increases employment opportunities, living wage jobs, and per capita income; diversifies the economy; reverses the out-migration of the workforce from local, rural communities; enhances economic activity through the injection of new money; and improves the local and state tax base.

J.Lieb Foods and AREVA NP Inc. – BENTON COUNTY

J. Lieb Foods of Portland, Oregon was recruited to the Tri-Cities in 2007 when they bought the former Welch's bottling plant in downtown Kennewick. The Company has operated successfully since 2007 employing 70 people. In August 2011, with assistance from the Tri-City Development Council (TRIDEC, the local ADO), Lieb entered into a joint venture with Idaho-based Litehouse Foods to produce "Litehouse Apple Cider Varieties" at the Kennewick facility. This expansion will add **20 new jobs**.

AREVA is the Tri-Cities largest manufacturer with over 600 employees. In late 2009, AREVA began to evaluate the consolidation of its fuel bundle assembly operations. Potential locations were at the Richland plant or a facility the company operates in Virginia. A partnership between TRIDEC and the State Department of Commerce convinced AREVA to consolidate in Richland adding approximately **50 new positions** and resulting in **several million dollars in capital investment**. An important element in the Company decision process was the Governor's approval to use a portion of the State's strategic reserve fund, which was matched by local funding, for training new workers.

Angeles Composite Technologies – CLALLAM COUNTY

The Clallam Economic Development Council (the local ADO), with its partners, the State Department of Commerce, City of Port Angeles, and Port of Port Angeles, was instrumental in retaining **110 aerospace jobs by competing against five other states** to keep Angeles Composite Technologies, Inc. in Clallam County.

After receiving the news that ACTI's Board of Directors had awarded their expansion project to Clallam County, the Port of Port Angeles proceeded to issue bonds to fund the more than **\$4 million project**. This project includes two new buildings at the Port of Port Angeles' Composite Manufacturing Campus located at the Airport Industrial Park. A strategic vision for the Port, the Composite Manufacturing Campus will complement the existing businesses at the Airport Industrial Park.

"Composite manufacturing is among the four areas of focus that have been identified by Clallam Economic Development Council for support and development," stated Commissioner John Calhoun. "This announcement notes an excellent example of the

Port and the larger economic development community cooperating to achieve quality job creation for our community.”

Sapa Extrusions – CLARK COUNTY

Sapa Extrusions, a subsidiary of Norwegian industrial conglomerate Orkla, has 16 plants located in North America, including one in Portland, Oregon. The firm has announced it is building its first facility in the State of Washington. The new facility, located at the Port of Vancouver, will create up to **100 new, family-wage jobs** in Southwest Washington.

The **142,800 sq. ft. building**, located at the Port of Vancouver, USA, is funded through a **long term lease** (15 years, plus two five-year options). Sapa’s **private-sector investment in manufacturing equipment and additional facility upgrades is \$9.5 million.**

The Columbia River Economic Development Council/CREDC (the local ADO) and the Port of Vancouver’s relationship with Sapa began in 2004 when the aluminum extrusion company first started their due diligence for an expansion. For seven years, the CREDC and the Port supported the company’s efforts and the project came to fruition in 2011 when the company decided to relocate equipment and operations from Port Coquitlam, B.C. After an exhaustive site selection process, Sapa chose the Port of Vancouver. Sapa’s decision brought much-needed activity back to a building that formerly housed the electronics manufacturing company Panasonic.

The CREDC acted as a facilitator through much of the company’s seven year site selection process and collaborated with the Port during the due diligence phase. A critical step in bringing Sapa to Vancouver was the port’s success in securing an **\$800,000 public facility improvements** loan from the Washington State Community Economic Development Revitalization Board (CERB). The funds were used for necessary building upgrades.

The project was supported with significant infrastructure investments from the City of Camas and an investment from the Governor's strategic reserve fund. In addition, the ease of development and business climate will help the community compete for the

relocated headquarters of Fisher Investments whose headquarters relocation would result in the creation of 1,100 new jobs.

