

Community Economic Revitalization Board



CERB
Administered
Programs





Community Economic Revitalization Board

Who is CERB?

In 1982 Legislature created CERB and established the mission:

“Foster economic development through stimulation of private investment and job opportunities for the general welfare of state inhabitants...” RCW 43.160





Community Economic Revitalization Board





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CERB is designed to finance:

Public infrastructure construction to support private business development

Public broadband infrastructure to provide high-speed, open-access service for rural underserved communities.

Economic development, site readiness, and broadband planning





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Eligible Jurisdictions

- Cities & Towns
- Counties
- Federally Recognized Indian Tribes
- Municipal & Quasi Municipal Corps
- Port Districts
- Special Purpose Districts (e.g. PDAs, PUDs)



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Grants

Loans/Limited Grants

Programs

Economic Development
Site Readiness
Broadband

Planning

Private business needs public infrastructure to:

- Site, expand, be retained
- Create and retain jobs
- Complete private capital project

Committed Private Partner

Planning has been completed and project is deemed feasible

Project is in a rural county/community

Public infrastructure is needed to:

- Recruit private industry to the community
- Job creation
- Private Investment

Prospective Development

Planning has been completed and project is deemed feasible

Project is in a rural county/community

Project is in unserved or underserved area

Project has a committed ISP

Rural Broadband



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Planning Program

\$100,000 grant maximum

- Tier 1: \$50,000 grant per project, for planning activities that **will not** lead to CERB construction project.
- Tier 2: \$75,000 grant per project for planning activities that **could** lead to CERB construction project. *(Can be used for broadband planning)*
- Tier 3: \$100,000 grant per project for site readiness activities that could lead to CERB construction project.





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Planning Grants Eligible Activities

Economic Feasibility

Environmental Impacts

Capital Facilities

Land Use

Permitting

Marketing

Project Engineering & Design

Site Planning

Site Readiness Activities*

Broadband*

**Different set of minimum requirements to complete, then the economic development minimum requirements*



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Achieving Site Readiness: *Site alignment for best possible end use and investment.*

Site Attribute Analysis: *Determine the type of development that the site can support.*

Infrastructure Assessment: *Document infrastructure that is available and the infrastructure gaps.*

Solutions to Overcome Challenges: *Address any issues and identify solutions that would make the development possible.*

When completed the client will have a document to share with site selectors and/or developers, for decisions to be made regarding future development.



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Construction Programs

Committed Private Partner <i>Business in hand</i>	Prospective Development <i>Build it and they will come</i>	Rural Broadband
\$5 million per project maximum	\$3 million per project maximum	\$3 million per project maximum
Grant: Up to 25% of total award, determined by the underwriting process and the Debt Service Coverage Ratio.		
Private business partner committed to: <ul style="list-style-type: none"> • <u>Significant</u> job creation • <u>Significant</u> private capital investment Hourly wages of created jobs must <u>exceed</u> county median wage	Rural counties/communities ONLY Demonstrate feasibility with supporting study	
	Must show likelihood of <u>significant</u> jobs and/or <u>significant</u> private investment	Is in unserved or underserved area Has a committed ISP



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Construction Eligible Public Facility Projects

- | Activities |
|---|
| <ul style="list-style-type: none">• Acquisition• Construction• Reconstruction• Rehabilitation• Repair• Replacement |
| <ul style="list-style-type: none">• Planning for all activities & systems |

- | Systems: Improvement of: |
|---|
| <ul style="list-style-type: none">• Building or Structures• Broadband/Telecommunications*• Bridges• Domestic & Industrial Water• Earth Stabilization• Electricity• Natural Gas• Port Facilities• Railroad• Roads• Sanitary Sewer• Storm Water• Transportation |

** Infrastructure can be funded under all construction programs.*



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Funding Limits

- Construction – Up to \$5,000,000 per project
 - Grant eligible only to the extent a loan is not financially possible
 - Construction Grant: *Up to 25% of total award, determined by the underwriting process and the Debt Service Coverage Ratio.*
 - Applicant can request up to a 3 year deferral for the first payment.
 - **Cash Match 20% for Committed Private Partner/Rural Broadband**
 - **Cash Match 50% for Prospective Development**
 - 1%-3% interest rate
 - Not to exceed 20 year loan term
- Planning Grant– Up to \$100,000 per project
 - \$50,000 grant per project, for planning activities that **will not** lead to CERB construction project.
 - \$75,000 grant per project for planning activities that **could** lead to CERB construction project.
 - \$100,000 grant per project for achieving site readiness, that **could** lead to CERB construction project.
 - **Cash Match 20%**





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Median Wage Requirement

Median wage of the jobs created, must be higher than the current median wage, within 5 years of the public project being completed.

