



Department of Commerce

Opportunity Zone Nomination Form – Competitive Application

SECTION 1: LEAD APPLICANT

The nomination must be sponsored by a lead applicant that is either a city, town, county, tribe, associate development organization (ADO), housing authority, or port district. The lead applicant’s support must be documented through an official letter from the lead applicant’s legislative authority, chief executive officer, or chief economic development officer.

1. **Lead Applicant:**

City of Wenatchee

2. **Contact information:**

Contact Person: Allison Williams

Title: Executive Services Director

Telephone: 509-888-3616

E-mail Address: awilliams@wenatcheewa.gov

SECTION 2: AREA PROPOSED FOR NOMINATION

The U.S. Department of the Treasury has published an Information Resource with a list of eligible census tracts, available here (<https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx>).

Each application may nominate as many as three tracts. Please provide the 11-digit number for each tract, and indicate whether each is a LIC or contiguous tract based on the Treasury list, or a tract that qualifies based on 2012-16 ACS data.

Tract Number	Is this an LIC tract, a contiguous tract, or a tract qualifying based on 2012-16 ACS data?
53007961100	Low Income Tract (South Wenatchee)
53007961200	Contiguous Tract (South Chelan County – Malaga)
	See Attached Map – Adjacent to the ADO Set Aside Tract 53007961000

NOTE: Commerce strongly encourages entities to nominate only LIC or contiguous tracts shown on the Treasury list, as there is no guarantee that other tracts will be accepted. Nominations of tracts not included on the Treasury list should submit an attachment documenting how the tracts qualify, based on 2012-16 ACS data as discussed in the guidance available here: <https://www.irs.gov/pub/irs-drop/rp-18-16.pdf>

SECTION 3: NARRATIVE RESPONSES

Please provide responses to the following five questions. Responses should relate to the entire area proposed for nomination (all tracts listed above) to the extent possible. In cases where answers for one or more would tracts differ significantly from each other, consider submitting separate applications. Each application will be scored separately.

NOTE: The word limits shown below are strict. Reviewers will not consider additional words beyond the limits.

- 1. Overview. Please provide an overview of the area, including a brief description of current or planned land use, available workforce, infrastructure advantages, and any significant public or private investments that have occurred in the past few years. Describe the availability of developable sites, proximity to roads, rail, or ports, and any other significant features of the area. Note any other special designations the area has (i.e., if the area includes a Promise Zone, Community Empowerment Zone, Innovation Partnership Zone, etc.), and if applicable, describe how the area fits into your community's economic development strategy or Comprehensive Plan. (500 words)**

The City of Wenatchee is serving as the lead partner in this Opportunity Zone application with Chelan County and the Port of Chelan County. The City is applying for two census tracts that are adjacent to the one set aside designated by the Port of Chelan County. These census tracts represent the largest opportunities in the region directly relating to priorities of the State.

The attached *Opportunity Zones Map* illustrates these tracts which represent over 2,300 acres of opportunity from downtown Wenatchee south to Alcoa. Our region has come together through the Our Valley Our Future effort to define a resilient path forward which we are marketing, however this Opportunity Zone designation is critical as the scale and complexity of community and economic development issues in these tracts means that no one entity can do it on its own. Our region has a \$150 million INFRA request for our transportation backbone which will leverage millions of dollars of reinvestment in our region to couple with the South Wenatchee Action Plan's \$83.7 million capital improvements. The Region in the process of developing a new water source in the Malaga tract providing key water infrastructure to the area. In addition to these planned investments in capital, the region recently invested \$57 million in infrastructure around the George Sellar bridge assuring good access to both of these tracts.

The demographics for these two tracts are nearly the same in terms of low income for workers and disinvestment challenges despite differences in the 2016 ACS data. Both of these tracts are home to our agricultural workforce and our lowest income households. ACS data shows higher income levels in the contiguous Malaga tract which is distorted because of the enormity of this tract and its wealthier households on the hill. In the valley, the town site of Malaga is experiencing severe low income challenges as demonstrated by the poverty level in two elementary schools serving these tracts where 80% of the student populations meet the free and reduced lunch thresholds. In addition, the Malaga tract median income of \$31,344 for wage earning workers is low compared to the County median income of \$52,475 (2016 ACS data).

All of the land use zoning designations are in place to facilitate use of Opportunity Funds to incentivize business development and expansion and housing in these tracts. The majority of property where opportunity exists is located in the contiguous Malaga tract (2,300 acres) The South Wenatchee tract also has significant commercial and housing opportunities (220 acres). Our exhibit identifies target investment sites due to willing owners and supporting infrastructure investment in these sites in the next 3-5 years will incent development on other surrounding properties.

Finally, the area inside the City of Wenatchee is designated as a target area for CDBG funds due to poverty conditions, and is within the Central Washington Innovation Partnership Zone specifically due to energy and technology opportunities as a result of being close to Rocky Reach and Rock Island Dams.

- 2. Investment opportunity. Please explain how designation as an Opportunity Zone will help attract new private investment to the area over the next three to five years, including how your organization and any partners anticipate promoting investment opportunities in the area. If specific projects are in the pipeline, including but not limited to new housing, industrial facilities, or commercial development, please discuss those projects and describe any other sources of funding that are anticipated to be leveraged, in addition to investments from Opportunity Funds. (250 words)**

The Opportunity Sites attachment provides an overview of target sites where this program will initiate business investment. The City and Chelan County Port District actively recruit businesses, however, the availability of opportunity fund resources will be a tremendous tool to incentivize business development and expansion given legal economic development limitations in Washington State, and our rural setting requiring infrastructure investment. This application represents over \$61 million in housing (our region has less than 1% rental vacancy rate), \$10 million in urban revitalization (parks, bridges, streets, lighting) and a business and incubator spaces, on the books. Examples include a 178 unit complex by Weidner Apt. Homes and a Port District tech incubator space in the downtown set aside tract. Catholic Family Charities has an 88 unit housing project in the South Wenatchee tract.

Our letters of support provide additional examples. Each project brings together multiple funding sources and will collectively impact the conditions of the region leveraging this areas workforce, helping to grow skills, income and in a place with access to services. Finally, the announcement of the Alcoa curtailment, affecting 425 family wage jobs, provides the SINGLE LARGEST OPPORTUNITY for redevelopment, and yet it is the most difficult. This tool provides our region the best opportunity to address redevelopment of Alcoa. The Wenatchee area is poised with energy technology, cutting edge research and development and alignment of entities working together to ensure success to those who invest.

