



Regional
Corporate Headquarters

Regional Port Update
August 2023

What is the CDRPA?

- **Lead Economic Development Agency for Chelan & Douglas Counties**
- **We measure our success in terms of our ability to:**
 - **Create living wage jobs**
 - **Stimulate private sector capital investment**
 - **Facilitate transportation connectivity with strategic aviation investments**
 - **Enhance the economic well-being of families in the communities within Chelan & Douglas Counties**
- **First of its kind in Washington by functionally consolidating two county-wide port districts into one operating entity**

It Takes Leadership, Vision, & Risk Taking

Six Port Commissioners

Douglas County

Jim Huffman, District #1

Alan Loeb sack, District #2

Mark Spurgeon, District #3

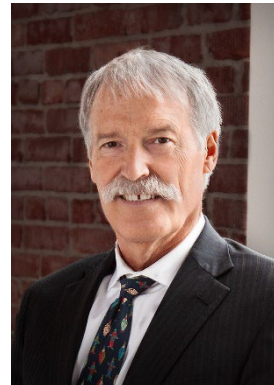


Chelan County

Donn Etherington, District #1

JC Baldwin, District #2

Richard DeRock, District #3



Historic New Investments for Chelan & Douglas Counties

Microsoft Data Centers

Douglas County

Building Permits

- 3 Issued
- 2 Pending



Microsoft Campus - Douglas County

**Current Douglas County
Assessed Value:**
\$8.4 Billion

**Microsoft
Projected Assessed Value
(**if** Six Buildings are Constructed):**
Approximately \$3 Billion

**Number of Jobs:
Approximately 75 per Building**

Douglas County Top Ten Taxpayers

Taxpayer Name:	Taxable Value:	% Top
1. T-Mobile USA Inc.	\$ 463,105,257	6.40%
2. Intergate Columbia I LLC	\$ 271,791,200	3.76%
3. Intergate Columbia II LLC	\$ 118,300,000	1.63%
4. VMWARE Inc.	\$ 106,700,106	1.47%
5. Actapio Inc.	\$ 102,600,006	1.42%
6. Costco Wholesale Corp	\$ 61,124,337	0.84%
7. McDougall & Sons Inc.	\$ 49,510,100	0.68%
8. Northern Fruit Co. Inc.	\$ 25,361,512	0.35%
9. BNSF Railway Co-Tax Department	\$ 25,026,558	0.35%
10. Trout-Blue Chelan-Magi Inc.	\$ 22,208,958	0.31%
	\$ 1,245,728,034	

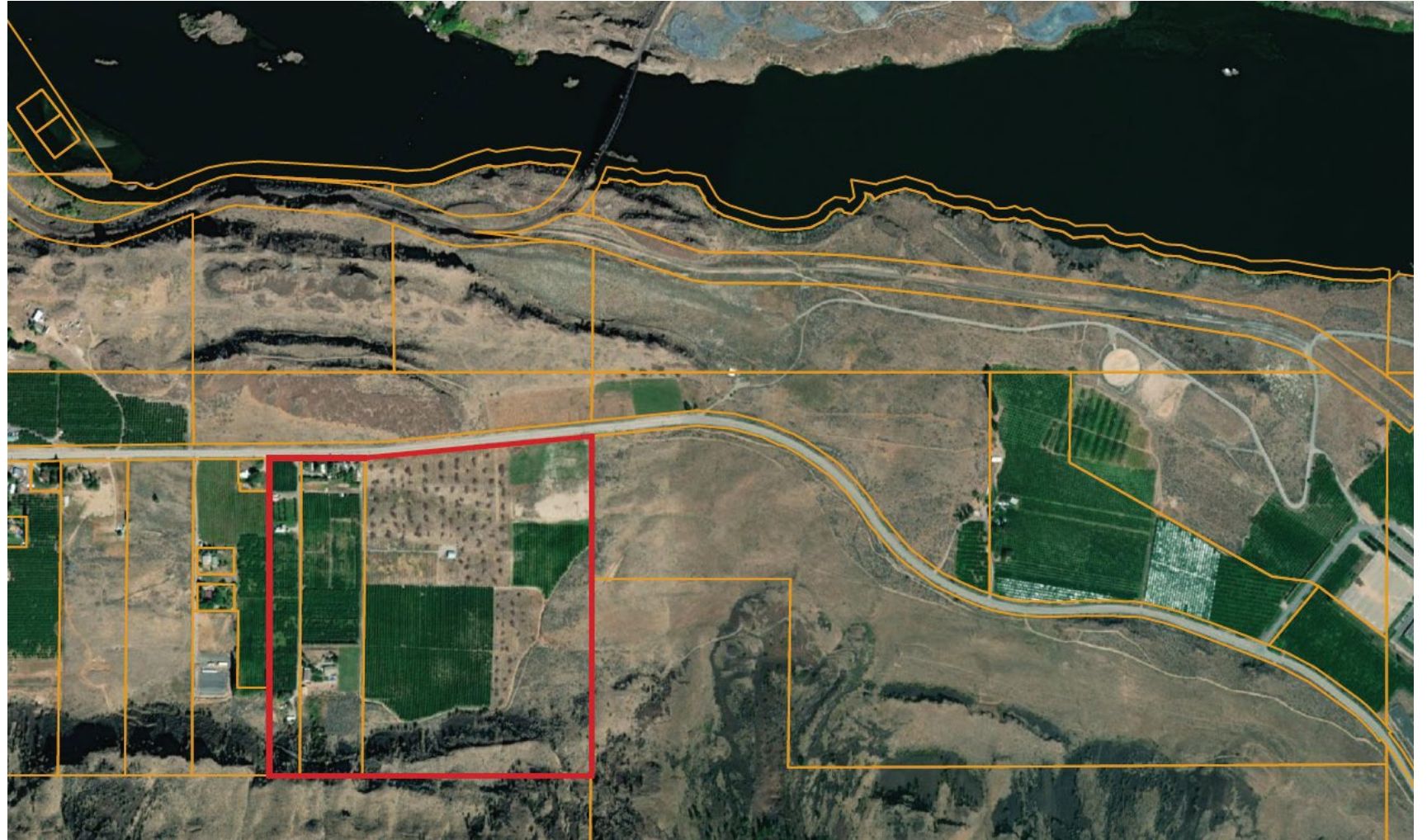
Top 50 Taxpayers Taxable Value: \$1,676,746,953