Adams	\$20.19	Grays Harbor*	\$22.74	Pierce	\$27.75
Asotin	\$22.37	Island	\$24.42	San Juan	\$28.34
Benton	\$27.28	Jefferson*	\$24.66	Skagit*	\$25.94
Chelan	\$21.52	King	\$42.76	Skamania*	\$23.93
Clallam*	\$22.95	Kitsap	\$25.50	Snohomish	\$30.41
Clark	\$27.94	Kittitas	\$22.44	Spokane	\$25.19
Columbia	\$27.68	Klickitat	\$24.41	Stevens*	\$23.20
Cowlitz*	\$27.72	Lewis*	\$24.47	Thurston	\$27.70
Douglas	\$20.69	Lincoln	\$24.35	Wahkiakum*	\$23.30
Ferry*	\$22.19	Mason*	\$22.63	Walla Walla	\$23.36
Franklin*	\$21.51	Okanogan*	\$19.02	Whatcom	\$25.89
Garfield	\$22.14	Pacific*	\$21.64	Whitman	\$25.74
Grant*	\$21.50	Pend Oreille*	\$22.75	Yakima*	\$19.96

Source: Washington Employment Security Department, Labor Market & Economic Analysis Branch, Vancouver Office. 2022.

*Identifies Distressed Counties (2022)