3. Economic need and impact. Please describe recent changes in economic activity, such as business openings or closings within the area, and the anticipated economic impact that will result from private investment in this area. Be as specific as possible about anticipated impacts, such as employment or wage growth, new or expanded businesses, etc. (250 words)

Private investment in these tracts has been non-existent with the exception of a 41 unit Farm Worker Housing project in 2008. This lack of investment combined with the closure of a number of businesses (i.e. Wilbur Ellis, Blodgett Construction, Viewdale Drive-In, and the recent curtailment of Alcoa) has been devastating to the economic vitality of this region with the loss of an estimated 700 jobs. Visual representations are included in Existing Conditions attachments.

The most significant goal of this reinvestment is to raise the standard of living in these tracts. For example, raising wages for 6,000 households by \$20,000 each through adding skills with the mechanization of agriculture and other opportunities will have a tremendous impact by creating \$120 Million in new disposable income to our region.

Opportunity zones will help incentivize investment in these tracts and will reverse the declining trends today. The targeted opportunity sites will provide investment of an estimated \$250 Million in private capital. This will have a direct impact by creating 850 family wage jobs in manufacturing, technology, and commercial sectors.

The objective of the City, County, and Port of Chelan County is to realize full development potential of all the properties in these tracts. In South Wenatchee, private investments of \$78 Million are needed to realize its potential of creating over 500 jobs and over 750 housing units. In the Malaga tract, investment of \$1.1 Billion is needed to realize its development potential creating 2,800 jobs.

Private Investment

Total Development at 40% lot coverage	585,744 s.f.
Potential Residential Development @ 2 stories above ground level retail or office	773 units
Potential Retail s.f. ground floor	100,945
Potential Office s.f. ground floor	484,799
Jobs	524
Annual Wages	\$21,682,072
Annual Business Income	\$54,205,180

Total Public Revenues

	Current	Potential	Increase over Current
Development Property Tax Assessed Value	\$14,141,296	\$92,304,101	\$78,162,805
City Portion of Property Tax	\$18,242	\$119,072	\$100,830
Total Annual Taxable Retail Sales City	\$3,700,000 (est)	\$32,535,254	\$28,835,254
Portion of Taxable Retail Sales	\$32,000 (est)	\$276,550	\$244,550
Entire South Wenatchee Area Property Tax Assessed Value	\$400,519,315		
City Portion of Property Tax	\$433,826		

Excerpt South Wenatchee Action Plan

- 4. Social equity. Please describe how designating this area as an Opportunity Zone will or will not improve social equity, i.e., the fair, just, and equitable distribution of resources. In particular, please describe how designation will promote development of affordable housing, or services or employment opportunities for traditionally underserved or marginalized populations. (250 words)**

For decades these tracts have provided the place for the workforce for our state and nations agricultural bounty. As result, conditions are reflected in housing stock that is primarily rental, has high persons per household, high poverty, a high percentage of youth and is our most diverse. The South Wenatchee Action Plan reflects a new partnership of our region to help rebuild the fabric of the neighborhood and its proud heritage. There is a plan for providing a range of housing options from permanent supportive housing to market rate projects which is important for neighborhood integration and assimilation, places to celebrate a rich cultural heritage, new infrastructure including sidewalks, lighting and art work and opportunities for education, workforce training and entrepreneurship. The heritage of our Latin American residents is entrepreneurship and hard work. With the transition of our seasonal workers and the mechanization of the fruit industry the need is critical to provide opportunity for retraining and hope. Our farmworkers are our lowest paid work force which is reflected in the Wenatchee School District free and reduced lunch rate of 56%, a rate growing by 52% since 1998. These census tracts reflect depressed real estate values in comparison to other parts of the city(one-third of the value) and state. Redevelopment is more difficult and the cost to build is more than rents will support. This Opportunity Zone will help to level the playing field for these tracts and provide positive economic and social impact to all of Chelan County.

- 5. Partnerships. Please describe any partnerships you have formed with other organizations that are in support of this application, such as other units of state, local, or tribal government; private- or non-profit organizations; or other community groups. Please particularly note any partnerships with organizations that may be likely to form Opportunity Funds to invest in the area, including community banks and CDFIs. NOTE: Be sure to attach a letter of support from each group listed. (250 words)**

The City, County, and Chelan County Port District have come together to leverage over 53 different partners that participated in the development of the South Wenatchee Action Plan and is reflected in the vision established by the Malaga Community Council. As represented in the letters of support, examples include the Wenatchee Valley College's Center for Entrepreneurship which has been working with a group of Latino leaders looking to take on a key project– a food truck plaza and incubator space. Craft3 and the Community Foundation of North Central Washington have the ability to bring Opportunity Zone and private foundation funding to projects. The most amazing result of this work is the realization that private nonprofits have had with regard to how their projects are connected to the greater ecosystem of infrastructure investment and entrepreneur development providing catalyst energy to reinvest in the neighborhood – The Methow Park revitalization (\$3.4 million) lead by the Trust for Public Land leadership is an example as it provided a reason for lobbying for state and local funds for a RR overpass to access their project for social justice issue where these tracts have been cut off from the Apple Capital Recreational Loop Trail. Finally, the Alcoa issue has brought together our power producers, city and state economic development officials, overall leadership and the community at large to develop a plan to move forward toward a new future, as envisioned in the Our Valley Our Future Plan and its 89 lead partners.

SECTION 4: ATTACHMENTS

Only the following types of attachments should be submitted:

1. An official letter of support from the lead applicant’s legislative authority, chief executive officer, or chief economic development officer. Each letter of support should identify the census tracts proposed for nomination. **Applications without an official letter of support will not be considered.**
2. Official letters of support from any partner organizations. Each letter of support should identify the census tracts proposed for nomination
3. If this application is seeking to nominate tracts that are not LIC or contiguous tracts shown on the Treasury list, an attachment documenting how the tracts qualify, based on 2012-16 ACS data as discussed in the guidance available here: <https://www.irs.gov/pub/irs-drop/rp-18-16.pdf> **NOTE: Commerce strongly encourages entities to nominate only LIC or contiguous tracts shown on the Treasury list, as there is no guarantee that other tracts will be accepted.**

To ensure that all attachments that accompany this application have been received, please list any attachments that you are submitting with this application. Attachments should be emailed to opportunityzones@commerce.wa.gov as discussed further in Section 5. Additional rows may be added to the table if needed.