Microsoft Building # 1 - Projected Assessed Value: \$500,000,000

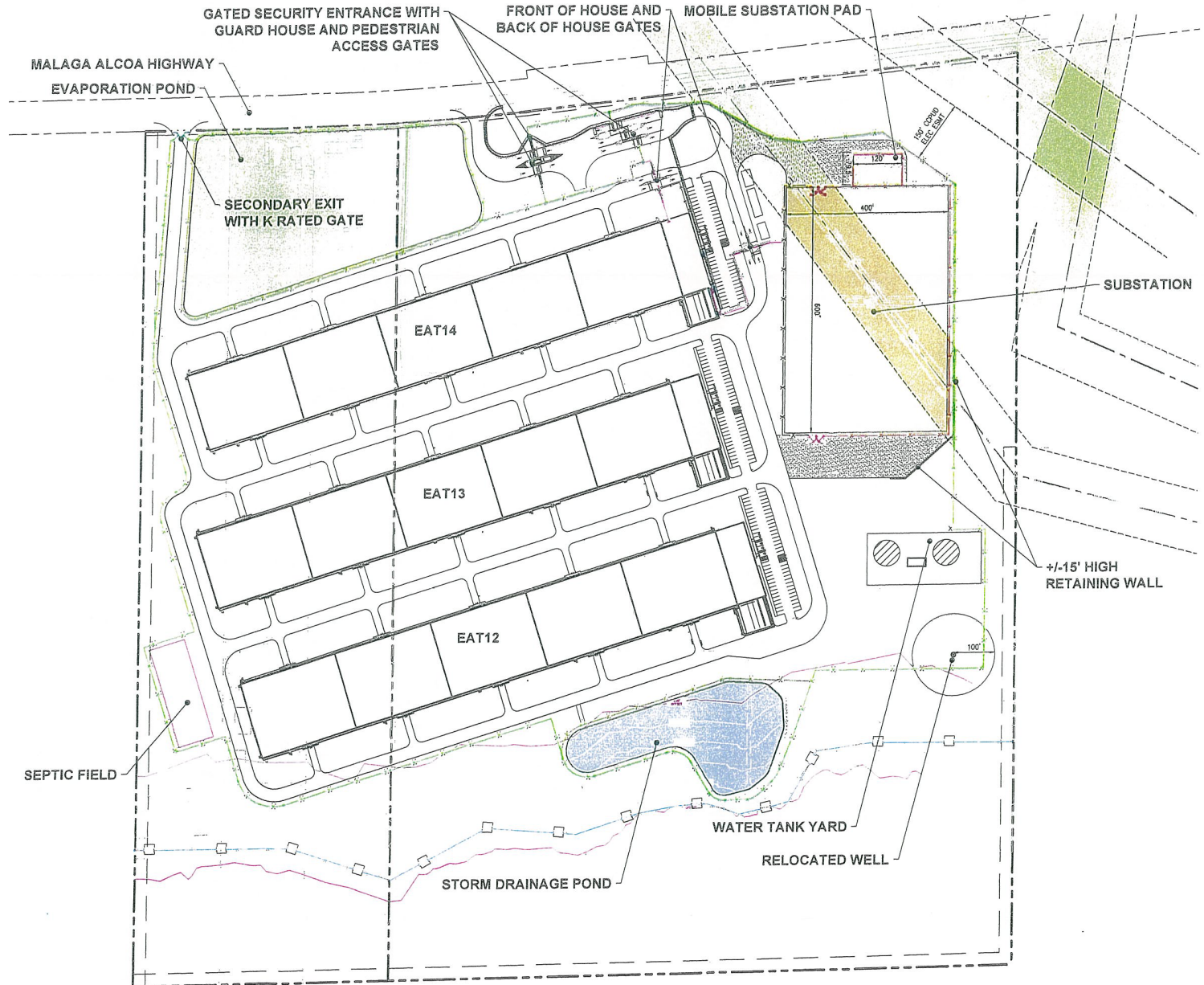
Microsoft Data Centers – Coming Soon

**Chelan
County**

**102.5
Acre Site**



Chelan County



Chelan County



Recent Property Acquisitions

152 Acres
\$8.6 Million



Microsoft Campus - Chelan County

Microsoft

Current Chelan County

Assessed Value:

\$19.765 Billion

Projected Assessed Value

(if Six Buildings are Constructed):

Approximately \$3 Billion

Number of Jobs:

Approximately 75 per Building

Chelan County Top Ten Taxpayers

Taxpayer Name:		Taxable Value:	% Top
1.	Stemilt Growers LLC	\$ 155,132,727	12.94%
2.	BNSF Railway Company	\$ 112,486,250	9.38%
3.	Trout Blue Chelan Inc.	\$ 99,340,886	8.29%
4.	Blue Bird Inc.	\$ 54,699,810	4.56%
5.	Stemilt Growers LLC	\$ 48,286,532	4.03%
6.	Crunch Pak LLC	\$ 47,753,001	3.98%
7.	Riverside and Ninth Apartments LLC	\$ 47,600,000	3.97%
8.	Campbell's Lodge Inc.	\$ 27,988,294	2.33%
9.	Willkommen Village Apartments LLC	\$ 26,689,643	2.23%
10.	Keyes Fibre Corporation	\$ 25,668,993	2.14%
		\$ 645,646,136	

Top 50 Taxpayers Taxable Value:

\$1,198,989,994

Microsoft Building # 1 - Projected Assessed Value:

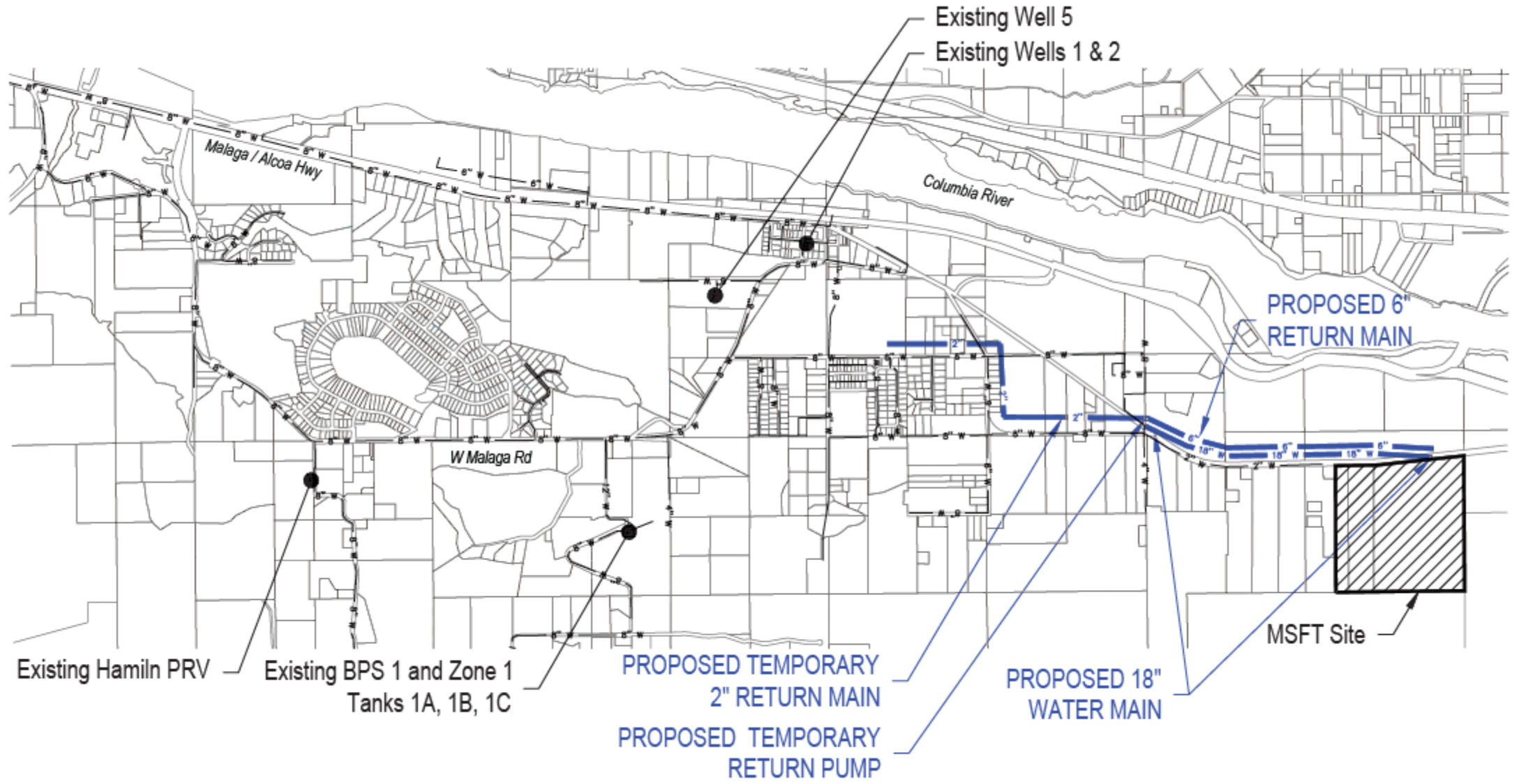
\$500,000,000

Regional Port's Role in New Data Center Investments

Water Infrastructure

- **Phase 1 is Underway**
 - **Cost Estimate: \$10 Million**
- **Future Phases to Follow**
 - **Likely \$40 Million when Completed**