Blue Counties are Rural Counties

Updated 11-2023

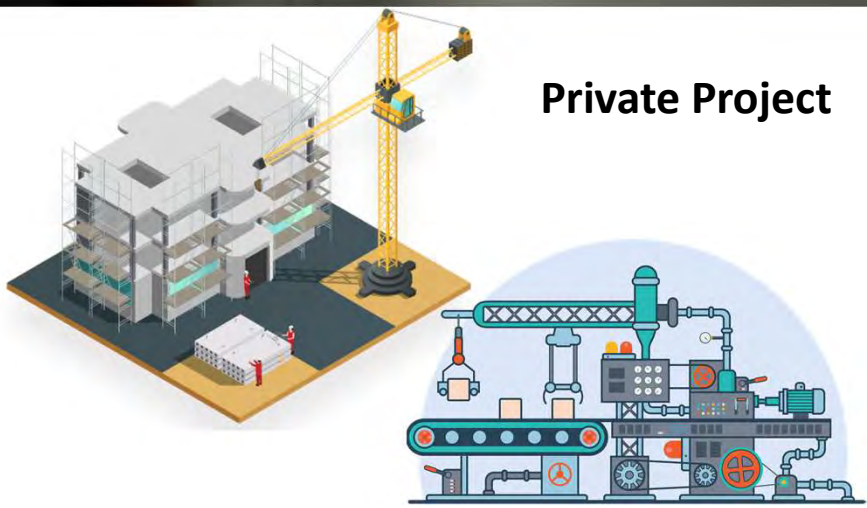


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Public Project



Private Project



Committed Private Partner/Prospective Development



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NOT
Eligible

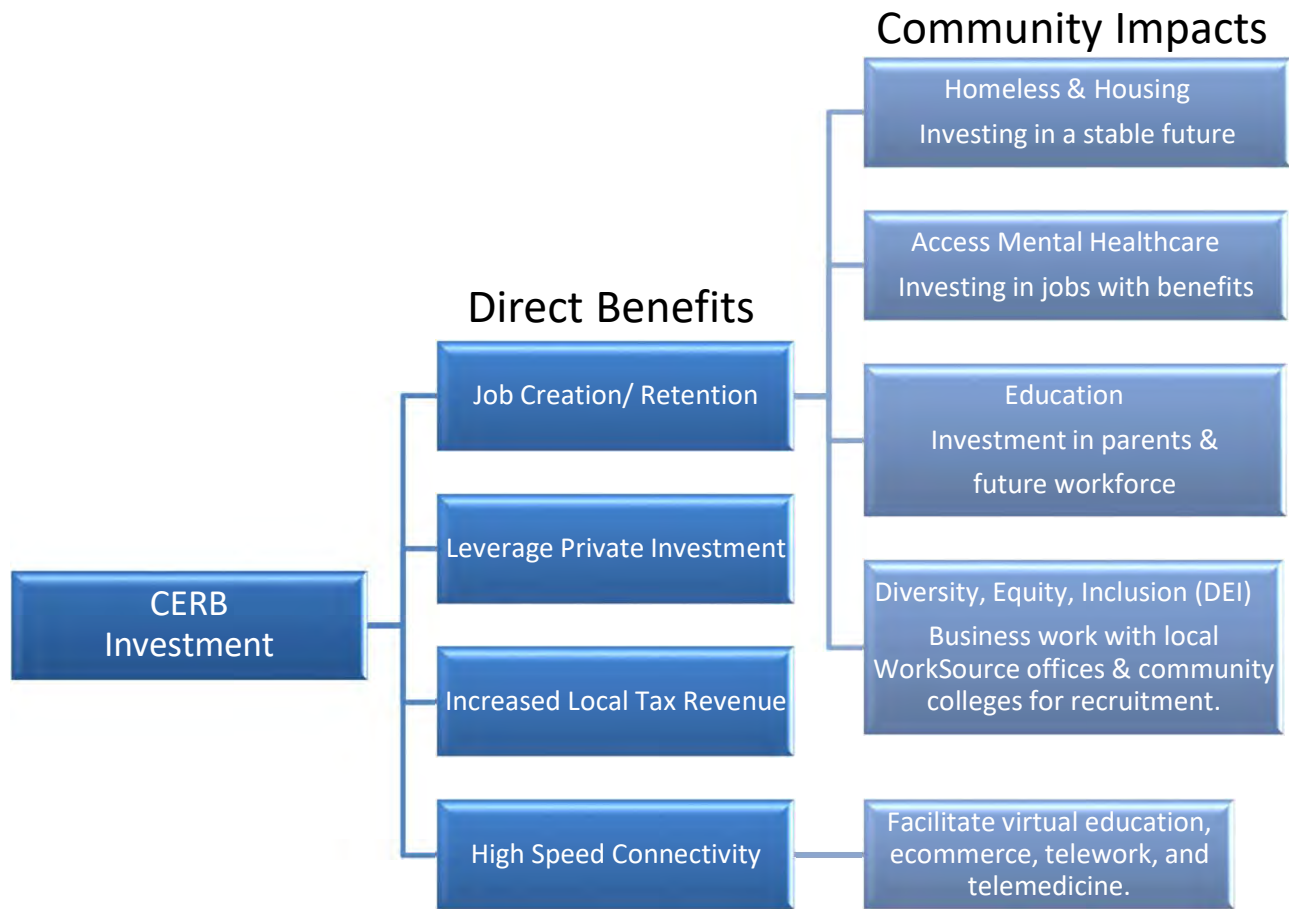
CERB may NOT finance projects which:

- Result in retail development
- Facilitate gambling
- Displace jobs from one part of the state to another
- Are outside the applicant's jurisdiction
- Are for the deployment of publicly-owned telecommunication network infrastructure ("backbone") **solely for the sake of creating competitive, publicly-owned telecommunication network infrastructure.**

CERB does not contract with private business, only the local government applying for funds.