Attachment file name	Description
<i>1 - Opportunity Zone Map.pdf</i>	<i>Overview Map showing ADO set aside, S. Wen., and Malaga Census Tracts</i>
<i>2 - Existing Conditions.pdf</i>	<i>Photos of typical distressed conditions</i>
<i>3 - Opportunity Sites.pdf</i>	<i>Visuals of Opportunity Sites</i>
<i>4 - City of Wenatchee Support Letter.pdf</i>	<i>Lead Applicant Support Letter</i>
<i>5 - POCC Letter of Support.pdf</i>	<i>Port of Chelan County Commission Support</i>
<i>6 - Chelan County Support Letter.pdf</i>	<i>Chelan County Commissioner Support</i>
<i>7- Craft3 Support Letter.pdf</i>	<i>CDFI Support</i>
<i>8 – Wenatchee Valley College Support.pdf</i>	<i>Center for Entrepreneurship</i>
<i>9- Community Action Council Letter.pdf</i>	<i>Pipeline - Low Income Housing Project</i>
<i>10 – Malaga Community Council Support.pdf</i>	<i>Malaga Community Council Letter</i>
<i>11 - Weidner Apt Homes Support Letter.pdf</i>	<i>Pipeline Project in ADO Set aside Tract</i>
<i>12 - TPL Support Letter.pdf</i>	<i>Trust for Public Lands South Wen. Support – Investment</i>
<i>13 - IPZ Support Letter.pdf</i>	<i>Central Wa. Innovation Partnership Zone Support Letter</i>

<i>14 - Our Valley Our Future Support.pdf</i>	<i>Our Valley Our Future Regional Action Plan</i>
<i>15 – Catholic Family Support Letter.pdf</i>	<i>Pipeline Project – Low Income Housing</i>
<i>16 – GBI Support Letter.pdf</i>	<i>Goodfellow Brothers – Large Property Owner</i>
<i>17 – Jennifer Korfiatis Support Letter.pdf</i>	<i>Marketing Firm</i>
<i>18 – Community Foundation Support.pdf</i>	<i>Community Foundation of North Central Wash.</i>

SECTION 5: SUBMITTAL

Complete applications, including all required letters of support or other attachments, must be submitted no later than 5 p.m., Monday, March 26, 2018.

Please submit this application form as a Word document (rather than .PDF). Attachments may be submitted in any common file format.

Commerce encourages you to submit your applications early. We will review applications as they are received, and will contact you if any information is missing or incomplete to the extent time and staff resources permit.

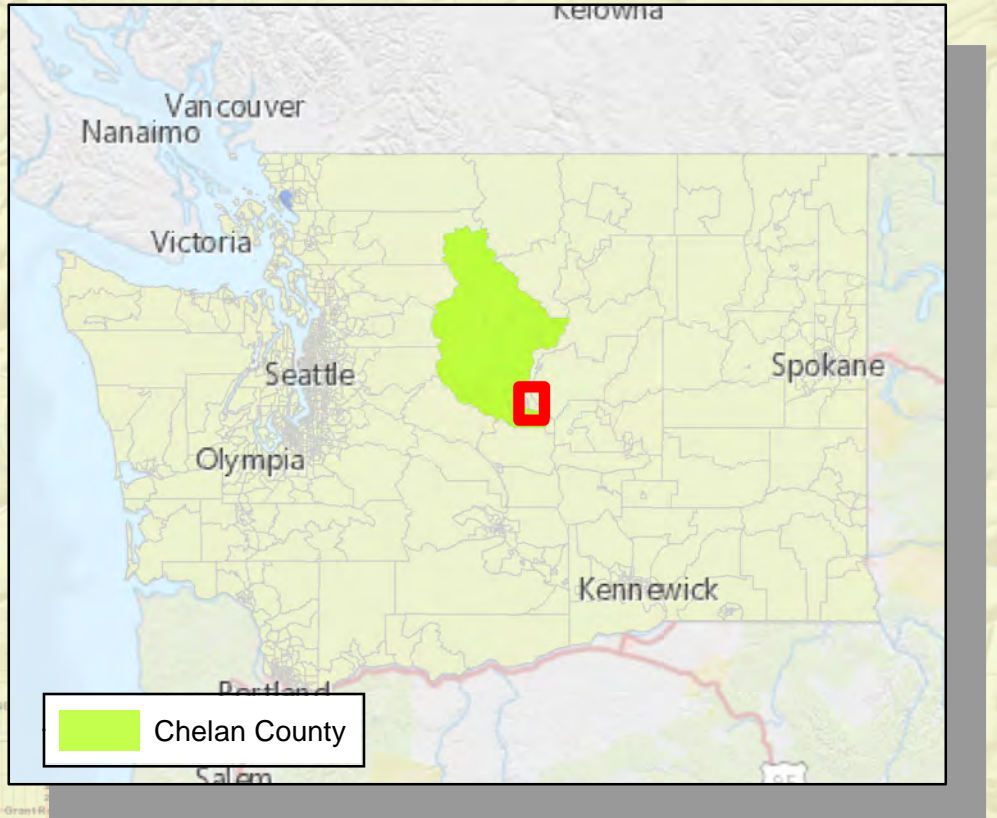
Applications, including all attachments, should be submitted by email to opportunityzones@commerce.wa.gov.

Please email questions about this application to opportunityzones@commerce.wa.gov. For urgent matters, you may call Jaime Rossman at (360) 725-2717. More information is available at <http://www.commerce.wa.gov/growing-the-economy/opportunity-zones/>.

NOTE: Information submitted after the 5 p.m., Monday, March 26, 2018 deadline will be excluded from consideration, except under extraordinary circumstances at Commerce’s sole discretion.

NOTE: Commerce is subject to the Public Records Act. Consequently, any information submitted in support of an Opportunity Zone nomination may be disclosed upon request. Please do not submit confidential or proprietary information.

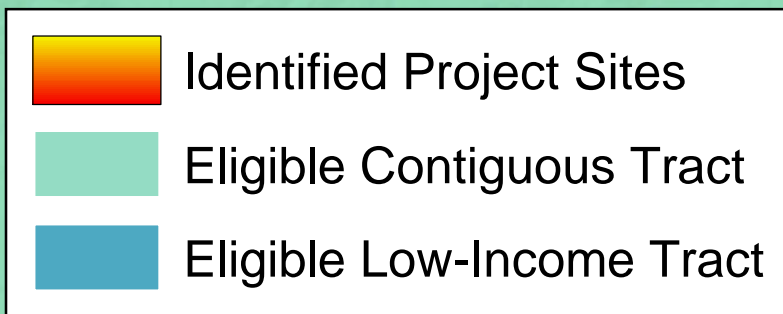
Opportunity Zones



9610 (Downtown)

9611 (South Wenatchee)

9612 (Malaga)



Examples of Existing Conditions

Tract: 53007961100 (South Wenatchee)

Tract: 53007961200 (South Chelan County - Malaga)



Substandard housing conditions are prevalent and are home for much of the agricultural workforce. These pictures are taken in South Wenatchee and Malaga above. On the left is an example of a successful seasonal farmworker housing project in Malaga representing one of the only significant residential investments in the area.