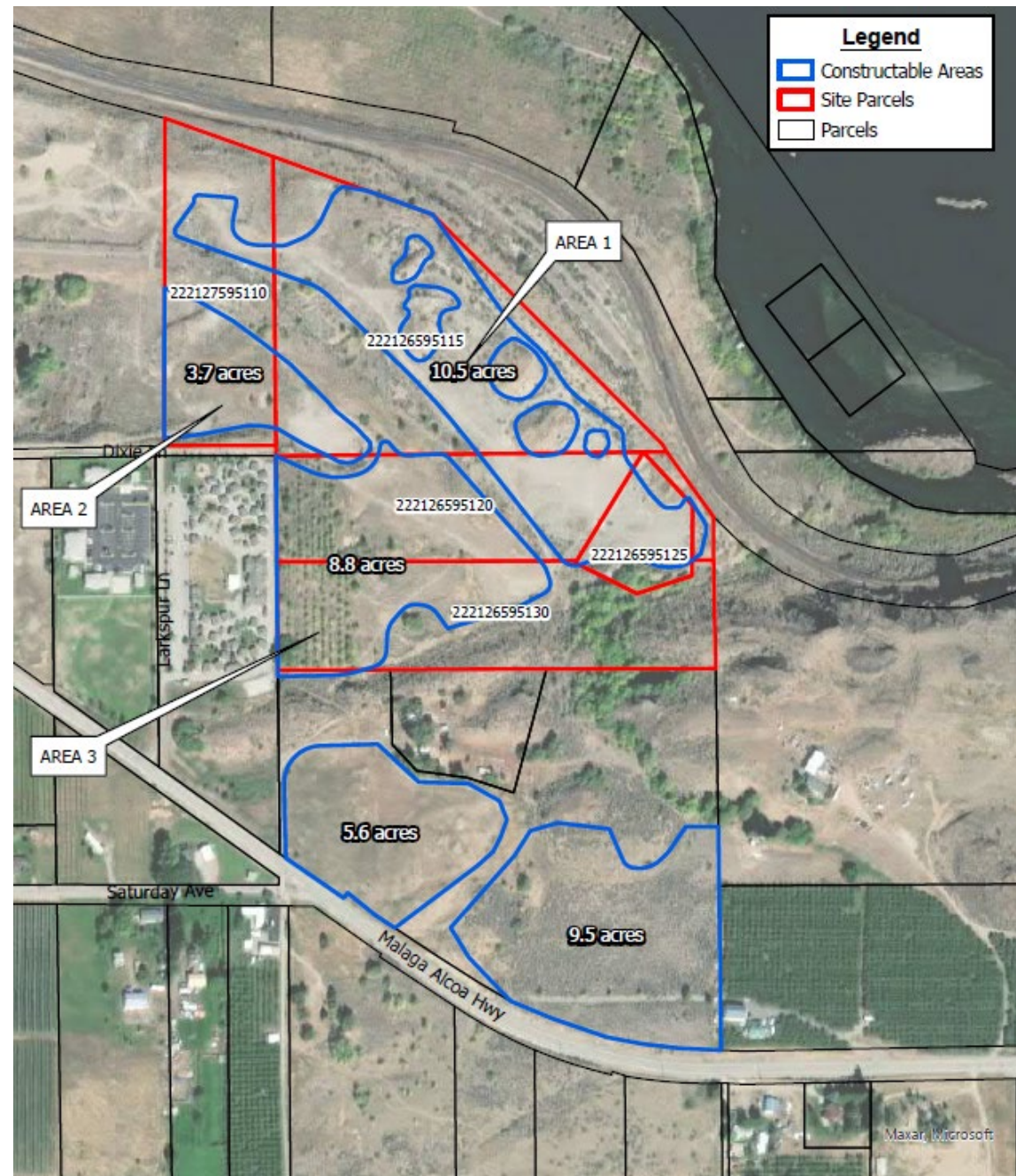


Regional Port's Role in New Data Center Investments

Cooling Water Disposal System

- Regional Port Builds, Operates, and Owns System
- Combined Lined Evaporation/Holding Basins & Spray Field Disposal
- Cost Estimate: \$16.5 Million

Cooling Water Disposal System



Microsoft Data Center Impacts

- **Single Largest Investment in the History of Douglas County**
- **Single Largest Investment in the History of Chelan County**
- **Possible \$6.0 Billion in New Assessed Value in the Region**
- **900 New Family-wage Jobs**