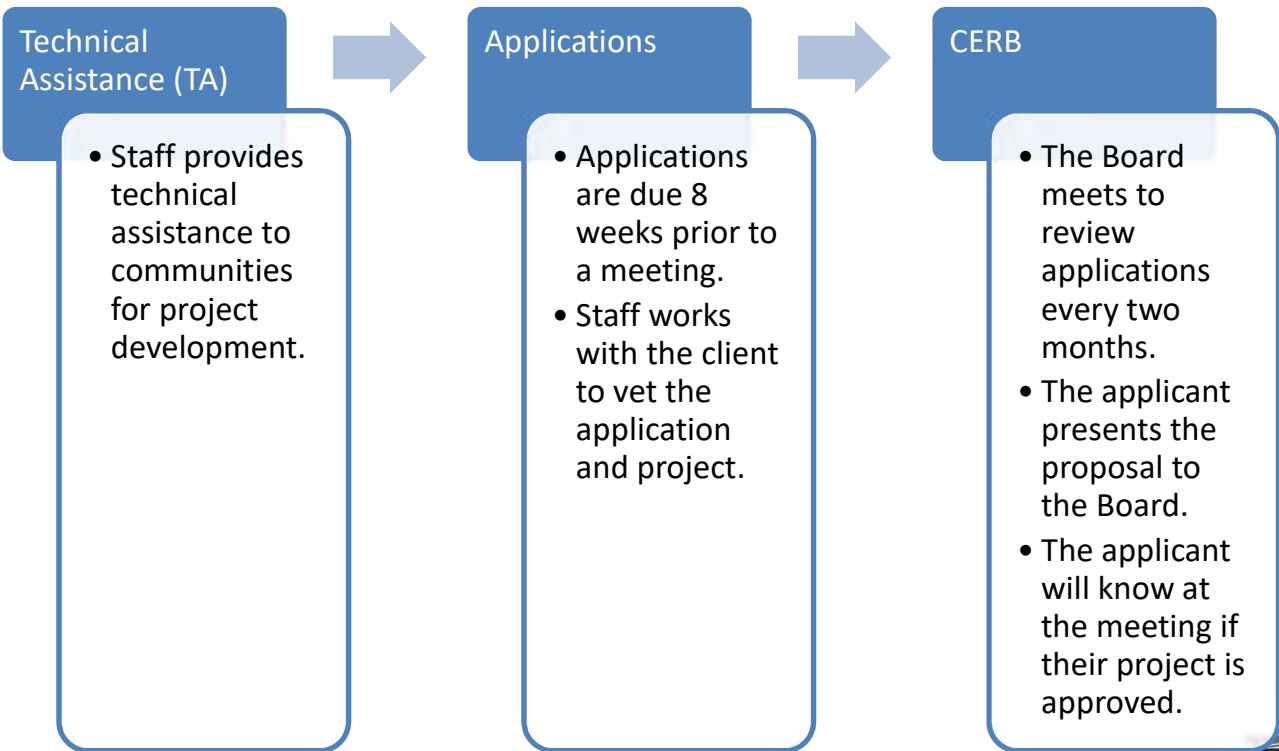
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How CERB works



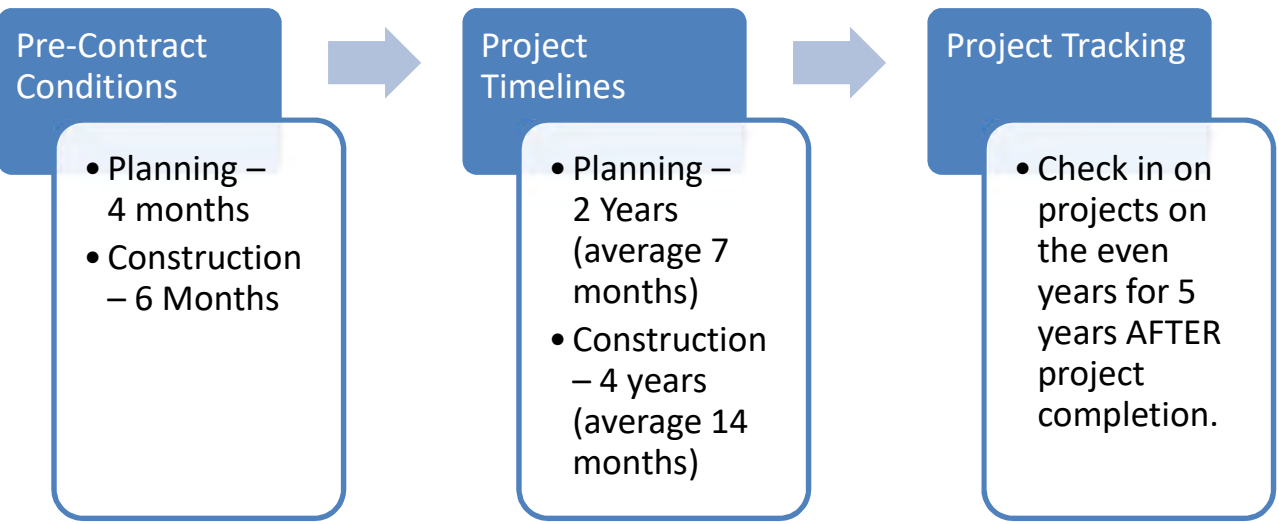
CERB Tracks ALL Projects for 5 years AFTER Completion