Ski Bluewood – COLUMBIA COUNTY

Ski Bluewood Resort, situated in the Blue Mountains of southeastern Washington is a small jewel 21 miles from the farming community of Dayton. Ski Bluewood is a significant part of the economy of Columbia County. With an employment base of **6 - 8 fulltime positions, and another 90 - 95 seasonal employees**, Bluewood has an impact both on job earnings, as well as various local and regional retail (e.g., ski shops) and service businesses (e.g., restaurants, coffee shops, grocery stores, gas stations, etc.).

In June 2010, the owner of Ski Bluewood, announced he would not re-open Ski Bluewood, effective September 2010, unless a sale of the resort occurred or another acceptable transaction (such as the creation of a non-profit) could be reached before that date. The **assets were valued at \$1.3 million, with a debt load of \$500,000**. Ski season is opposite to the farming season in Columbia County and many of Dayton's residents work on the farms in the summer and the ski resort in the winter. Closing of the resort would have a significant impact to the economic health of Dayton.

Led by Southeast Washington Economic Development Association (SEWEDA), the Dayton Chamber of Commerce and many other community leaders, a committee was formed and evaluated numerous takeover options, including a private buyout, local government management, or the creation of a non-profit 501 C-3 company.

The story has a happy ending. A **group of investors from the Tri-Cities**, who loved Ski Bluewood stepped up and bought "the mountain." They have invested time and money into the resort, and it has resulted in a huge save for the county. Not a ski season was missed and best of all, **no jobs were lost**.

Bennu Glass – COWLITZ COUNTY

Cameron Family Glass was a major win in recruitment for Cowlitz County and the State of Washington when it broke ground in 2007. The Governor spoke at the groundbreaking announcing the construction of a **\$90 million facility**. Unfortunately, the innovative electric furnace failed on January 4, 2009 and the facility was closed and went into bankruptcy, delivering a huge blow to the community. The Cowlitz Economic Development Council, the local ADO, began working with new ownership in March 2010 and assisted them through several hurdles; they are **committed to restart the facility**, with proven furnace technology, in July of 2012. **100 new jobs** will be created with **new ownership and financing** in place.

TiLite – FRANKLIN COUNTY

TiLite is the one of the world's leading manufacturers of manual wheelchairs. A distinguishing feature of the TiLite Chair is that it is constructed out of titanium so that it is lighter and more durable than competitors' products. The Company had been located in several Port of Kennewick buildings since its inception. After an exhaustive search of the region, TiLite purchased a **66,000 square foot building** in Pasco and moved its operations in 2010. TRIDEC, the local ADO, provided low interest financing to assist TiLite with moving expenses and the Company also received assistance from the Hanford Area Economic Investment Fund. The new location is allowing TiLite to expand its product line by offering an aluminum chair. The company **employs approximately 120 and is growing at a rate of one new employee per month**.

Lower Snake River Wind Project – GARFIELD COUNTY

Garfield County's economic growth over the past 12 months has occurred primarily due to Puget Sound Energy's Lower Snake River Wind Project Phase 1 development, which was **nearly complete as the year drew to a close**; however, a number of other projects played out that complete the story. **Hundreds of temporary construction jobs were created as a result of these projects and at least 25 new, long-term jobs will result from the largest project**.

In addition to the wind project, the 110 year old Garfield County Courthouse was the recipient of a much needed renovation that was funded in part by the Washington State Courthouse Initiative, as well as local dollars, for a total investment of \$2 million dollars. The Pomeroy School District embarked on an update of its junior high/high school facility, also with a combination of private and public dollars for a \$9 million investment in the community. Southeast Washington Economic Development Authority (SEWEDA), the local ADO, has been involved in the capacity building and planning phases of several of the projects.

Recent results of business surveys conducted by SEWEDA within the community have indicated an overall increase in local business activity, with several businesses diversifying or expanding current products and services as a result of the large construction projects noted above.