Pangborn Memorial Airport Update

Pangborn Memorial Airport Update

Additional Flights Return September 7th

Wenatchee Departures

- **6:00 AM**
- **1:45 PM**

Wenatchee Arrivals

- **1:05 PM**
- **11:56 PM**



**Additional Air Service
Minimum Revenue
Guarantee - \$500K**

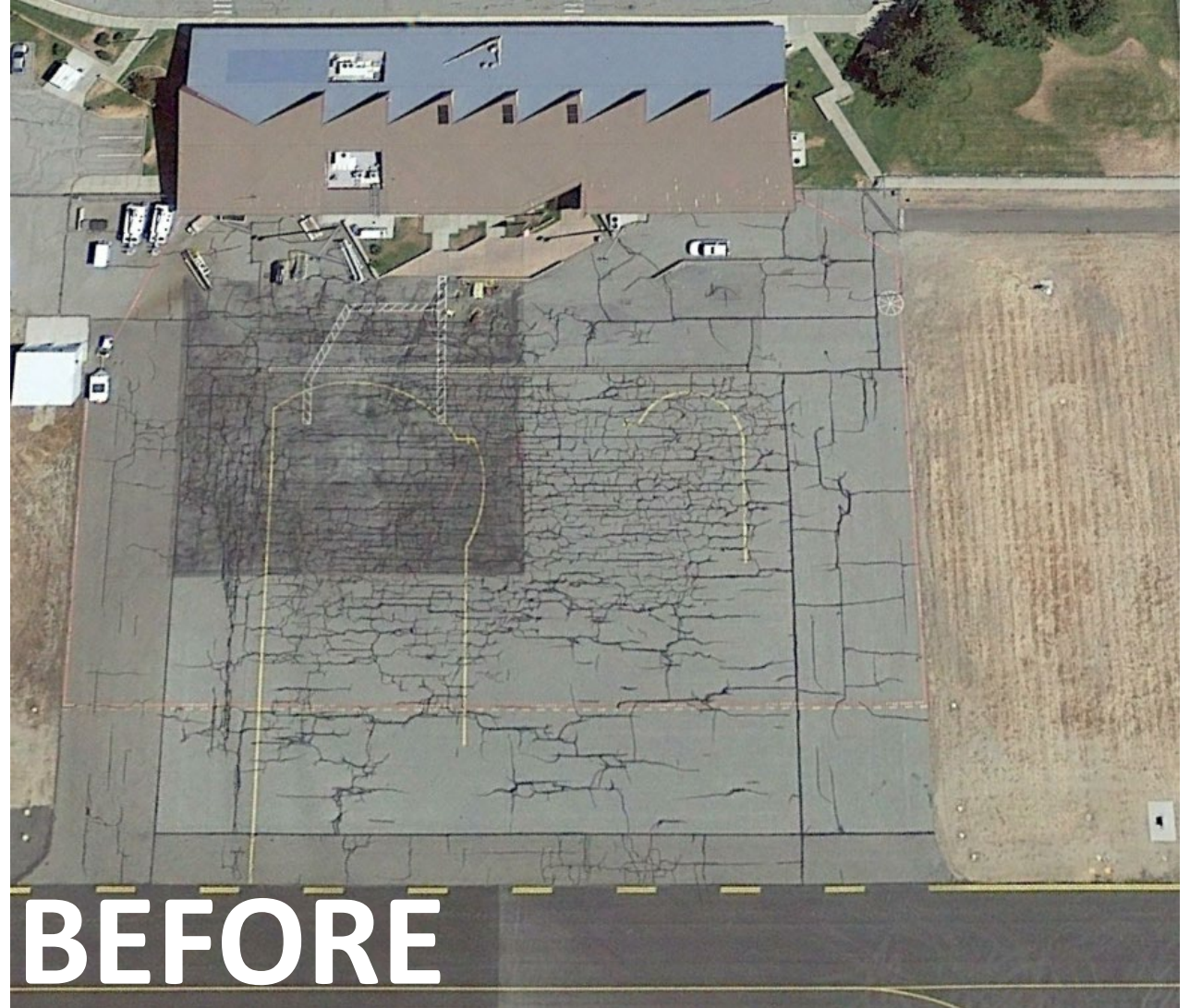
**Thank you
City of Wenatchee &
City of East Wenatchee**



Terminal Apron Reconstruction

\$11.7 Million

**Local Contractor:
Hurst Construction**

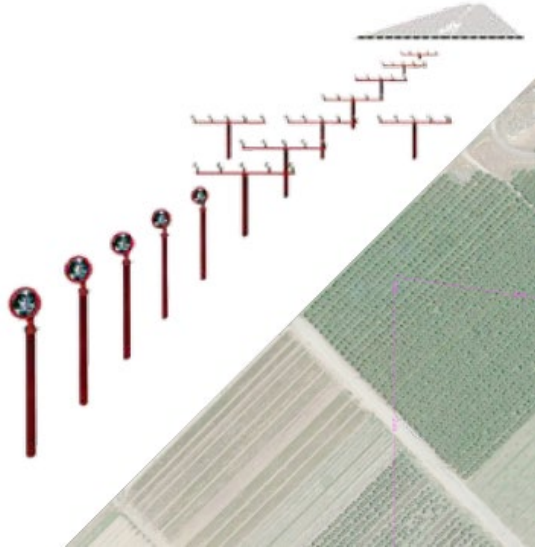


Terminal Apron Reconstruction



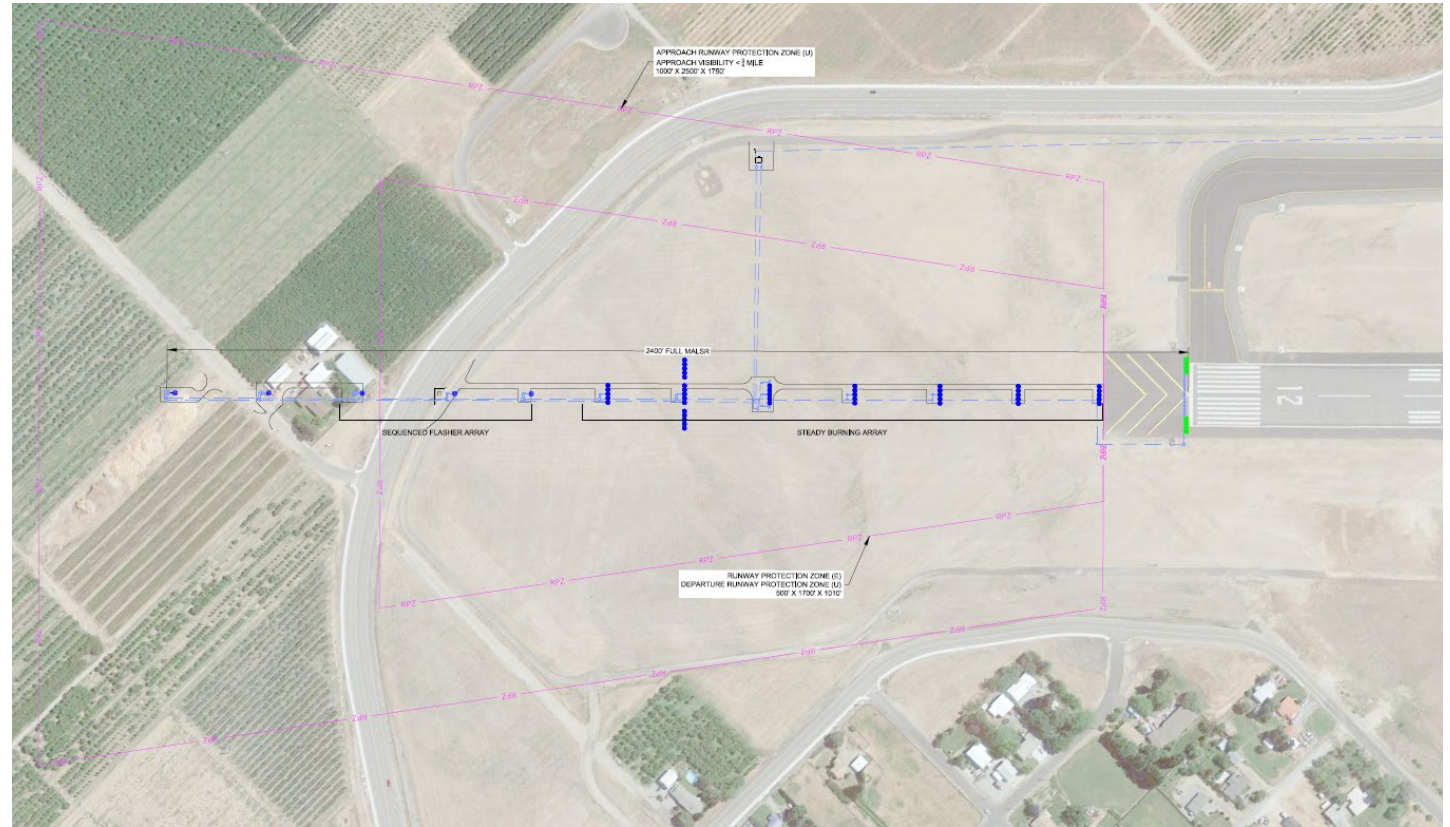
After

MALSR System



Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights

\$4.2 Million Equipment & Construction
\$2.2 Million Land Acquisition
Total Project Budget: \$6.4 Million



Improve Commercial Air Service Reliability

Contractor - Colvico



MALSR Lights

Taxiway Alpha Reconstruction

\$20.5 Million
Local Contractor –
Selland Construction



Successful Recruitment of Army National Guard to Wenatchee

WA State Army National Guard

- **Relocation from Fairchild Air Force Base**
- **50 Full-Time Jobs for Greater Wenatchee Area**
- **100 Army National Guard Reserves**
 - **Training One Weekend Per Month at Pangborn Airport**

WA State Army National Guard

- **Current Fleet**
 - 6 (UH-72 Lakota) Helicopters
 - 3 (UH-60 Blackhawk) Helicopters



WA State Army National Guard

Why Wenatchee?