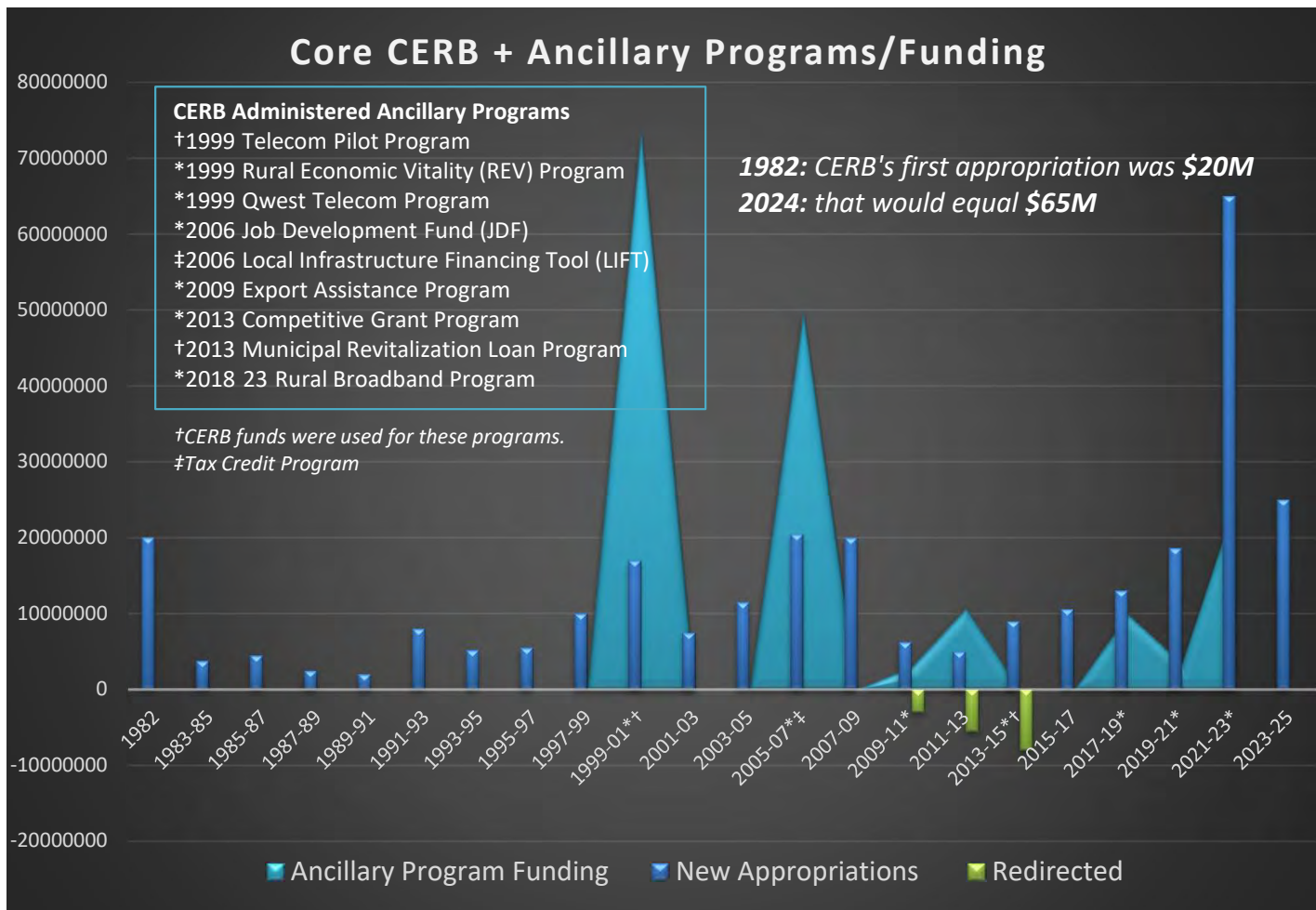
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How CERB works





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Core CERB 1982-2024

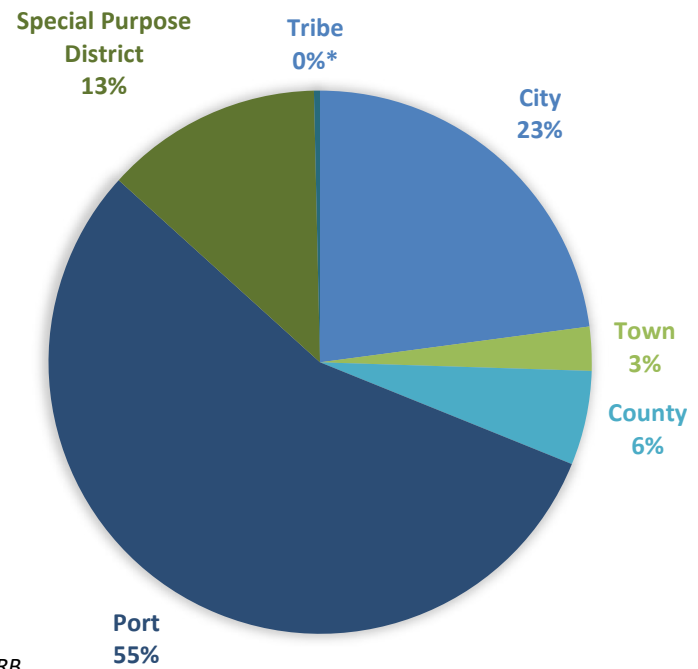
\$287 Million CERB Investment 0% Default in 42 years		
\$6.4 Billion Leveraged Private Investment	\$658 million Match Funding	
40,695 FTEs* Created/Retained	\$7,055 Cost Per Job	540 Projects