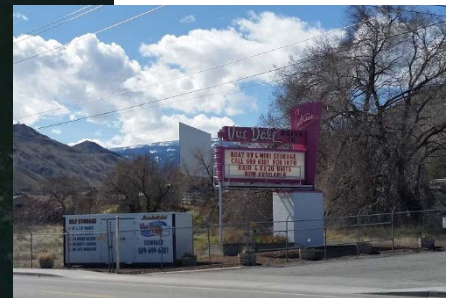
Very little business investment has occurred in both tracts. On the left, businesses lack vitality and profitability. Many businesses have closed as shown in this picture of a former construction company headquarters who closed with the curtailment of Alcoa.

Opportunity Sites

Tract: 53007961100 (South Wenatchee)



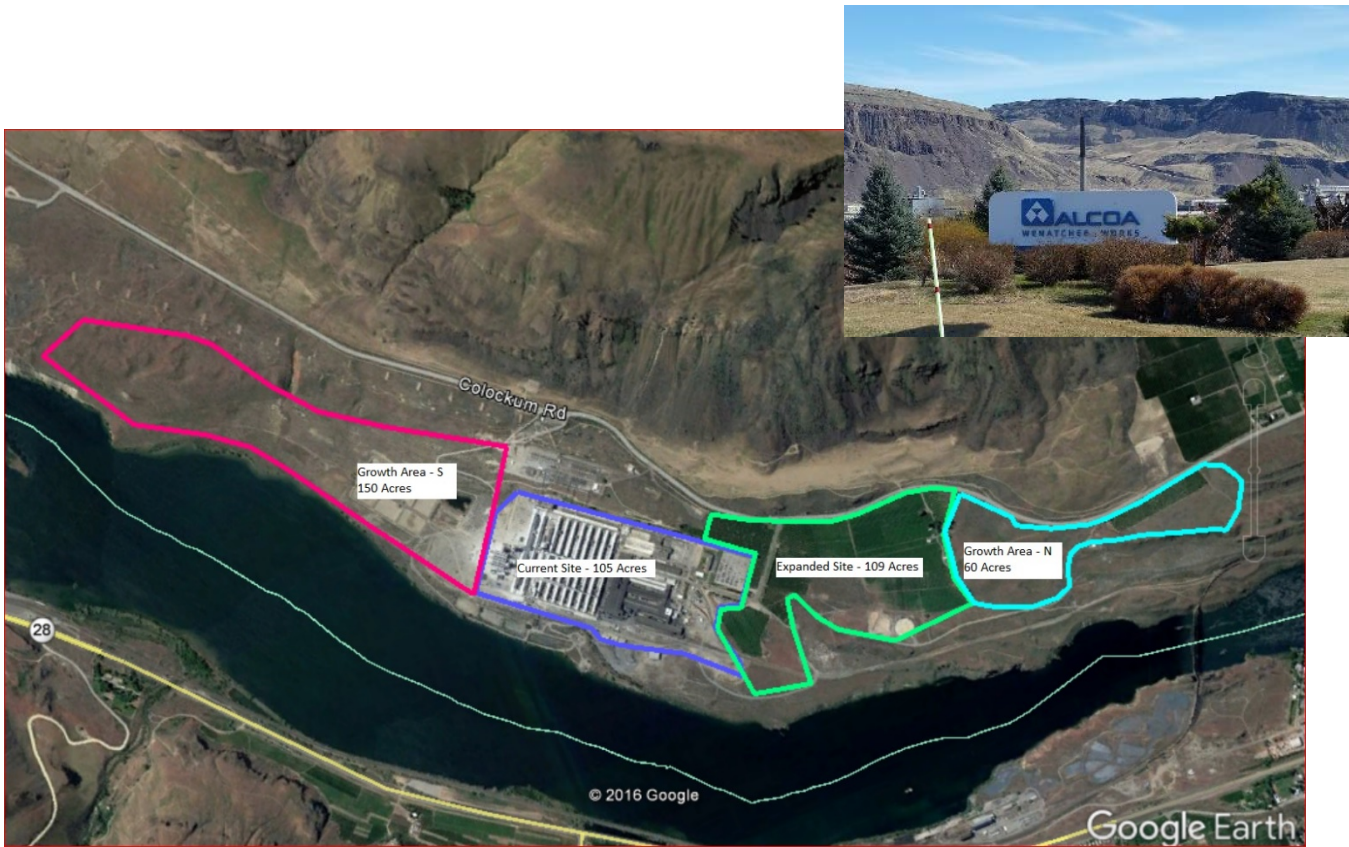
Wilbur Ellis remains the owner of this 3.7 acre site in the heart of South Wenatchee. The site only houses Wilbur Ellis offices presently and thus is largely vacant. This site is one of just a few larger sites in the city limits zoned for industrial uses.



The former Viewdale Drive – In is a 10 acre site zoned commercial offering the opportunity for housing and commercial uses. Housing is already in the pipeline for property along Mission Street to the left. The remainder of the site is identified in the South Wenatchee Action Plan as a commercial property that could serve Malaga and South Wenatchee.

Opportunity Sites

Tract: 53007961200 (South Chelan County - Malaga)



The 214 acre curtailed Alcoa site includes development areas beyond the main facility.

All of Alcoa's land is zoned industrial. These development sites offer the opportunity to transition its use if Alcoa deems the plant will not restart. Even upon a restart, significant investment is needed to modernize the plant. This property is equipped with 265 Megawatts of highly reliable electricity. In addition, its water and rail assets create unique opportunities for business development.



Opportunity Sites

Tract: 53007961200 (South Chelan County - Malaga)



The Malaga town site area includes one commercial site of 4 acres and three industrial sites totaling 85 acres. Two of the three industrial sites are open land and one is an abandoned construction company site with three buildings totaling 23,000 sf.



The Mill Pond Industrial Park offers approx. 60 acres of developable industrial space.



Office of the Mayor, Frank J. Kuntz
(509) 888-6200 Phone
(509) 888-3636 Fax
Wenatchee City Hall
129 South Chelan
P.O. Box 519
Wenatchee, WA 98807-0519
Website: www.wenatcheewa.gov

March 26, 2018

Governor Jay Inslee
Office of the Governor
P.O. Box 40002
Olympia WA 98504

RE: Opportunity Zone Designation
Census Tracts 53007961100 and 53007961200

Dear Governor Inslee:

On behalf of the City of Wenatchee and our partners, we ask for your utmost consideration of our competitive application for the Opportunity Zone designation. We are applying for Census tracts 53007961100 and 53007961200, which are adjacent to the Census tract 53007961000 which the Port of Chelan County/Chelan County designated as their set aside tract for the program. We understand that applications that include contiguous tracts are particularly competitive and in this application, we will provide you with a good background for choosing our application and the contiguous tract that includes the Alcoa Wenatchee Works Plant that is currently idled, impacting over 400 living wage jobs.