- **Quicker Response Times to Fires in NCW**
- **Significant Cost Savings to DNR**
- **Proximity to:**
 - **Yakima Firing Range**
 - **JBLM Base**
- **Less Blade Hours**

WA State Army National Guard

Next Year:

**Lease the Executive Flight Building – April 1, 2024
10-Year Lease Agreement**

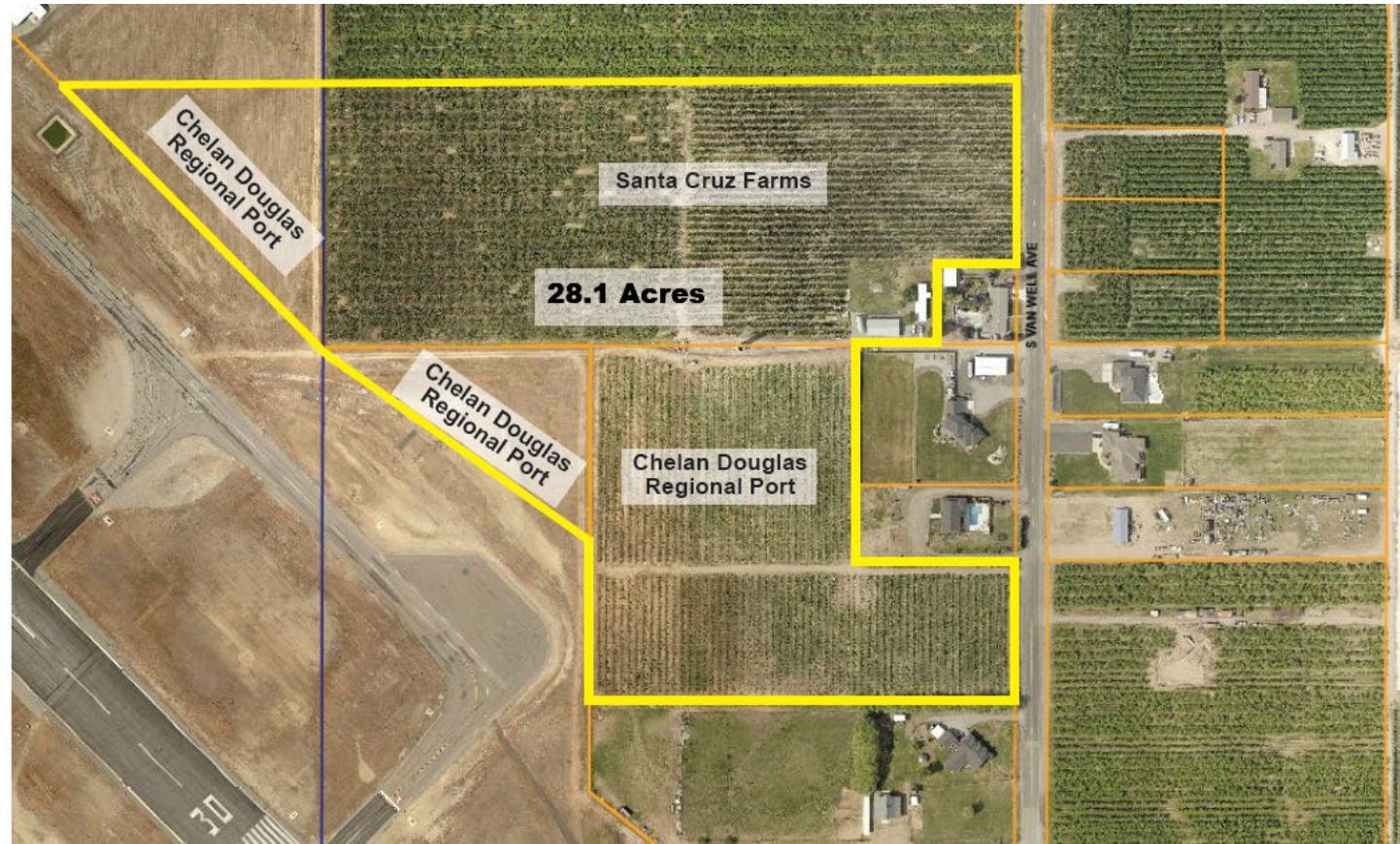


WA State Army National Guard

In Future Years:

Purchase Land from CDRPA

- 28.1 Acre Parcel
- Future Construction of a 60,000 Sq. Ft. Hangar



Wyoming Example





Pangborn Memorial Airport General Aviation Terminal

EXISTING CONDITIONS



\$5.5 Million Project Budget Designed by ALSC Architects





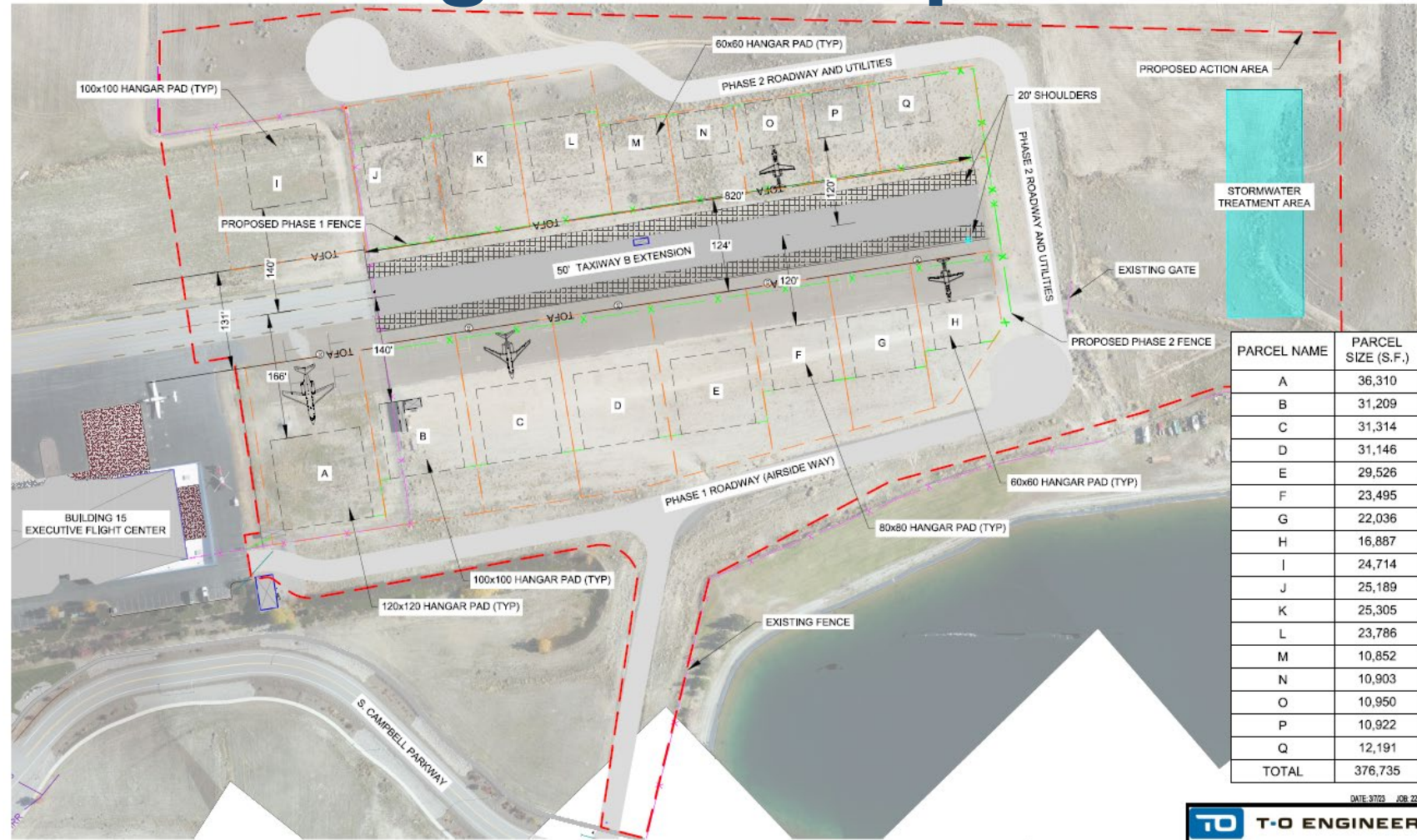
**Congressional Directed Spending Request Sponsors:
Senator Cantwell, Representative Schrier, & Representative Newhouse**