**Created and retained jobs are full-time permanent high-wage jobs, not construction jobs.*



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Core CERB 1982-2024 PROJECTS BY APPLICANT



*Tribes have received \$1,029,225 in grants from CERB.





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2008: Feasibility study for the development of an eco-industrial park.

2010: Purchase 28 acres of land, develop phase 1 of a 4-phase development - to include: road, water, sewer, utilities, sidewalks and parking infrastructure. For the Blue Mountain Station Eco-Industrial park development.

2013: Install sewer lift station and extend sewer connection from the Blue Mountain Station Eco-Food Processing Park to the City of Dayton sanitary sewer system.

2019: The Port built a second building onsite, they had tenants lined up before the building was complete.



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Blue Mountain Station Expansion Continues

2023: A study to determine the feasibility, optimal configuration, and next steps for developing the infrastructure for a value-added grain business cluster at Blue Mountain Station.

2024: “Regional Craft Malting Facility at Blue Mountain Station” Construct 12,000 square foot building and extend existing infrastructure to support Mainstem Malt.





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Jobs (FTEs)		Private Investment*		State & Local Tax Revenue*		Assessed Valuation	
Estimates†	Actuals	Estimates†	Actuals	Estimates†	Actuals	Estimates†	Actuals
15	13	\$7,850,000	\$415,000	\$109,233	\$24,610	\$387,840	\$1,261,400

*Tax revenue is self reported by the businesses.

†Estimates include 2024 project, actuals will increase as the project matures.



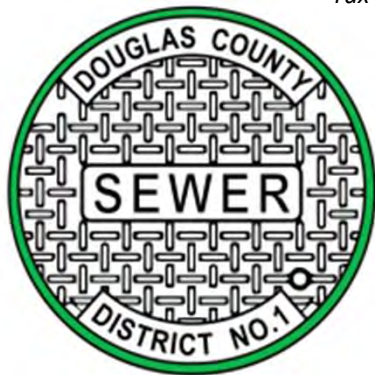
Project	CERB	Match
2008: Eco-Industrial Park Planning Study	\$50,000	\$30,000
2010: Blue MT Station Industrial Park	\$1,000,000	\$110,000
2013: Sewer Extension to Blue Mountain Station Eco-Industrial Park	\$218,000	\$22,000
2023: BMS Craft Malt & Grain Cluster Study	\$50,000	\$12,500
2024: Regional Craft Malting Facility at Blue Mountain Station	\$5,000,000	\$2,500,000
Total Investments:	\$6,318,000	\$2,674,500



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Jobs (FTEs)		Private Investment*		State & Local Tax Revenue*		Assessed Valuation*	
Estimates	Actuals	Estimates	Actuals	Estimates	Actuals	Estimates	Actuals
19	23	\$61,786,024	\$92,935,174	\$4,037,416	\$25,062,440	\$128,369,500	\$121,852,300

*Tax revenue is self reported by the businesses.



Project	CERB	Match
2008: Eco-Industrial Park Planning Study	\$2,200,000	\$294,776
Total Investments:	\$2,200,000	\$294,776

2019: “Batterman Lift Station Project”

Batterman Lift Station replacement includes design, construction, consisting of below grade sewer appurtenances, electrical and controls equipment, new submersible wastewater pumps, and site development.