Pacific Coast Canola, Dell, and Sabey – GRANT COUNTY

Pacific Coast Canola, recently broke ground in Warden on a **\$110 million dollar canola seed crushing facility**. The project will result in **35 new full time jobs** in a very distressed small community in Grant County. The manufacturers sales tax exemption on equipment, the rural county sales tax exemption on construction of manufacturing facilities and the rural county B&O tax credit for new hires in a manufacturing industry were all important tools in landing this project.

Dell has a large data center campus under construction in Quincy. It is estimated that the project will result in **35-40 jobs** when phase 1 is completed early next year. Phases 2 and 3 could result in a total of up to **150 jobs**. **Capital investment is expected to be more than \$300 million.**

Sabey Corp. also has a large data center campus under construction in Quincy. It is estimated that the multi-phase project will result in **30-40 new jobs** next year and more jobs when phases 2 and 3 are completed. **Capital investment is expected to be more than \$200 million.**

Cosmo Specialty Fibers and NewWood – GRAYS HARBOR COUNTY

Over the last year and half the local economy in Grays Harbor **added 245 manufacturing jobs** with the opening of Cosmo Specialty Fibers in Cosmopolis and NewWood Manufacturing in Elam. On the other side of the equation Grays Harbor County lost 233 union wage manufacturing positions with the closure of Grays Harbor Paper and an additional 80 positions were lost when Hoquiam Plywood closed its facility earlier this year.

Currently, Greater Grays Harbor Inc., the local ADO, is the lead entity in **marketing the reopening of the Grays Harbor Paper facility** and is **actively working with two prospective companies for site selection for manufacturing** facilities. The need and justification of a boots on the ground Associate Development Organization has never been as justified as it is today.

Whidbey Hands and Lymphedema – ISLAND COUNTY

Margaret Jennings was laid off from her hand therapy job in 2009. Her special skills meant no employers existed in Island County to hire her. For help she turned to the Island County Economic Development Council, the local ADO. Between the EDC and an SBA-SCORE counselor, a business plan was crafted that helped her land a \$50,000 loan to open “Whidbey Hands and Lymphedema.” In 2010 her business **grossed \$90,000** and she had to hire an assistant. In the first 3 quarters of 2011, she **grossed \$198,000 and hired a full time office assistant and another therapist**. Success for rural Island County EDC is not measured by thousands of jobs created, but by one business at a time.

Quimper Mercantile Company – JEFFERSON COUNTY

The Jefferson County Economic Development Council, the local ADO, led the effort to apply for and receive approval to float a stock offering to fund a new company called Quimper Mercantile Company. The SCOR (small corporation offering registration) application was approved December 29, 2011 to sell **\$950,000 in stock** to Washington State residents and replace the only general merchandise store in Jefferson County. **12-16 jobs will be created** in 2012 as a result. This effort has been staffed by the EDC and

other volunteers to create a community corporation and using a special SCOR for access to capital.

Also, the ADO assisted in creating a business plan and secured financing for a 23 year-old roofing company in Jefferson County, allowing them to reopen and **re-hire 12 employees.**

Northeastern University – KING COUNTY

Boston-based Northeastern University has announced plans to establish a **20,000 square foot campus in King County.** The University will **hire 10 local faculty,** provide 16 graduate level degrees, and serve several hundred students in the first few years and ultimately expand enrolment to 1,000. The institution will serve as a valuable resource to **fill the talent pipeline for businesses throughout the State of Washington.**

EnterpriseSeattle, the local ADO, worked closely with Northeastern University for over a year as it **evaluated locations throughout the country** for a branch campus. EnterpriseSeattle provided Northeastern with customized research including economic and demographic data as well as information on emerging industry clusters that drive the Washington State economy. Additionally, EnterpriseSeattle hosted senior leadership of the University to the region and provided key introductions to elected and business leaders who all encouraged the University to make a King County location decision.