Pangborn Memorial Airport New Corporate Hangar Development

Pangborn Memorial Airport New Corporate Hangar Development

**\$4.1 Million
Project Budget**

**Local Contractor:
Selland Construction**



*PARCEL SIZES COULD FLUCTUATE BASED ON HANGAR CONFIGURATION/SIZE.

*HANGAR PAD SIZES ARE PRELIMINARY AND COULD BE SUBJECT TO CHANGE.

TAXIWAY B EXTENSION AND EXECUTIVE HANGAR DEVELOPMENT SITE PLAN EXHIBIT



T-O ENGINEERS
 1717 S. RUSTLE STREET, SUITE 201
 SPOKANE, WA 99224
 509-319-2580 | WWW.TO-ENGINEERS.COM

Airlift Northwest

**Last Calendar Year:
698 missions from PMA
150 transports from CWH**



Future FAA Funded Capital Projects:

**Reconstruction of
Runway 12/30**

\$40 Million

Timeline 2025-2027



Trades District Pangborn Airport Business Park



Secured Funding

Federal EDA Grant:	\$ 4,990,967
State Capital Allocation:	\$ 2,950,000
Department of Commerce:	\$ 1,000,000
CERB Loan:	<u>\$ 2,500,000</u>
Total:	\$11,440,967



Trades District – Flex Space Concept



Target Tenants

- **Workshop spaces** (metal shop/woodworking/cabinet shops etc.)
- **Specialty trade spaces** (HVAC/electrical/plumbing/contractor shops)
- **Production shops** (bakery/microbrew/wineries)
- **Limited retail** (coffee shop/art studio/food trucks)

Incubator Program

- 5 Year Incubator Program
- Managed by the CDRPA
- Business Assistance provided by the SBDC and others
- Rent will begin at \$0.55 per square foot per month increasing annually by \$0.10 per square foot per month to market rate

Trades District Preliminary Lease Rates*						
	Year	1	2	3	4	5
	Lease Rate (\$/sq-ft/mo)	\$0.55	\$0.65	\$0.75	\$0.85	\$0.95
Trades District Preliminary Monthly Lease Rate*						
Floor Plan	Square Feet	Year 1	Year 2	Year 3	Year 4	Year 5
A/B/C	1633	\$898.15	\$1,061.45	\$1,224.75	\$1,388.05	\$1,551.35
D	2304	\$1,267.20	\$1,497.60	\$1,728.00	\$1,958.40	\$2,188.80
E	1910	\$1,050.50	\$1,241.50	\$1,432.50	\$1,623.50	\$1,814.50
F	1590	\$874.50	\$1,033.50	\$1,192.50	\$1,351.50	\$1,510.50

* Lease rates do not include 12.84% leasehold tax.



Eligibility Requirements

- **Compatible with zoning code**
- **Current Business Plan**
- **Minimum annual business income of \$250,000 or less**
- **Less than 10 full time employees at time of application**
- **Washington State Business License**

Historic Investment Levels: Pangborn Airport

Terminal Apron Reconstruction	\$ 11.7 Million
MALSR System	\$ 6.4 Million
Taxiway Alpha Reconstruction	\$ 20.5 Million
G.A. Terminal Building Renovation	\$ 5.5 Million
Hangar Pads – Executive Flight	\$ 4.1 Million
The Trades District	<u>\$11.4 Million</u>
Total Investments:	<u>\$59.6 Million</u>