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Rural Broadband 2018-2024

\$37.8 million
CERB Investment

\$21.8 million
Match Funding

***14,446**
Connections
\$2,618 Cost per
Connection

27 Projects
71 Communities

5 Towers
520+ Miles of
Fiber

118 ISPs

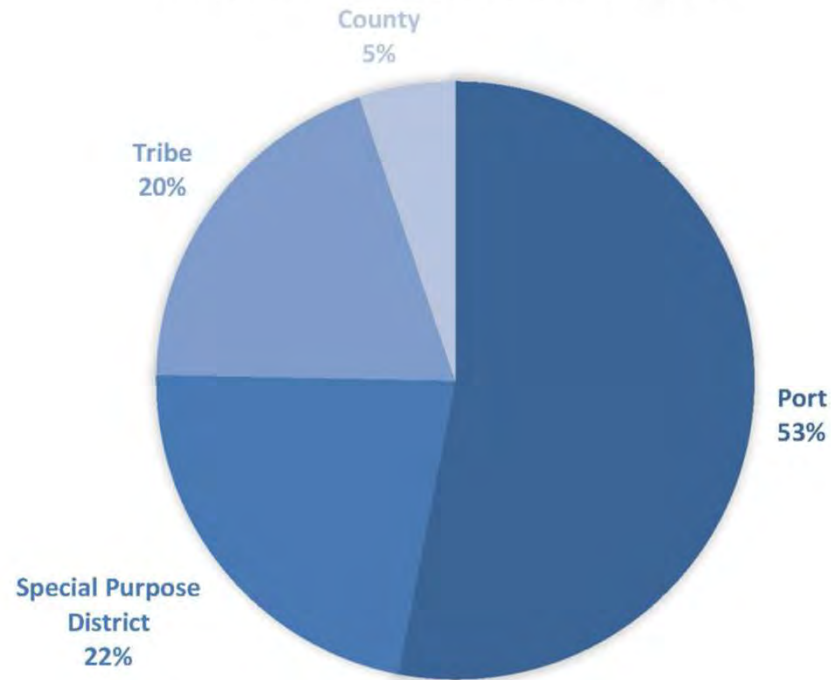
**13,434 are household connections that facilitate virtual education, ecommerce, telework, and telemedicine*



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Rural Broadband 2018-2024

PROJECT BY APPLICANT TYPE





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CERB Rural Broadband Investment 2018-2024

