



# Building Economic Success Together



GROWTH | JOBS | BENEFITS

**NEW VISION**   
YAKIMA COUNTY DEVELOPMENT ASSOCIATION



# GROWTH STARTS WITH A VISION

Community leaders created the Yakima County Development Association (YCDA) in 1985 to engineer a county wide economic development effort. Operating as a private nonprofit under the trade name New Vision, the YCDA has successfully linked private sector drive and public sector accountability to promote economic growth throughout the Yakima Valley for the last 27 years.

Goals guide the focus. Action plans direct the efforts. And performance benchmarks measure outcomes for YCDA efforts.

This year's Development Council directs fundraising efforts that will sustain YCDA initiatives for the next five years.

## Leadership Team



**Mike Broadhead**  
Campaign Chair



**Sharon Prill**  
Campaign Development Council



**Gary Christiansen**  
Campaign Development Council



**Lisa Long**  
Campaign Development Council



**Cus Arteaga**  
Groundbreaker Co-Chair



**Jay Hester**  
Groundbreaker Co-Chair



**Bob Hall**  
Campaign Development Council



**Tom Stokes**  
Campaign Development Council



**Moriet Miketa**  
Pacesetter Chair



**Bill Clemens**  
Harvester Co-Chair



**Jeff Louman**  
Harvester Co-Chair

## Mission Statement

“New Vision will enhance the income, quality of life and employment stability of Yakima County residents by retaining, expanding and recruiting new business and industry.”

## Economic Benefits of Last Five Years

During the past five years, YCDA has materially assisted 12 firms to locate or expand in Yakima County. These firms have made investments in facilities and equipment totaling \$82.2 million, directly creating 435 new jobs. These jobs pay an estimated \$12.7 million annually in wages and salaries.

### Business Assisted by YCDA Over Last 5 Years

Company	Expansion/Recruitment	Total	Capital Investment		Jobs	Estimated Payroll
			New Bldg.	Taxable		
Pacific Steel	Expansion	\$1,700,000	\$1,700,000	\$1,700,000	8	\$224,640
Italstone	Recruitment	\$700,000	\$700,000	\$0	5	\$135,200
Adventurer RV	Recruitment	\$4,000,000	\$0	\$0	50	\$1,352,000
Yakima Craft Brewing	Expansion	\$500,000	\$0	\$0	2	\$81,100
Liberty Bottles	Expansion	\$4,000,000	\$0	\$0	30	\$936,000
Paragon Films	Recruitment	\$20,000,000	\$1,500,000	\$1,500,000	50	\$1,664,000
Bale Breaker Brewing Co.	Expansion	\$3,000,000	\$2,500,000	\$2,500,000	5	\$124,800
Arvato Digital Services	Recruitment	\$1,000,000	\$0	\$1,000,000	150	\$3,879,200
Printing Press/Peninsula	Expansion	\$20,000,000	\$0	\$0	40	\$1,248,000
Amtech Corporation	Expansion	\$4,500,000	\$0	\$0	50	\$1,456,000
Biotwine (2nd expansion)	Expansion	\$750,000	\$750,000	\$750,000	20	\$560,000
Darigold (Planned)	Expansion	\$22,000,000	\$6,000,000	\$6,000,000	25	\$1,040,000
<b>Investments 2008 - 2013</b>		<b>\$82,150,000</b>	<b>\$13,150,000</b>	<b>\$13,450,000</b>	<b>435</b>	<b>\$12,700,940</b>
<b>Investments Prior to 2008</b>		<b>\$309,500,000</b>	<b>\$213,950,000</b>	<b>\$80,250,000</b>	<b>2,382</b>	<b>\$79,200,160</b>

Source: Cascade Planning Group, July 2013

These 435 direct jobs represent about 12% of the net job growth indicated for Yakima County over the last five years. Even more significant is the fact that most of the investments are manufacturers; a sector that lost 1,050 local jobs over the same time frame. Without YCDA's efforts, the manufacturing sector could have registered even greater losses.