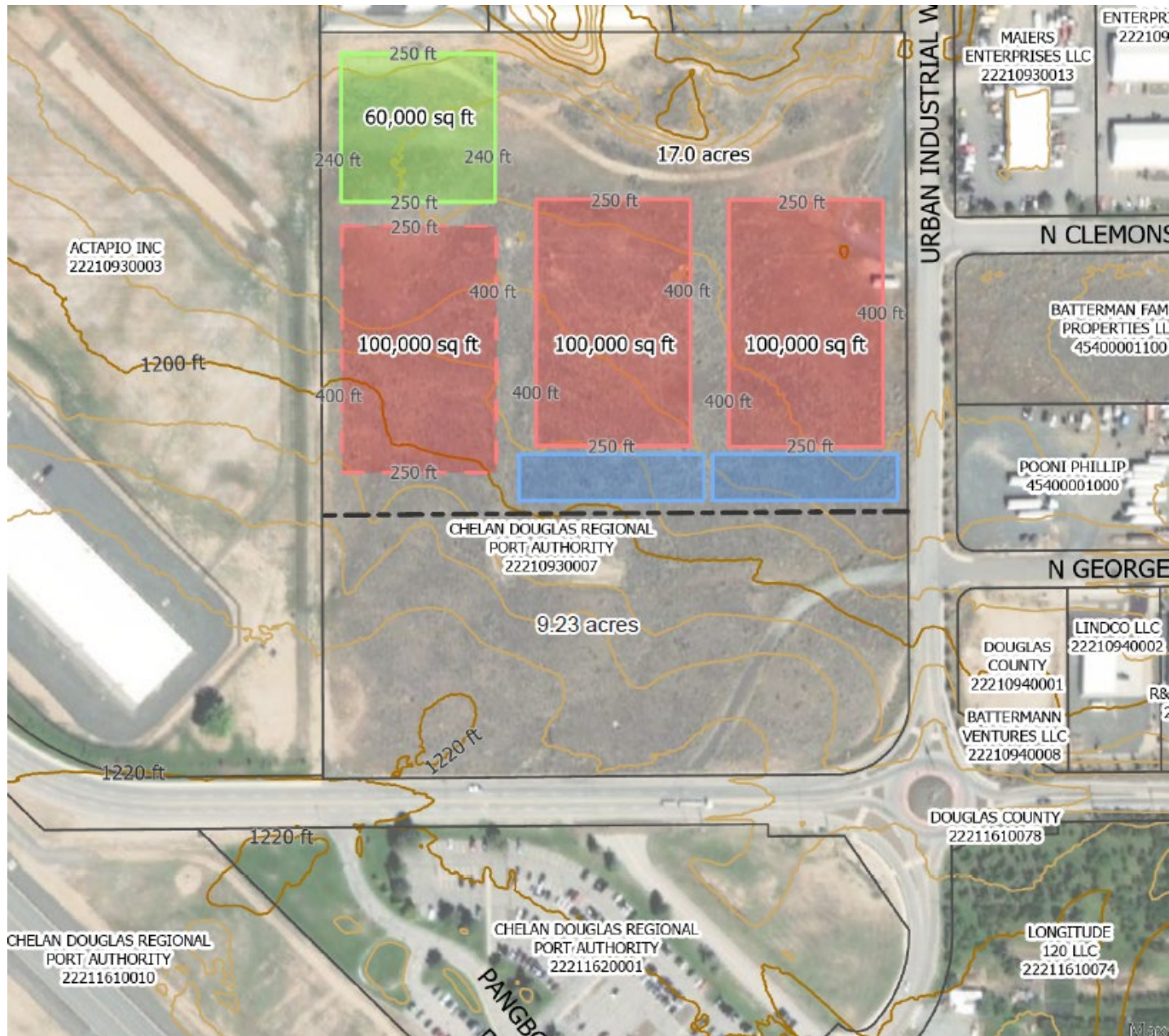
**Grand Total:
\$154.6 Million**

Future:

Airlift Northwest Hangar	\$ 5 Million
Reconstruction of Runway 12/30	\$40 Million
New Army National Guard Hangar	\$50 Million



Batterman Business Park Development

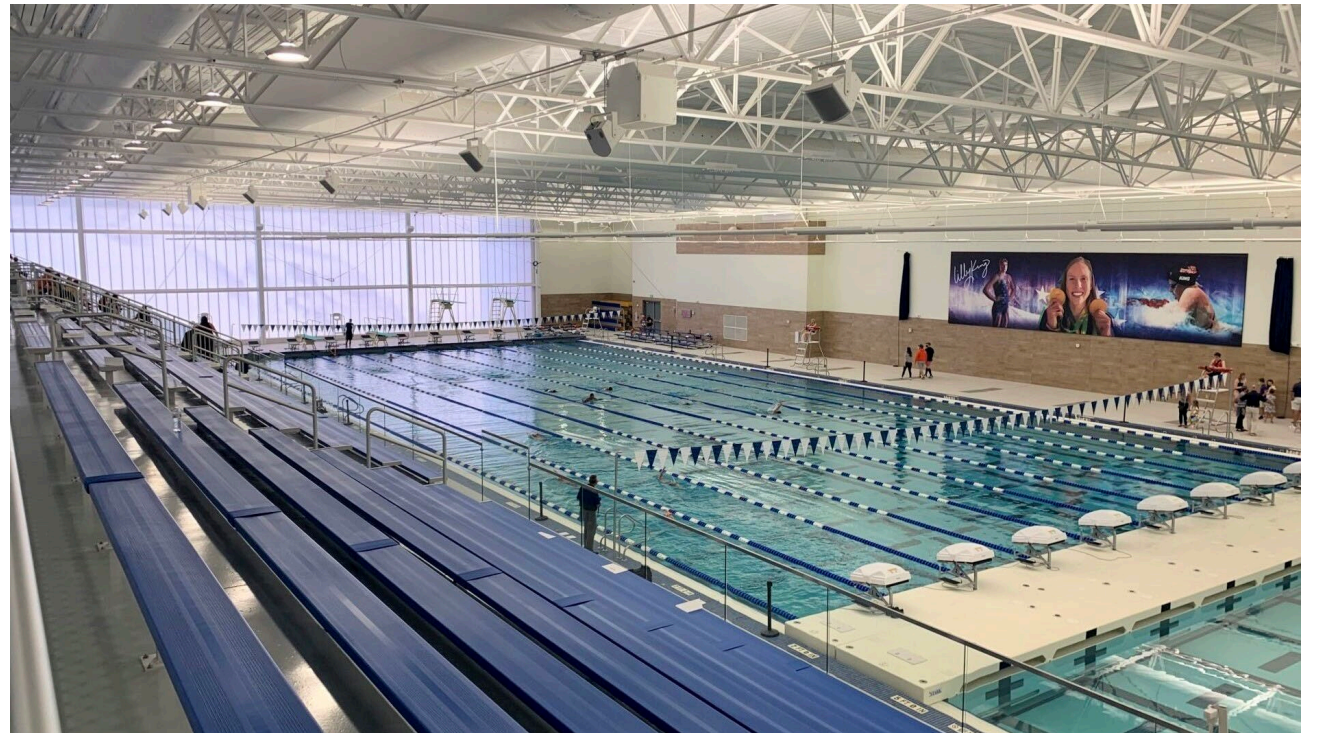




Regional Sports Complex Feasibility Study

Additional Information Can Be Found:
<https://www.cdrpa.org/regional-sports-complex>





Regional Sports Complex Timeline

Phase I Findings – End of October 2023

- Demand analysis of needs
- Three draft Sports Complex options

Economic Analysis Phase

- Analysis of Sports Complex Options: Capital Costs, Programing and Demand
- Site analysis and recommendations
- Economic impact of the three Sports Complex options
- Funding options – Capital and Operations

Final Report – February 2024

- Chelan and Douglas counties and all incorporated cities will need to determine next step

Optional Component

- Statistically valid survey to determine voter sentiment

Washington State Department of Revenue

Estimate – two tenths of 1% (0.2%)