Through our partnerships, we have several turn key projects that will immediately provide housing and job impact, which is so critical to our region right now. We have been facing a less than 1% rental vacancy rate since the economic downturn in 2008 and as a result, we are missing out on job growth in our region because housing cannot be found. This is impacting every industry in our region. Housing production is difficult because our rental rates are not enough to support the construction costs. As a result we are working to find every feasible tool to provide an incentive to get housing built for all sectors of our community. These tracts have potential projects that range from permanent supportive housing to market rate housing, all critical.

Apple Capital of the World

Governor Jay Inslee
March 26, 2018
Page Two

Our community has shown resilience through economic downturn and fires, we are innovative and are now aligned through the Our Valley Our Future project, but our systemic need to shift investment to assure that those most at risk in our communities have opportunities for housing, jobs, and meaningful participation in our community, especially in light of the idling of the Alcoa plant, is particularly difficult. The Opportunity Zone program provides private companies an opportunity to invest where they can make a meaningful impact with an engaged community as a partner. Wenatchee is the place and by our application, we show you we have opportunities for investment.

We thank you for your consideration!

Sincerely,



Frank J. Kuntz
MAYOR



COMMISSIONERS:
Donn Etherington, District 1
JC Baldwin, District 2
Rory Turner, District 3

March 21, 2018

Mayor Frank Kuntz
City of Wenatchee
129 South Chelan Avenue
Wenatchee, WA 98801

RE: Census Tracts 53007961100 and 53007961200

Dear Mayor Kuntz:

On behalf of the Port of Chelan County, ADO for Chelan County, please accept our letter of support for your competitive Opportunity Zone application. Census tract 53007961100 is an eligible low income community tract and 53007961200 is a contiguous tract. These two tracts are adjacent to the Census tract 53007961000 which the Port designated as our low income community/severely distressed set aside tract for the program.

We are pleased to be recognized as a partner in the overall development and revitalization of our County's largest urban core. There are several turn-key projects that can be implemented in the 3 to 5 year window that provide a wide range of housing options (in our region that struggles with affordability and a less than 1% vacancy rate), provide entrepreneurial start up space, leverage capital for social equity projects that align with the State of Washington's goals for housing and economic development and give us tools to deal with the most pressing issue of the idling of the Alcoa Wenatchee Works plant which impacted 425 family wage jobs in our county.

As a part of the Our Valley Our Future effort and the city's adopted South Wenatchee Subarea plan, our region is on a path to resilience. With the significant portion of our agriculturally based and lowest paid workforce population being housed in these census tracts, and the coming transition of our apple industry to mechanization, we can provide the impact of raising our earned income (through retrained workers and newly mechanized jobs) which will provide economic stimulus for the region. We can be a leader in the State by implementing a comprehensive plan that utilizes collective impact to leverage financial tools that are available.

We ask for your utmost consideration of this competitive application as a benefit to our region and State.

Sincerely,

Port of Chelan County Commissioners

Donn Etherington, District 1

JC Baldwin, District 2
Rory Turner, District 3



BOARD OF COMMISSIONERS
CHELAN COUNTY

STATE OF WASHINGTON
COUNTY ADMINISTRATION BUILDING
400 DOUGLAS STREET, SUITE #201
WENATCHEE, WA 98801
PHONE (509) 667-6215 FAX (509) 667-6599

CATHY MULHALL
County Administrator
cathy.mulhall@co.chelan.wa.us

CARLYE BAITY
Clerk of the Board
carlye.baity@co.chelan.wa.us

March 26, 2018

Governor Jay Inslee
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

RE: Opportunity Zone Designation - Census Tract: 53007961100 & 53007961200

Dear Governor Inslee:

On behalf of Chelan County, we support the application of the City of Wenatchee for the designation of the eligible low income community tract 53007961100 and the contiguous tract 53007961200 for the Federal Opportunity Zone program. These tracts are adjacent to the Census tract 53007961000 which the Port (ADO for Chelan County) designated as our low income community/severely distressed set aside tract for the program.

We are pleased to be recognized as a partner in the overall development and revitalization of our County's largest urban core. There are several turn-key projects that can be implemented in the 3 to 5 year window. These projects provide a wide range of housing options (in our region that struggles with affordability and a less than 1% vacancy rate), provide entrepreneurial start up space, and leverage capital for social equity projects that align with the State of Washington's goals for housing and economic development. This designation will give us tools to deal with the most pressing issue of the idling of the Alcoa Wenatchee Works plant, which impacted 425 family wage jobs in our county.

We are working in partnership with our ADO and the City of Wenatchee and many partners to provide every opportunity to attract investment in our urban center to help revitalize it and implement the strategic vision in Our Valley Our Future plan that is driving us to a vision for a more resilient future.

We ask for your utmost consideration of this competitive application as a benefit to our region and State.

Sincerely,

ABSENT



March 26, 2018

Brian Bonlender
State of Washington
Department of Commerce
Attn: Opportunity Zone – Competitive Application
1011 Plum Street SE
Olympia, WA 98504

Mr. Bonlender:

Craft3 is very pleased to support the City of Wenatchee's request to nominate the following census tracts as Opportunity Zones:

- Census Tract #53007961100
- Census Tract #53007961200

Craft3 has been following the development of the Opportunity Zone program since the passage of the Tax Cuts and Jobs Act of 2017. We think that this could be a helpful tool to attract capital to low-income communities that have historically lacked access to capital.

In discussions with communities across Oregon and Washington, Craft3 has encouraged parties to think strategically about the census tracts that they are nominating by evaluating the need and potential for supporting small businesses in those tracts. We believe that for an Opportunity Zone to be successful, it will need two key components. First, the Zone needs to have impactful projects. Second, those projects need to be able to attract market capital.

While much depends on the rules surrounding the eventual implementation of the Opportunity Zone Fund program, we believe that the evaluation conducted by the City of Wenatchee on Zones in its region could meet those criteria. As such, we encourage the Department of Commerce to include these listed census tracts in its recommendation to Governor Inslee.

If you have any questions, I can be reached at 503-298-1103 or via email at wpostlewait@craft3.org.

Respectfully,

Walt Postlewait
Executive Vice President



March 26, 2018

Dear Mayor Kuntz:

On behalf of Wenatchee Valley College, please accept our letter of support for your competitive Opportunity Zone application. Census tract 53007961100 is an eligible low income community tract and 53007961200 is a contiguous tract.

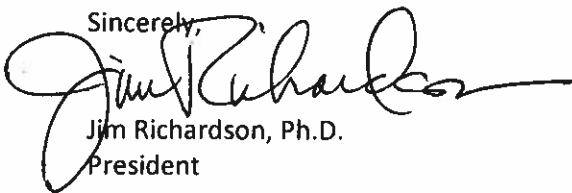
We are pleased to be recognized as a partner in the overall development and revitalization of our county's largest urban core. There are several turnkey projects that can be implemented in the three to five year window that provide a wide range of housing options (in our region that struggles with affordability and a less than 1% vacancy rate), provide entrepreneurial start up space, leverage capital for social equity projects that align with the state of Washington's goals for housing and economic development and give us tools to deal with the most pressing issue of the idling of the Alcoa Wenatchee Works plant which impacted 425 family wage jobs in our county.