## Tax Benefits

In addition to the private sector economic benefits, the expanded business activity also generates increased taxes for state and local government.

### 5 Year Fiscal Benefits from YCDA Business Development Activities

Tax Generated	Construction	Operations
<b>Property Taxes:</b>		
Business Capital Investment		\$82,150,000
Employee Housing Values		\$58,300,000
Supported Assessed Value		\$140,450,000
Average Property Tax Rate		\$11.78
Property Taxes		\$1,654,501
<b>Retail Sales Tax:</b>		
Sales Taxable Capital Investment	\$13,450,000	
Employee Taxable Retail Purchases		\$3,200,000
Sales Tax Rate	8.1%	8.1%
State & Local Sales Taxes	\$1,089,450	\$259,200

Source: Cascade Planning Group, July 2013



“ We appreciated New Vision's assistance as we launched Liberty Bottles. The development association helped us publicize our new company, find qualified employees, and ensure that we got off to a good start in Union Gap. ”

**Tim Andis**  
Liberty Bottleworks

## Economic Benefits Since 1988

Since 1988, YCDA has materially assisted 43 firms to locate or expand in Yakima County. These firms have made investments in facilities and equipment totaling \$391.7 million and directly creating 2,852 new jobs. These companies collectively generate over \$532 million in economic activity, or close to four percent of Yakima County's total economic output.

The 2,800+ new jobs at companies assisted by YCDA represent 6.3% of the net job growth within Yakima County from 1988-2013. Workers earn an estimated \$91.9 million annually in wages and salaries.



### Business Assisted by YCDA by Economic Sector

Sector	Investment	Jobs	Payroll
Construction	\$750,000	5	\$124,800
Manufacturing	\$283,200,000	1,733	\$53,468,460
Wholesale Trade	\$53,600,000	758	\$28,055,040
Retail Trade	\$40,000,000	0	\$0
Information	\$10,000,000	6	\$249,600
Support Services	\$4,500,000	350	\$9,703,200
<b>All Sectors</b>	<b>\$392,050,000</b>	<b>2,852</b>	<b>\$91,601,100</b>

### Fiscal Benefits from YCDA Business Development (Since 1988)

Tax Generated	Construction	Operations
<b>Property Taxes:</b>		
Business Capital Investment		\$391,650,000
Employee Housing Values		\$421,500,000
Supported Assessed Value		\$813,150,000
Average Property Tax Rate		\$11.78
Property Taxes		\$9,578,907
<b>Retail Sales Tax:</b>		
Sales Taxable Capital Investment	\$93,700,000	
Employee Taxable Retail Purchases		\$23,000,000
Sales Tax Rate	8.1%	8.1%
State & Local Sales Taxes	\$7,589,700	\$1,863,000

Source: Cascade Planning Group, July 2013

“New Vision was instrumental in obtaining a large state workforce training grant (\$250,000) that has been used for assistance and training of employees at all levels of our company. The training has been extremely beneficial as our company expands.”

**Jim Richmond**  
CubCrafters

## Return on Investment

Business development efforts of YCDA over the last five years have generated an annual increase of \$236.7 million in new economic activity in Yakima County. This dollar value encompasses annual tax revenues of \$1.9 million, increased sales for local retail and service businesses of \$3.2 million per year, other household income of \$20.4 million, and other business income of \$211.2 million per year.

Over the entire 27-year existence, YCDA have led to \$532.8 million of economic activity comprising \$11.4 million in selected tax revenues, \$23.0 million of local retail and service purchases, \$136.0 million of other household income, and \$362.4 million of other business income.

YCDA currently operates on a budget of about \$500,000 per year; the longer-term annual budget has been more in the range of \$300,000.

Comparing the five-year YCDA investment against the annual economic returns local communities receive, the return on investment is about \$95 dollars for every dollar spent by YCDA for economic development in Yakima County. This return recurs every year as long as companies assisted retain an active presence locally. The cumulative effect clearly represents an investment with profound long-term benefits for the people and communities of Yakima County.