In October 2011, Northeastern University announced plans to open regional campuses in Charlotte, NC and Seattle. The Seattle campus will offer graduate degrees tailored to the workforce needs of the local economy, with courses taught partly online and partly by classroom learning. They will also help students work with local employers on research projects in an extension of the school's signature co-op program.

Northeastern has applied for authorization from Washington's Higher Education Coordinating Board to offer 16 graduate level degrees in the areas of technology and engineering, science and healthcare, education, and business administration.

Profile Composites – KITSAP COUNTY

In 2010, Profile Composites was planning an expansion into the U.S. market from its existing location in Sidney, BC. Washington State and Oregon were the frontrunners. Discussions with the National Center for Manufacturing Sciences (NCMS) led to an introduction to Kitsap Economic Development Alliance (KEDA). KEDA then successfully applied for a **\$100,000 workforce grant** on Profile's behalf. This grant created a public-private partnership with newly incorporated Profile Composites North America (PCNA) and Olympic College to train veterans in advanced composites manufacturing.

KEDA also facilitated a site search for Kitsap locations; arranged and hosted tours of potential sites; introduced potential partners; provided a team approach with key stakeholders including NCMS, Senator Murray's staff, Congressman Dicks' staff, WorkSource, Washington State Department of Commerce and Olympic College; and provided ongoing resources critical to small business development.

PCNA has currently **hired full-time marketing and operations executives**, secured facilities, and anticipates initial production of its advanced composite assistive devices for disabled individuals in December 2011. **The first manufacturing team will be hired from the Olympic College training program.** In addition, the company is bidding on aerospace and other composites programs and anticipates expanding rapidly in Kitsap County.

Ritchie Bros. Auctioneers – LEWIS COUNTY

Ritchie Bros is the world's largest industrial auction house and began as a small family-run business in British Columbia, Canada in 1958, selling surplus inventory from their furniture store to pay a bank debt. Spurred by their success, the brothers began conducting more regular auctions. They soon progressed beyond furniture, and in 1963 conducted their first unreserved industrial auction, selling US \$600,000 worth of equipment.

As demand for the company's unreserved auction services increased, Ritchie Bros. began to expand. It opened its first office outside Canada in 1969 at their current Washington state location in Maytown (south of Olympia), followed by its first United States auction in 1970. Ritchie Bros.' unreserved auctions were well accepted by the

U.S. market and by 1985 – 27 years after its first auction – the company had sold more than one billion dollars of equipment. It took only three more years for Ritchie Bros. to gross its second billion dollars. In 1998 the company's annual gross auction proceeds exceeded one billion dollars for the first time.

As the company expanded, it outgrew its 30 acre site in Maytown and desired to replicate its other sites across the globe. Their new site model required at least 100 acres of useable land.

Ritchie Bros searched the I-5 corridor for an available site starting in 2007. Lewis EDC facilitated a local site selection helping Ritchie Bros to purchase over 200 acres in Lewis County on the I-5 and Highway 12 interchange. After 2 years of land use issues, permitting and several hearings, the company broke ground in June 2011 and hope to hold their first auction in their new Lewis County facility in Spring of 2012.

Ritchie Bros purchased **200+ acres**, and invested an estimated **\$20 million in site development and construction of new facilities**. This will likely increase annual sales to over \$100 million. And, as a result, will increase state and local taxes commensurately. **20 full-time and 60 part-time jobs will be created**.

Ridge Motorsports Park – MASON COUNTY

Ridge Motorsports Park had its inaugural event in December 2011. It was a two day event which hosted motorcycles on Saturday and road racing cars on Sunday. The event was well attended by riders and drivers coming from as far away as Northern British Columbia, Idaho, and San Francisco to attend the event. There were over 80 motorcycle riders that participated and 85 car drivers.

The Economic Development Council of Mason County, the local ADO, is pleased to be a key part of making the Ridge Motorsports Park track development a reality. This project is a development that brings **\$8.5 million in new revenue** to Mason County.