As a part of the Our Valley Our Future effort and the city's adopted South Wenatchee Subarea plan, our region is on a path to resilience. With the significant portion of our agriculturally based and lowest paid workforce population being housed in these census tracts, and the coming transition of our apple industry to mechanization, we can provide the impact of raising our earned income (through retrained workers and newly mechanized jobs) which will provide economic stimulus for the region. We can be a leader in the state by implementing a comprehensive plan that utilizes collective impact to leverage financial tools that are available.

Wenatchee Valley College is committed to retraining and upskilling our workforce to adapt to the industry changes that we are seeing and we are committed to supporting the entrepreneurs who are bringing such innovation to our region. We have provided retraining for hundreds of the employees from Alcoa who were impacted by the loss of jobs when the plant idled. Our BAS in Engineering Technology commenced this last fall quarter and we are drafting the Statement of Need for a BAS in a computer science related field. WVC's Center for Entrepreneurship is currently assisting 20 local Hispanic families in planning a Latino farmer's market and cultural center in the South Wenatchee area. The Center is also working on entrepreneurial programs that support the Wenatchee downtown area specifically, as well as other businesses across the region.

We ask for your utmost consideration of this competitive application as a benefit to our region and state.

Sincerely,



Jim Richardson, Ph.D.
President



620 Lewis St. Wenatchee, WA 98801 Phone (509) 662-6156 Fax (509) 662-1737 www.cdcaac.org

March 23, 2018

Allison Williams
Executive Services Director
City of Wenatchee
129 South Chelan Street
Wenatchee, WA 98801

Dear Allison,

On behalf of the low-income individuals and families living in the Wenatchee Valley in Washington State, and on behalf of the organizations like ours who are serving them, we urge support for the City of Wenatchee's Opportunity Zone grant application.

Chelan Douglas Community Action Council (CDCAC) currently has an application submitted to the Housing Trust Fund for assistance in the development of two apartment complexes within the City of Wenatchee. The developments (known as "Mission Avenue") are located on two separate census tracts, designated ADO Tract 5300796100 (Spokane and Mission Street) and the second is in the South Wenatchee Tract 53007961100, identified as an eligible low-income Community. A total of 56 apartment units will be constructed; eligibility determination identifies 29 units up to 30% AMI; 6 units up to 40% AMI; and 21 units up to 60% AMI. The total estimated project cost is just over \$10.6 million.

Per the Market Study, "At the time of the field survey, there were zero existing vacant LIHTC units in the market area that will compete with the subject." Given the high need for more affordable housing in Chelan County, it is estimated that the property will be fully occupied within a month of substantial completion and operations will break-even in 3-4 months. (Sue Baker, Consultant, Cascade Affordable Housing). This is indicative to the scarcity of housing availability for all income levels, but our lower income residents are the greatest impacted.

The apartments are situated with-in close proximity to necessary resources such as public transportation, food pantries, grocery stores, schools, medical care, parks and other social service amenities.

The people we serve are primarily low-income. There are higher rates of poverty among children and seniors, our most vulnerable populations, in our service area compared to Washington State. One of the primary indicators of poverty is the percentage of students enrolled in free or reduced school lunch programs. In our service area, 11,624 students, or 55.9% of students were enrolled in free or reduced school lunches during the 2016-2017 school year. This exceeded the statewide enrollment of 43%. (State of Washington, Office of Superintendent of Public Instruction Child Nutrition – Reports, 2016-2017.

CDCAC is a 53-year old non-profit that connects low- to moderate-income residents to resources which create opportunities to reach and maintain self-sufficiency. We serve approximately 52,260 individuals through our various programs, which include Weatherization, Energy Assistance, Housing, Asset Building, English Literacy and several AmeriCorps programs including VISTA, Retired Senior Volunteer Program, and members from Washington Service Corps. Additionally, we manage a food distribution center which distributes over one million pounds of food each year to nine food pantries and several meal programs, and we manage the Wenatchee Community Center; bridging the opportunity for socializing, learning, job training and job fulfillment.

We understand the need for additional affordable housing options and fully support the City of Wenatchee's Opportunity Zone grant application and look forward to building upon our partnership with the City.

If you have any questions please do not hesitate to contact me at 509-662-6156 or alanw@cdcac.org.

Sincerely,



Alan R. Walker
Executive Director

Malaga Colockum Community Council

P.O. Box 292

Malaga, WA. 98828

March 26, 2018

City of Wenatchee

129 South Chelan Ave.

Wenatchee, WA 98801

Re: Opportunity Zone Application – Census Tracts: 53007961100, 53007961200

Dear Mayor Kuntz and Commissioner Overbay:

Thank you for the opportunity to support the City and County's Application for including the subject census tract as an Opportunity Zone. We understand that designation of the Downtown, South Wenatchee, and Malaga area census tracts as qualified opportunity zones by Governor Inslee will open the door to private investment in our most severely distressed areas of Chelan County. Many South Wenatchee and Malaga area residents struggle with poverty and are in need of economic opportunity. This struggle has only been accentuated with the curtailment of Alcoa and the loss of over 400 high paying jobs. Consistent with the Opportunity Zone programs, private business investment and success is key to providing quality family wage jobs. In addition, housing shortages in our region put extra pressure on these low income areas creating additional economic burden on many families due to housing costs. We recognize the connection between investment in business and housing and how it will elevate this area of our community.

The Malaga Community Council represents the southern region of Chelan County designated as census tract 53007961200. Our community council takes proactive steps to improve the quality of life in this region of Chelan County and would like to be a partner in furthering private investment. We believe there are great opportunities in the Malaga area given significant plots of industrial property that is available for business development.

Thank you for reaching out to help open doors for business success. We look forward to being a part of growing and improving our community. Please do not hesitate to contact us if you have any questions.

Sincerely,

Herb Gardner

Chair, Malaga Colockum Community Council



March 23, 2018

City of Wenatchee
129 South Chelan Avenue
Wenatchee, WA 98801

Re: Opportunity Zones Application – Census Tract #'s 53007961100 & 53007961200

Dear Mayor Kuntz:

Thank you for the opportunity to support the City's application for inclusion of the above-referenced census tracts as a qualifying Opportunity Zone. As you know, we are working with the City to pursue the development of multifamily housing in Downtown Wenatchee and we would be thrilled to see the currently contemplated Opportunity Zone expanded to include South Wenatchee and Malaga. With our long-term approach and strong interest in future development in Chelan County, we feel that this will be a powerful tool to help spur private investment in some of the more distressed areas of the County.