### Return on Investment (ROI)

Investments & Benefits	5 YR Estimate	27 YR Estimate
<b>Investment:</b>		
YCDA Operating Budget	\$2,500,000	\$8,300,000
<b>Current Annual Economic Benefits:</b>		
Selected Tax Revenues	\$1,913,701	\$11,441,907
Retail & Services Spending	\$3,200,000	\$23,000,000
Other Labor Income*	\$20,400,000	\$136,000,000
Other Industry Output**	\$211,186,299	\$362,358,093
<b>Total</b>	<b>\$236,700,000</b>	<b>\$532,800,000</b>
Annual Return on Investment per Dollar	\$95	\$64

\* Includes the portion of labor income not spent on retail goods and services.  
\*\*Includes the portion of Industry Output not paid out as labor income or taxes.

Source: Cascade Planning Group, July 2013



“New Vision worked with our company before we purchased Packaging Plus in Yakima. They helped us identify the community's resources and assets that could help our company get off to a good start in Yakima. We appreciate New Vision's help and we are excited about our continued growth in the region.”

**John McKernan**  
Peninsula Packaging Company



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## INPUTS

**STAFF KNOWLEDGE AND CAPACITY**

**BOARD KNOWLEDGE AND CAPACITY**

**FINANCIAL RESOURCES**

**EXTERNAL REPUTATION AND IMAGE**

**COLLABORATIVE RELATIONSHIPS**

**KNOWLEDGE AND EXPERIENCE OF CLIENTS**

## STRATEGIES

### Building Local Business | \$900,000

Provide tangible assistance to manufacturers, key companies, and entrepreneurs so local businesses can thrive and boost the regional economy.

- ◆ Provide in-depth assistance to manufacturers and key companies.
- ◆ Operate an Industry Roundtable that benefits local plant managers and other key personnel.
- ◆ Organize periodic workforce training seminars and initiatives that help local industry grow capable workers and managers.
- ◆ Help local employers attract and retain talented professional employees that relocate to the area.
- ◆ Support the interests of local entrepreneurs by offering seminars and brokering counseling services.

### Business Recruitment | \$500,000

Raise the Valley's image as a business location and try to attract new corporate facilities that generate new jobs and tax revenues.

- ◆ Continue marketing efforts to promote the Yakima Valley as a place to do business.
- ◆ Maintain an outstanding website that effectively markets Yakima County.
- ◆ Maintain and build relationships with professional site selectors.
- ◆ Respond quickly and professionally to interested clients and prospects.
- ◆ Work cooperatively with realtors, developers and property owners to maintain information on available sites and facilities.

### Workforce and Community Leadership | \$400,000

Lead regional efforts to improve our business climate by working to develop a highly skilled workforce, addressing regulatory challenges and directing public works investments that support our Valley's economic growth.

- ◆ Work with local education, workforce training, and business stakeholders to raise educational attainment and provide industry driven worker training initiatives.
- ◆ Work cooperatively with local governments and regulatory agencies to improve predictability, transparency and customer service.
- ◆ Administer the County SIED fund to target public investments that underpin business investment and community development.

## MEASURABLE OUTCOMES

- ◆ 50 unique company outreach visits per year.
- ◆ Tangibly support four in-depth manufacturing expansion projects per year.
- ◆ Tangibly support twelve entrepreneurial ventures per year
- ◆ Ten companies and 40 employees participate in specialized workforce seminars per year.
- ◆ Twenty-five companies participate in the Industry Roundtable each year.
- ◆ Twenty companies participate in "Talent Attraction" receptions and initiatives.
- ◆ Website traffic on LiveYakimaValley.com and yakimavalley.biz increase 30% per year.