The track developers were pleased with the success of their first event weekend and look forward to 2012 as they fill the calendar with events throughout the year. Their

intention is to plan and permit structures for the site over the winter and begin construction on the buildings in the spring of 2012.

Facts about the facility: 2.5 mile road course racetrack; user based track venue; driving schools and club events will be the primary user; it will accommodate year round track use; on average 80 people will be at the track facility each day; secondary economic benefit to hotels, restaurants, recreation, and other service facilities.

Mark DeGross of *2 Fast*, the organizer of the December event, commented that all of the riders were impressed with the track and he went on to say, "I can't believe we have such an awesome track here in the Northwest; everyone loved it." DeGross is confident in the facility's success and has scheduled to do nine motorcycle riding events during the 2012 season.

Christopher Johnson, owner of Washington Motorcycle Safety Training and a native of England, compared this track to the best tracks in Europe. He stated, "This facility is phenomenal, it is a world-class facility." It is a technical track that challenges riders with its turns, camber, and elevation changes.

Resort Development – OKANOGAN COUNTY

The Economic Alliance, the local ADO, sponsors the Small Business Development Center for Okanogan County. Together with its Certified Business Advisor, and partner organizations such as the NCW Business Loan Fund, it assisted several clients to obtain financing to expand their businesses.

These include a small family-owned resort that received **\$700,000 in financing** and added 14 more rooms and **4 new employees**; a fruit processing facility received **\$305,000 to refinance** its Revolving Loan Fund debt to traditional bank financing and **retained 15 employees**; an office supply retail store was purchased and new owners received **\$60,000 in financing** and **retained 2 jobs and created 2 jobs**; and a motel was purchased and received **\$260,000 in financing** and created **1 new position and retained 2 positions**.

Partnership is the key to Economic Development success in this demographically challenged area. The Economic Alliance recognizes that by working together it can do a

better job of meeting the needs of the community. An example of this is its recent NCW Economic Summit “Leading the Way towards Economic Recovery”. The Economic Alliance was the lead agency; contributing partners included Kinross Gold, the NCW Business Loan Fund, the NCW Economic Development District, WorkSource Okanogan, the Colville Confederated Tribes, IRIS, Employment Security Department, Skillsource and the Wenatchee Valley Chamber. More than 60 business representatives and individuals attended this event.

Carlisle Construction Materials – PIERCE COUNTY

In March 2011, the Economic Development Board for Tacoma-Pierce County (EDB), the local ADO, began recruiting Carlisle after being contacted by the company’s site selector via a lead from the State Department of Commerce. Working closely with the property owner, Pierce County, and Tacoma Public Utilities, the EDB conducted multiple site tours and facilitated negotiations among all parties.

In December 2011, the company purchased 42 acres in Frederickson, Pierce County. The firm is planning a **350,000 square foot insulated roof panel manufacturing** and distribution facility that will create **100 new jobs with benefits**. The company plans to invest **\$25 million in plant and equipment**. The competition for the company included Oregon and British Columbia. The EDB continues to work with the property owner, Carlisle and various public agencies to ensure the project continues smoothly.

Frontline – SAN JUAN COUNTY

The San Juan County Economic Development Council (EDC), the local ADO, helped Frontline Call Center get started in 2005. Over the seven years it has been in business **it has employed 87 people on Orcas** and **over 200 remote agents** in Washington State and beyond.

The need for jobs in rural San Juan County is critical. The County is experiencing a deep and lasting recession and historically has been dependent upon industries that appear not to be rebounding: tourism, construction, and real estate. Unlike these industries, Frontline Call Center’s business has weathered the recession and is poised for

growth. Frontline Call Center is working to expand its operations in San Juan County, with the help of the EDC, and will **hire at least 20 new employees** over the next 6 months.

Also, the EDC has worked for several years to improve broadband infrastructure in San Juan County, and has recently partnered with the local power cooperative to bring fiber to its residents and businesses.