Consistent with the Opportunity Zones program, the success of private business is key to providing quality family wage jobs. Additionally, region-wide housing shortages put further pressure on these low income areas through increased housing costs. We recognize the connection between investment in business and housing and how it will benefit the community and region as a whole.

Weidner is committed to pursuing the development of market rate workforce housing in Wenatchee and its surrounding communities. With the successful completion of more than 300 apartment homes in 2016 and another 140+ homes currently under construction, we are excited to continue adding much needed high quality rental housing to the local market.

The aforementioned downtown project would represent another 178 apartments in the Opportunity Zone designated by the Port of Chelan County, which is located in census tract 53007961000. We believe this project meets the intent of the Opportunity Zones program and are excited about this as a potential tool to help make the project economically feasible. Not only would this development represent a significant increase to the local housing supply but it would bring new vitality to the downtown area.

Weidner is pleased to support the City's efforts related to the Opportunity Zones program and we thank you for your pursuit of this exciting community development tool. Please do not hesitate to contact me if you have questions or if we can be of assistance in any way.

Sincerely,

A handwritten signature in black ink, appearing to read "Kyran Hynes", written in a cursive style.

Kyran Hynes
Acquisition and Land Development Director



March 23, 2018

City of Wenatchee
129 South Chelan Ave.
Wenatchee, WA 98801

Re: Opportunity Zone Application – Census Tracts: 53007961100,
53007961200

Dear Mayor Kuntz:

Thank you for the opportunity to support the City's Application for including the subject census tract as an Opportunity Zone. We understand that designation of the Downtown, South Wenatchee, and Malaga area census tracts as qualified opportunity zones by Governor Inslee will open the door to private investment in our most severely distressed areas of Chelan County. Many South Wenatchee residents struggled with poverty and are in need of economic opportunity. This struggle has only been accentuated with the curtailment of Alcoa and the loss of over 400 high paying jobs. Consistent with the Opportunity Zone programs, private business investment and success is key to providing quality family wage jobs. In addition, housing shortages in our region put extra pressure on these low income areas creating additional economic burden on many families due to housing costs. We recognize the connection between investment in business and housing and how it will elevate this area of our community.

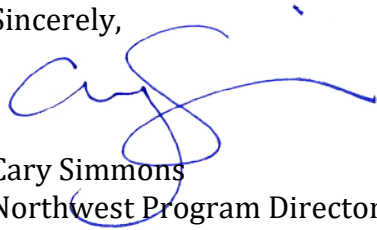
The Trust for Public Land is a national nonprofit that creates parks and protects land for people, ensuring healthy, livable communities for generations to come. Believing that everyone should live within a 10-minute walk of a quality park or natural area, we have protected hundreds of acres of open spaces and agricultural lands in the Wenatchee Valley for more than two decades. For the past three years, The Trust for Public Land has partnered with residents in the South Wenatchee neighborhood to transform Kiwanis Methow Park into a community hub for cultural events, community gatherings, farmers markets.

We have been inspired by the South Wenatchee community's spirit of participation and entrepreneurship. Recently, a group of committed park volunteers created a new neighborhood group, Parque Padrinos, who are working to build stronger connections between the neighborhood and the park. One of the goals of Parque Padrinos is to advocate for greater

opportunities for economic development in and near the park, through small-business incubation of farmers market vendors, food trucks, and other small-scale micro-businesses. We believe in the power of parks to anchor strong, healthy communities, and we support an investment in business enterprises in the neighborhood that will help increase the quality of life of South Wenatchee families.

Please accept our strong support for the designation of South Wenatchee as an Opportunity Zone. Please do not hesitate to contact us if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Cary Simmons', with a long, sweeping horizontal stroke extending to the right.

Cary Simmons
Northwest Program Director

Central Washington Innovation Partnership Zone

Wenatchee Valley Area

March 24, 2018

Governor Jay Inslee
Office of the Governor
PO Box 40002
Olympia, WA 98504

RE: Census Tracts 53007961100 and 53007961200

Dear Governor Inslee:

On behalf of the Central Washington Innovation Zone, please accept this letter of support for the City of Wenatchee's competitive Opportunity Zone application. Census tracts 53007961100 is an eligible low income community tract and 53007961200 is a contiguous tract. These two tracts are adjacent to the Census tract 53007961000 which the Port of Chelan County designated as their low income community/severely distressed set aside tract for the program.

The mission of the Central Washington IPZ is to create new opportunities for innovation and partnership by building relationships between public and private entities in agriculture, energy and technology that will result in new research, new economic partnerships, new business ideas and opportunities and new products to be marketed globally, growing the local gross domestic product.

There are several turn key projects that can be implemented in the 3 to 5 year window that provide a wide range of housing options (in our region that struggles with affordability and a less than 1% vacancy rate), provide entrepreneurial start up space, leverage capital for social equity projects that align with the State of Washington's goals for housing and economic development and give us tools to deal with the most pressing issue of the idling of the Alcoa Wenatchee Works plant which impacted 425 family wage jobs in our county.

As a part of the Our Valley Our Future effort and the city's adopted South Wenatchee Subarea plan, our region is on a path to resilience. With the significant portion of our agriculturally based and lowest paid workforce population being housed in these census tracts, and the coming transition of our apple industry to mechanization, we can provide the impact of raising our earned income (through retrained workers and newly mechanized jobs) which will provide economic stimulus for the region. We can be a leader in the State by implementing a comprehensive plan that utilizes collective impact to leverage financial tools that are available.

The Central Washington IPZ is pleased to partner in the overall development and revitalization of the region's largest urban core. This Opportunity Zone designation will undoubtedly enable the IPZ to further integrate our efforts and common goals to bring opportunities, innovation, business investment and jobs to the region.

We ask for your utmost consideration of this competitive application as a benefit to our region and State.

Sincerely,

Lisa Romine
Managing Director, North Central Workforce Development Council
Central Washington IPZ Administrator



March 25, 2018

City of Wenatchee
129 South Chelan Ave.
Wenatchee, WA 98801
Re: Opportunity Zone Application

Dear Mayor Kuntz,

Thank you for the opportunity to support the City of Wenatchee's Application for including the subject census tract as an Opportunity Zone. We understand that designation of the Downtown, South Wenatchee, and Malaga area census tracts as qualified opportunity zones by Gov. Jay Inslee will open the door to private investment in our most severely distressed areas of Chelan County.

One of the guiding principles of the Our Valley Our Future community development initiative is to improve the quality of life for all in the community, including those struggling with poverty and in need of affordable housing and family wage jobs. The Our Valley Action Plan includes more than 20 action items and several 'game-changer' projects — alleviation of generational poverty, regional housing solutions, early childhood learning, and a research and innovation district, among them — that are meant to elevate the lives of these folks.