1

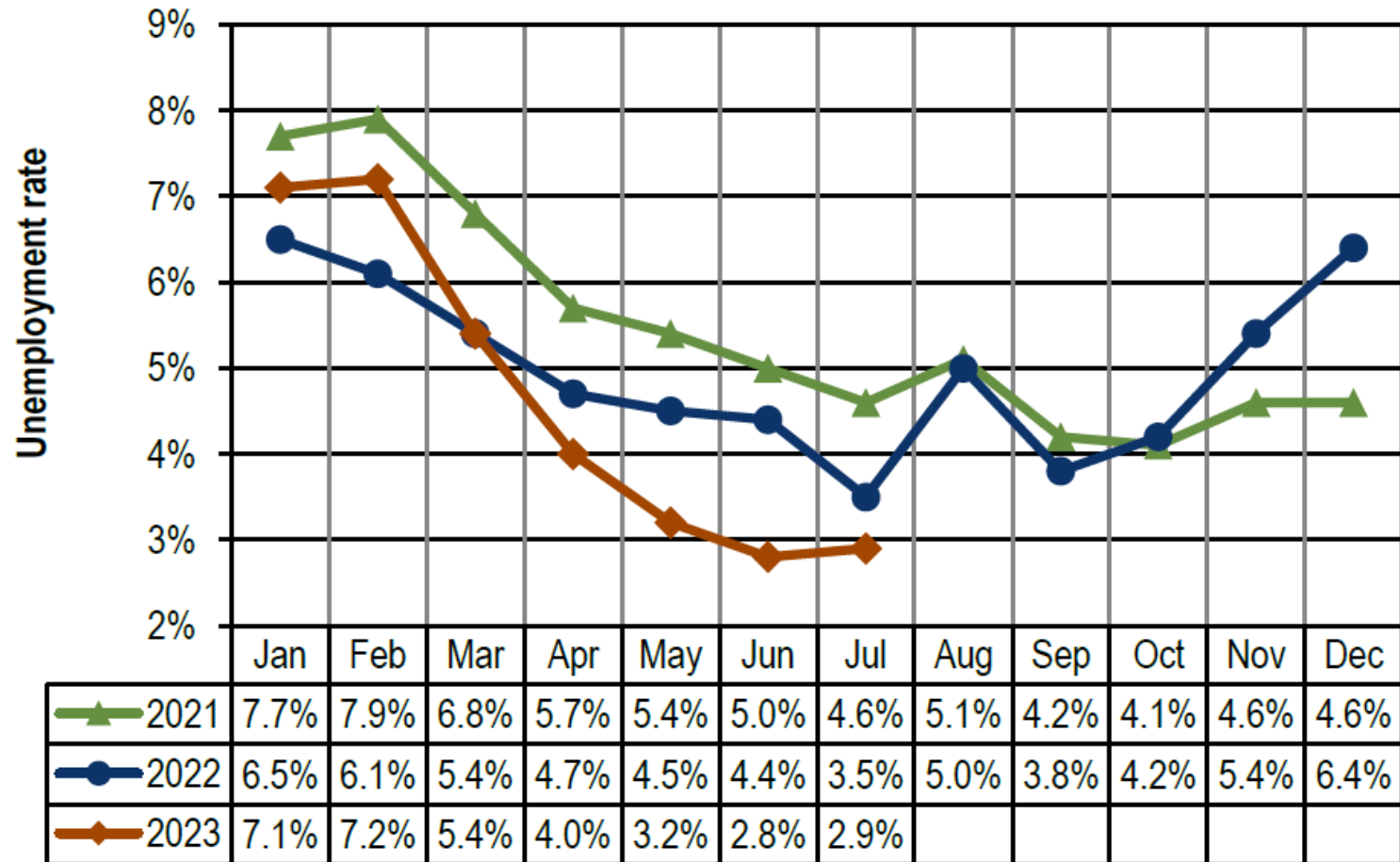
Location	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Unincorporated Chelan County	1,756,500	1,812,200	1,874,200	1,941,200	2,000,200
Cashmere	175,200	180,800	187,000	193,600	199,500
Chelan	675,900	697,300	721,200	747,000	769,600
Entiat	57,100	58,900	60,900	63,100	65,000
Leavenworth	699,500	721,700	746,400	773,100	796,600
Wenatchee	3,533,100	3,644,700	3,769,700	3,904,500	4,023,100
Unincorporated Douglas County	2,199,100	2,268,800	2,346,500	2,430,400	2,504,100
Bridgeport	28,800	29,700	30,800	31,900	32,800
East Wenatchee	1,431,100	1,476,400	1,526,900	1,581,500	1,629,500
Mansfield	14,600	15,100	15,600	16,200	16,600
Rock Island	37,300	38,500	39,800	41,200	42,500
Waterville	33,800	34,900	36,000	37,300	38,500
Totals	\$10,642,000	\$10,979,000	\$11,355,000	\$11,761,000	\$12,118,000

Key Economic Indicator

Figure 1. Wenatchee MSA unemployment rates, not seasonally adjusted

Washington state, January 2021 through July 2023

Source: Employment Security Department/DATA; Local Area Unemployment Statistics (LAUS)



The Wenatchee MSA’s unemployment rate declined by six-tenths of a point between July 2022 and July 2023.



Regional Port Unified Tax Levy November 7th Ballot

**Uniformly Apply a Tax Levy Rate to Ensure All Taxpayers in
Chelan & Douglas Counties have One Equalized Levy Rate**

Unified Property Tax Levy



Tax Levy - 2023

Certified Levy	\$	3,471,204	\$	1,157,258
Final Assessed Value	\$	19,765,556,927	\$	8,427,253,034
Levy Rate		0.175619		0.137323

Port District Tax Levy Capacity = \$0.45 per \$1,000 of Assessed Value

Tax Levy Equalization/Blending

Total Levy	\$	4,628,462	\$	3,244,945	\$	1,383,517
Levy Rate				0.164172		0.164172

Unified Property Tax Levy

Impact to Douglas County Taxpayer

\$500,000 Average Sale Price	0.137323	\$	68.66
\$500,000 Average Sale Price	0.164172		<u>82.09</u>
INCREASE		<u>\$</u>	<u>13.43</u>

Note: \$1.12 per month

Impact to Chelan County Taxpayer

\$500,000 Average Sale Price	0.175619	\$	87.81
\$500,000 Average Sale Price	0.164172		<u>82.09</u>
DECREASE		<u>\$</u>	<u>(5.72)</u>

Note: <\$0.48> per month

Unified Property Tax Levy



- help preserve equal representation on the Regional Port Board of Directors with three elected officials from each county
- provide levy rate equalization at a time when the levy rate differential between Ports is only 3.8 cents per thousand of assessed value
- allow for the efficient operation of the Regional Port as it works to enhance the economic vitality of Chelan and Douglas counties

2023 Washington State Legislative Session – EHB 1663

Chelan Douglas Regional Port Authority Unified Tax Levy

House: 95 Yes 0 No

Senate: 49 Yes 0 No

Signed by Governor Inslee on May 1st 2023

Examples of Regionalization

- **North Central Regional Library District**
- **Chelan-Douglas Health District**
- **Link Transit**
- **Wenatchee Valley Fire Department**
- **Public Facilities District (Town Toyota Center)**
- **Regional Sports Complex?**

Unified Property Tax Levy

PROPOSITION NO. 1 CONCERNS THE PORTS OF CHELAN AND DOUGLAS COUNTIES UNIFYING TAX LEVY RATES ACROSS DISTRICTS.



This proposition, as enacted by Resolutions 2023-1 and 2023-2, would unify the tax levy rate encompassing both districts collected in 2024 and in subsequent, consecutive years. The Port of Chelan County levy rate for 2023 is 0.175 cents/\$1,000 of assessed value. The Port of Douglas County levy rate for 2023 is 0.137 cents/\$1,000 of assessed value. Using 2023 levy rates, a unified tax levy would be approximately 0.164 cents/\$1,000 of assessed value for both districts.

Should this proposition be:

APPROVED

REJECTED

**Working Together to
Enhance the Economic Vitality
of North Central Washington**

Keynote Speaker: Tim Sieber

Director, Air Service Development



Tim is a forward-thinking, respected industry professional who launched his commercial aviation career in 1987 after completing his Aviation Business Administration degree from Embry-Riddle Aeronautical University. Tim possesses over three decades of both airline and air service consulting experience. His airline background varies widely from front line customer service to regional airline President. His most recent positions include Managing Director, Development for ExpressJet Airlines, Inc. and Head of the aha! Business Unit where he led the commercial activities for the relaunch of the ExpressJet Airlines as an independent regional carrier. He has extensive understanding and skill in airline operations, air service planning, pricing, revenue management, distribution, sales and interline relations. This wide-ranging skillset coupled with his adaptability and prior work in air service consulting serves his clients well.

Tim's interest in aviation continues to flourish and his knowledge of the industry is impressive. He spends his free time traveling and exploring the world one flight at a time. Tim resides in Oregon.