Economic Development Association – SKAGIT COUNTY

The Economic Development Association of Skagit County (EDASC), the local ADO, is committed to ensuring economic stability and growth in Skagit County. It does this through strategic relationships with numerous partners in the region. Its work combines one-on-one counseling and concentrated workshops that deliver vital content to business owners and entrepreneurs.

Since January 2010, EDASC has engaged **416 businesses** in counseling relationships covering a variety of topics. Its work has been called instrumental by those clients in **creating and retaining 503 jobs** while **investing \$3,967,135** into the local economy. During this same time EDASC workshops **attracted 1,484 participants to 100 workshops**.

Slingshot Sports; Driving School – SKAMANIA COUNTY

In 2010 the Skamania Economic Development Council, the local ADO, worked closely with Slingshot Sports and the Port of Skamania County to find funding to build a facility for Slingshot to expand in the US. The EDC helped Slingshot – a global leader in kiteboard manufacturing – in obtaining a CERB loan for the Port to **build a 20,000 square foot building** in North Bonneville, as well as a **Washington Investment Fund loan** for the business **for equipment and materials**. This allowed the business to bring its manufacturing back to the US from Asia. With the project, Slingshot brought **11 family wage manufacturing jobs back from overseas**.

In 2011 the EDC worked closely with a teacher who wanted to open his own **driving school** in Stevenson. For years students in the county had to have their parents drive them 20 to 40 miles to the nearest schools in Camas or Goldendale. After months of research, writing a business plan and planning with the EDC the business obtained a loan and opened in August 2011. To date the school has already had **3 classes with 10-25 students per class.**

In the Spring of 2011, a group began renovation of the old school building in Carson. They wanted to turn it into a grill and also to have a game room to make it a place that kids could have to hang out at during the cold winter months. Over time it ended up costing more than they originally planned and so they came to the EDC for last minute help. The EDC was able to offer a loan to get a few last minute appliances and furnishings in order to allow them to open their doors. However, the management at the location was new and not ready for a full scale restaurant with the 10-15 employees needed to run it. The EDC met with and provided professional support for management multiple times to give feedback and to help management understand what their role needed to be in order to be successful.

TECT Aerospace – SNOHOMISH COUNTY

TECT is an aerospace supplier and a successful retention project for Economic Alliance Snohomish County (EASC) – the local ADO. **The company chose to consolidate their Everett and Woodinville operations** and is relocating to a 150,000 square foot building in Everett. They will maintain their Kent operation. **EASC retained 300 jobs in the Puget Sound region, 180 of which are direct labor, manufacturing jobs.** The average wage is \$46,000. The company will invest a substantial amount in upgrades to their new facility, which also gives it space to grow and expand its workforce.

TECT's operation is primarily fabricated metal parts. They supply Boeing, Airbus and other companies in commercial and defense aerospace. In 2008, TECT began an evaluation of its Washington facilities. This was in response to the pending expiry of building leases and the inefficiencies of multiple locations and old buildings. **The options included moving the Washington operations to a vacant facility in Kansas** where the company has other operations.

EASC identified sites to accommodate the need for a new building. It provided information on available financial assistance programs, including aerospace tax incentives and customized training programs. It also contacted the private equity group in North Carolina which owns TECT, stating the importance of TECT to the aerospace cluster in Washington State and its interest in providing all necessary support.

Caterpillar Logistics Services – SPOKANE COUNTY

A great collaborative effort involving Greater Spokane Incorporated (the local ADO), state, county, city and the business community resulted in the siting of a **500,000 square foot** Caterpillar parts distribution center in Spokane, Washington.

When operational in 2012, the distribution center is expected to **employ 100 to 150 people**. With a **private capital investment of \$33,800,000**, the construction impact is over \$40 million. The **economic impact is \$7,100,000**, with **annual tax collections for Spokane County of \$453,000 and Washington State of \$1,700,000**. Important factors in Cat's decision were proximity to transportation (I-90 and the Spokane International Airport) and incentives.