\$37,819,919 Invested

27 Projects

~71 Communities

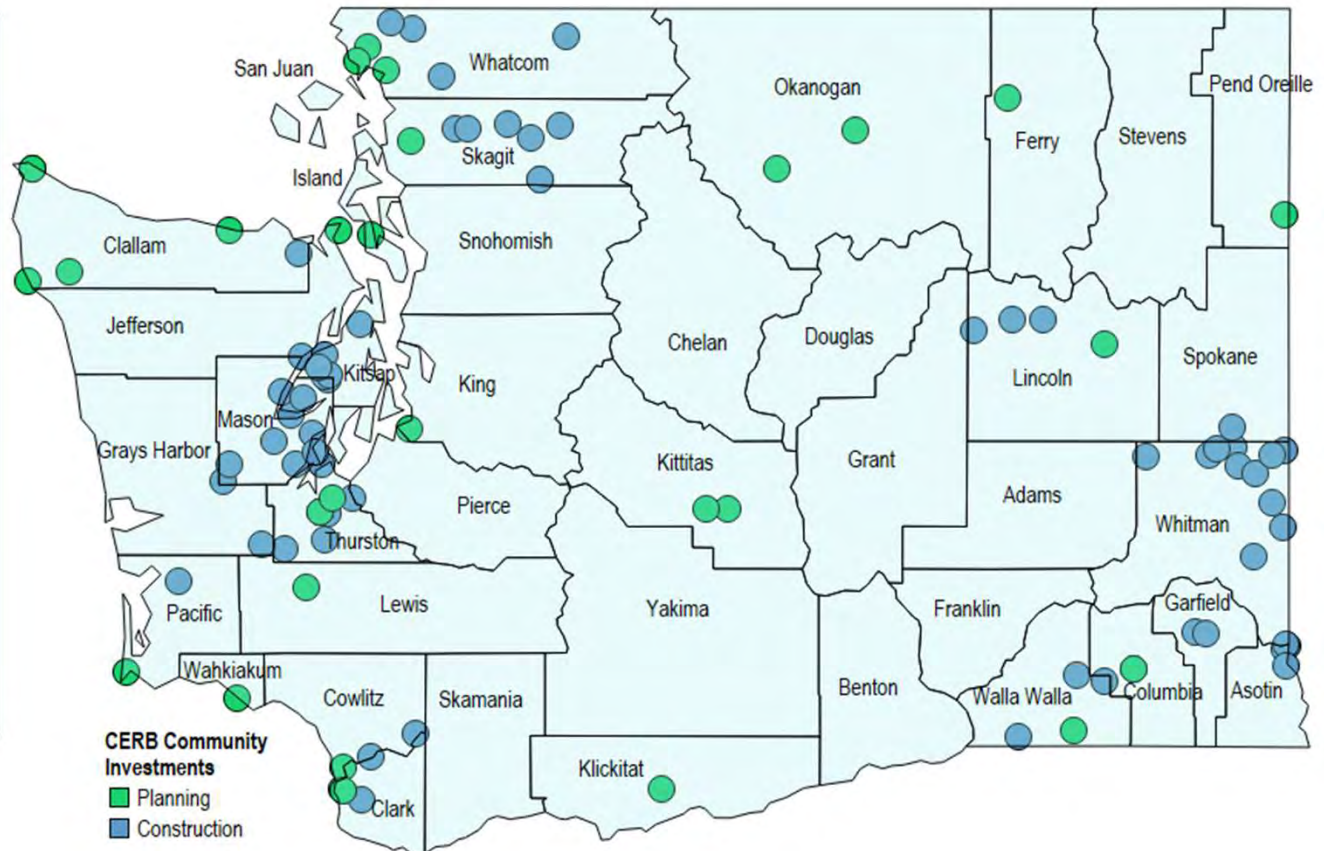
~14,446 Connections

~118 ISPs

5 Towers

~520 miles of fiber

\$2,618 Cost per Connection





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Project	CERB	Match
2019: Nisqually Broadband Regional Feasibility Project – Proposal 1	\$50,000	\$16,667
2019: Nisqually Broadband Regional Feasibility Project – Proposal 2	\$50,000	\$16,667
2020: Nisqually Broadband Regional Feasibility Project – Proposal 3	\$50,000	\$16,667
2019: Nisqually Community Broadband Project	\$600,000	\$200,000
2021: Nisqually 2021 OAN Broadband Project Phase I (Phase 2 Funded by SBO)	\$4,329,292	\$1,540,168
2021: Chehalis Reservation Broadband Project	\$2,000,000	\$500,000
Total Investments:	\$7,079,292	\$2,290,169

**Projects are still in the 5 year reporting period.*



Connections*		Internet Service Providers*	
Estimates	Actuals	Estimates	Actuals
1,620	111	7	1



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Project	CERB	Match
2008: Telecommunication Study	\$25,000	\$73,839
2018: Last Mile Fiber Construction Project	\$2,000,000	\$2,043,800
2021: Malden/Pine City FTTx Project	\$1,734,921	\$867,460
Total Investments:	\$2,026,625	\$1,254,493

**Projects are still in the 5 year reporting period.*

Connections*		Internet Service Providers*	
Estimates	Actuals	Estimates	Actuals
1,802	1,533	5	5



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Project Tracking



Job creation, wages, and private investment

Tracked for 5 years **after** a project is complete.





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Current Available Funding

	2023-25	Awarded	Available**
Core CERB	\$50,737,705	\$39,491,000	\$13,002,994

**Includes de-obligated funds

Funding Limits

Program	Project Max	Grant Max	Match (project total)
Planning	\$100,000	100%	20%
Prospective Development	\$3,000,000	Up to 25%	50%
Rural Broadband	\$3,000,000	Up to 25%	20%
Committed Private Partner	\$5,000,000	Up to 25%	20%





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Loan/Grant Financing Criteria & Eligibility Model

			Loan Years					
Eligible for Grants			1-10 Years		11-15 Years		16-20 Years	
DSCR	Rural County/Community	Urban County	Distressed County	Non-Distressed County	Distressed County	Non-Distressed County	Distressed County	Non-Distressed County
1.0 1.25	25%	No	1.00%	1.50%	1.25%	1.75%	1.50%	2.00%
1.26 1.49	15%	No	1.25%	1.75%	1.50%	2.00%	1.75%	2.25%
1.50 2.49	No	No	1.50%	2.00%	1.75%	2.25%	2.00%	2.50%
2.50+	No	No	2.00%	2.50%	2.00%	2.75%	2.50%	3.00%

Application and Meeting Dates

Construction	Planning	Board Meeting
November 18, 2024	December 3, 2024	January 16, 2024
January 13, 2024	January 27, 2024	March 20, 2024
March 17, 2024	March 31, 2024	May 15, 2024





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GOT PROJECTS?



[COMMERCE.WA.GOV/CERB](https://commerce.wa.gov/cerb)



Community Economic Revitalization Board

CERB Staff

Janéa Stark

Executive Director & Tribal Liaison

360-252-0812

Janea.Stark@commerce.wa.gov

Barbara Smith

Contract Manager

360.764.9820

Barbara.Smith@commerce.wa.gov

www.commerce.wa.gov/CERB