- ◆ Connect with 25 site selectors per year through prospecting trips, special conferences, phone calls, and newsletters.
- ◆ Organize two prospecting trips per year (that connect with 10 expanding companies).
- ◆ Increase traffic to ycd.com by 30% per year.
- ◆ Respond to 25 prospective companies per year that are specifically interested in Yakima County (or Washington State).
- ◆ Host six prospect companies on local site visits each year.

- ◆ Provide regulatory and permitting assistance to six new, established or expanding companies each year.
- ◆ Help create a STEM education web portal that engages and connects business, educators and students to relevant real world learning opportunities.
- ◆ Help four local governments secure public works funding to support tangible economic development projects in their communities.
- ◆ Help Yakima County invest \$1.5 million of Supporting Investments in Economic Diversification (SIED) funds to build public utilities that support business expansion.

## IMPACTS

- **New Jobs Created — Existing Jobs Retained**
- **A stronger more resilient economy**
- **More and better job opportunities will help keep our kids in the Valley**

- **New tax revenues generated for local government partners**
- **Increased sales for retail and service companies**
- **"Living Wage" jobs will reduce the need for public assistance and contribute to reductions in crime and vandalism**

# Q&A

## Supporting Talent Attraction

“ Our company faces challenges when recruiting for high level and technical employees. Having the liveyakimavalley.com website is an excellent new resource in selling our potential candidates on the benefits of working and living in our wonderful community! ”

Debbie Byrd  
Human Resource Coordinator  
GE Aviation



### Q: Is our investment tax deductible?

**A:** An investment to New Vision may be deductible as a trade or business expense if ordinary and necessary in the conduct of business. New Vision, the Yakima County Development Association (YCDA), is qualified as a tax exempt organization under section 501 (c) (6) of the Internal Revenue Code. New Vision has also established a charitable trust that is qualified as a tax exempt organization under section 501 (c) (3) of the Internal Revenue Code\*. Please seek the counsel of a qualified tax consultant regarding the deductibility of your investment.

### Q: When is our payment due?

**A:** Generally, your payment should be made at the time your pledge card is signed. Therefore, your first payment should be made in 2014. We will send you a renewal invoice in subsequent years.

### Q: What should be the amount of the first payment?

**A:** A payment in full would be greatly appreciated, but we can arrange to bill you monthly, quarterly, or semiannually. Just let us know how you prefer to pay and we will accommodate your needs.

\* Investments may be deductible as “charitable contributions” for federal income tax purposes, or they may be deductible as a trade or business expense if ordinary an necessary in the conduct of business. Please consult your tax or legal counsel for guidance.

### Q: We are not able to increase our budget at this time. Could we offer in-kind services or products?

**A:** In-kind services or products are accepted only if they are services or products that would normally be purchased in the campaign and/or during program implementation. The decision to accept in-kind investments rest solely with New Vision’s Executive Committee.

### Q: To whom should the check be made payable?

**A:** The check should be made payable to New Vision.

### Q: Can securities or real property be accepted as a campaign investment?

**A:** Yes, securities or real property can be accepted as a campaign investment with the approval of New Vision’s Board Treasurer.

### Q: Will we be kept informed of the results of New Vision?

**A:** Yes, you will receive an exclusive bulletin, “Investor Notes” that is only distributed to New Vision investors. You will also receive the monthly “In Our Scope” e-newsletter and invitations to our annual meeting as well as other events.

## Supporting Entrepreneurship

“ The best foundation a business can possess is the rigorous and supportive guidance that the Enterprise Challenge provides. We feel that any entrepreneur’s dream or business plan becomes a winner through the experience. ”

Dr. Tyrone Rodriguez  
Selah’s Smiles  
Dental Clinic



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## New Vision Board of Directors



### *Accountability*

*New Vision is audited by an independent accounting firm. The Board of Directors review this audit and also have monthly financial statements prepared to ensure that expenses are controlled and directed in a manner that is consistent with New Vision's key initiatives.*

*The New Vision Board maintains an "investor relations" program designed to keep investors fully informed about the organization's programs and results. Investors also receive regular reports that highlight New Vision's activities and accomplishments.*

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