Early in 2011, after a non-disclosure agreement was signed by all parties, Greater Spokane Incorporated worked on state and local incentives to create a recruitment portfolio for the client. A few weeks later, a half-day site visit was scheduled to visit property and meet with County leaders from Planning and Building; City of Spokane Engineering and Public Works; Inland Power & Light; Avista; TW Telecom; WorkSource Spokane; the regional economist; and the State Department of Commerce.

Multiple meetings continued with intense review of permit schedules, water and sewer fee schedules, local utility rates, and estimates to build fiber connections. Outreach continued to local tribes and archaeological experts to ensure that the selected site met all of the appropriate criteria for construction. The company announced their decision in June 2011.

ACS/ Xerox – THURSTON COUNTY

In early 2009, ACS Xerox approached the Thurston Economic Development Council, the local ADO, for assistance in identifying a new facility for its operations. The company had been operating in a facility that was outdated and in multiple buildings. The company was seriously looking at sites out of the region that would have removed 500 jobs from Thurston County.

At that time, there were few vacant buildings in Thurston County that could accommodate a call center with 500 employees, let alone the planned expansion of an additional 1,000 seats. The Thurston EDC identified three existing options that might meet the needs of the company – if the underlying zoning could accommodate a conditional use permit to allow for call center activities. The EDC staff demonstrated to the City of Lacey permitting department that the long term impact and activity was conducive and not a detriment to the current business park zoning. The city worked with the EDC staff to ensure that the facility was permitted and interior constructions were completed on time to meet the needs of the company.

The company agreed with the timelines and activities taken and **signed a long term lease** on the facility thus **retaining the existing 500 jobs at the time. By the end of 2011, the company employed nearly 1,500 individuals** at the facility. The EDC also coordinated with the local workforce development providers to ensure that employees and personnel were recruited and in place by the time the company opened the facility.

Bronzestone – WHITMAN COUNTY

The Port of Whitman and the Southeast Washington Economic Development Association (SEWEDA) of Whitman County, along with WSU, co-sponsor the Washington State University Business Plan Competition each spring. SEWEDA, the local ADO, working together with the Port, administers and funds the Open Business Plan category of the competition. Focusing on startup businesses in Whitman County, this category awards \$15,000 to winners of the competition.

In 2009, Bronzestone entered the competition and was awarded **\$10,000** by a panel of judges. Bronzestone used this award as **seed capital** for its planning and further

fundraising to start their business. The company purchases locally grown garbanzo beans and produces and sells hummus to local and regional grocery stores and restaurants. After a year of planning and working with the Port of Whitman, SEWEDA, the Small Business Center and others, Bronzestone opened in July 2010.

This locally owned company created **4 new jobs** and **invested \$600,000** in remodeling and equipment. It operates out of a 3,000 square foot facility located in the Port of Wilma (owned by the Port of Whitman).

Because of the success of Bronzestone, there has been an increase in the number of participants in the 2010 and 2011 competitions. **Two other startup businesses are presently operating** in Whitman County as a result of the 2010 competition.

Liberty Bottles – YAKIMA COUNTY

The Yakima County Development Association/New Vision, the local ADO, has made it a priority to help innovative emerging companies get rooted and thrive within Yakima County. As part of these efforts, the development association provided important assistance to Liberty Bottles. The company is the only American made sports bottle manufacturer and the only manufacturer of sports bottles that are made entirely from recycled materials. The EDC helped the company owner connect with equity investors, access state tax credits, interface effectively with regulatory agencies, and hire key personnel to run the new facility.

Liberty has **invested over \$3 million in new equipment** at its leased facility and **employs a workforce of 25 people**.

“We appreciated New Vision’s assistance as we launched Liberty Bottles. The development association helped us publicize our new company, secure state tax credits, find qualified employees, and ensure that we got off to a good start in Union Gap,” said Tim Andis, owner, Liberty Bottles.