Consistent with Our Valley's grassroots nature, we recognize this work will take the resources of many, including from the private and nonprofit sectors.

Our Valley looks forward to continuing to be a part of a wide and growing network that is improving the community. Please do not hesitate to contact us if you have any questions.

Regards,

Steve Maher
Our Valley Our Future coordinator



**Catholic
Charities**
HOUSING SERVICES

March 20, 2018

Allison Williams
City of Wenatchee
129 South Chelan
P.O. Box 519
Wenatchee, WA 98807-0519

Re: Opportunity Zone Letter of Support
Census Tract 53007961100, Wenatchee, Washington

Dear Allison,

I am writing in support of the City of Wenatchee's Opportunity Zone application.

Catholic Charities Housing Services (CCHS) has been working with local partners towards the development of affordable housing in the City of Wenatchee for the past three years. We are pulling together resources for a \$15.5 Million project that will provide 66 units of affordable housing in Wenatchee. The location of our development (Wenatchee Supportive Housing Community) is within Census Tract # 53007961100, which is identified as an eligible low income community.

CCHS has secured land for this development. Together in partnership with services provider, Catholic Charities Serving Central Washington (CCCW), Wenatchee Supportive Housing Community will serve thirty-three homeless households. The thirty three remaining units will serve low income households in Wenatchee who are currently being priced out of the housing market due to a market vacancy of 0.5% and escalating rents. While there is a scarcity of all types of housing across the continuum at any income level, the lowest income citizens of Wenatchee are effectively shut out of the market and at risk of homelessness.

I strongly recommend the City's Opportunity Zone application for Census Tract 53007961100. If there any questions regarding this letter, please call me at 509-853-2892.

Sincerely,



Holly Anderson
Development & Asset Management Director

GOODFELLOW BROS. INC.

ESTABLISHED 1921

March 22, 2018

City of Wenatchee
129 South Chelan Ave.
Wenatchee, WA 98801

Re: Opportunity Zone Application – Census Tract 53007961100, 53007961200

Dear Mayor Kuntz:

Thank you for the opportunity to support the City's Application for including the subject census tract as an Opportunity Zone. We understand that designation of the Downtown, South Wenatchee, and Malaga area census tracts as qualified opportunity zones by Governor Inslee will open the door to private investment in our most severely distressed areas of Chelan County. Many South Wenatchee residents struggled with poverty and are in need of economic opportunity. This struggle has only been accentuated with the curtailment of Alcoa and the loss of over 400 high paying jobs. Consistent with the Opportunity Zone programs, private business investment and success is key to providing quality family wage jobs. In addition, housing shortages in our region put extra pressure on these low income areas creating additional economic burden on many families due to housing costs. We recognize the connection between investment in business and housing and how it will elevate this area of our community.

Goodfellow Bros., Inc. has a number of land holdings in the City of Wenatchee and in Chelan County. GBI has seen the economic benefits generated by investments made by Public Agencies, the Port and the PUD in other areas of Wenatchee and Chelan County. The designation of Opportunity Zones in the Downtown, South Wenatchee and Malaga should result in the encouragement of private investment in these census tracts. This new investment should generate economic growth and benefit these areas as well as the entire region

Thank you for reaching out to private business to help open doors for business success. We look forward to being a part of growing and improving our community. Please do not hesitate to contact us if you have any questions.

Sincerely,



Chad Goodfellow
President

P.O. Box 598, Wenatchee, WA 98807
1407 Walla Walla Ave., Wenatchee, WA 98801
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March 26, 2018
RE: Census Tracts 53007961100 and 53007961200

Dear Mayor Kuntz,

I'm thrilled to learn that private businesses can now qualify for tax incentives by investing in businesses built in "Opportunity Zones."

As I'm sure you're quite aware, Wenatchee has quickly become a national leader in emerging technology. From blockchain development, data space, cryptocurrency, and various other endeavors, our valley finds itself in a position to enjoy the view from the forefront of developing innovation. This is also evident in the developing "Research Innovation District" that has been born from the Our Valley, Our Future process.

Many businesses in the emerging technology industry do not need to build new facilities to conduct their work, offering redevelopment opportunities. Many of these businesses are able to repurpose existing spaces to fit their unique needs, and often times, these spaces can be found in the designated "Opportunity Zone."

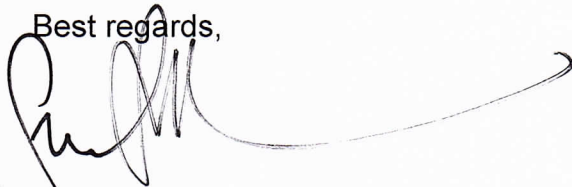
By allowing tax incentives to be invested in business, Wenatchee is able to add another tool to strategic recruitment efforts.

Much of the research on entrepreneurship and innovation clearly states that when given a choice, an entrepreneur will choose to build a business, or perhaps an industry, in a location that they personally choose to enjoy. The Wenatchee Valley has a long list of positive attributes, and by encouraging this type of investment from innovators in the emerging technology industry, we have the potential to invite new ideas to our collective conversation.

It is my belief that now is the time to think creatively about our future. The curtailment of Alcoa taught us that we are resilient, but it also showed us our vulnerabilities. Recruiting the talents and investment of leaders in emerging technology will help us further diversify our economy and our community.

I ask for your utmost consideration of this competitive application as a benefit to our region and State.

Best regards,



Jennifer L. Korfiatis, MBA
Owner, Jennifer Korfiatis Marketing

March 26, 2018

City of Wenatchee
129 S. Chelan Ave
Wenatchee WA 98801

Dear Mayor Kuntz:

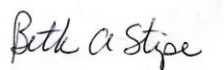
Thank you for the opportunity to support the City's Application for including the subject census tract as an Opportunity Zone.

It is exciting to think that designation of the Downtown, South Wenatchee, and Malaga area census tracts as qualified opportunity zones by Governor Inslee will open the door to private investment in our most severely distressed areas of Chelan County. While much of Washington state has seen incredible growth in jobs and incomes over the last several years, North Central Washington has been lacking in those same opportunities.

In particular, South Wenatchee residents struggle with poverty and are in need of economic opportunity. This struggle has only been accentuated with the curtailment of Alcoa and the loss of over 400 living wage jobs with low entry barriers. This was a significant loss for our community.

As a philanthropic partner in our region, we see the effects of our lack of opportunities for so many. Huge numbers of students who qualify for free and reduced lunch, a significant digital divide with our urban neighbors and transportation challenges that cause our citizens to fall behind. Having incentives for private business to engage with our region would be incredibly helpful. Thank you for your continued leadership and advocacy on behalf of our citizens and communities.

Sincerely,



Beth Stipe
Executive Director

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