

Confederated Tribes of the Colville Reservation



Colville Reservation Tribes' History

- Federally recognized and established in 1872 by Presidential Executive Order
- 1.4 million acres of land; 700,000 forested and 600,000 agricultural
- Approximately 9,900 tribal members
- Bordered by the Columbia and Okanogan Rivers
- A confederation of 12 Salish and Sahaptin tribes

Location Map

Omak Industrial Park Site

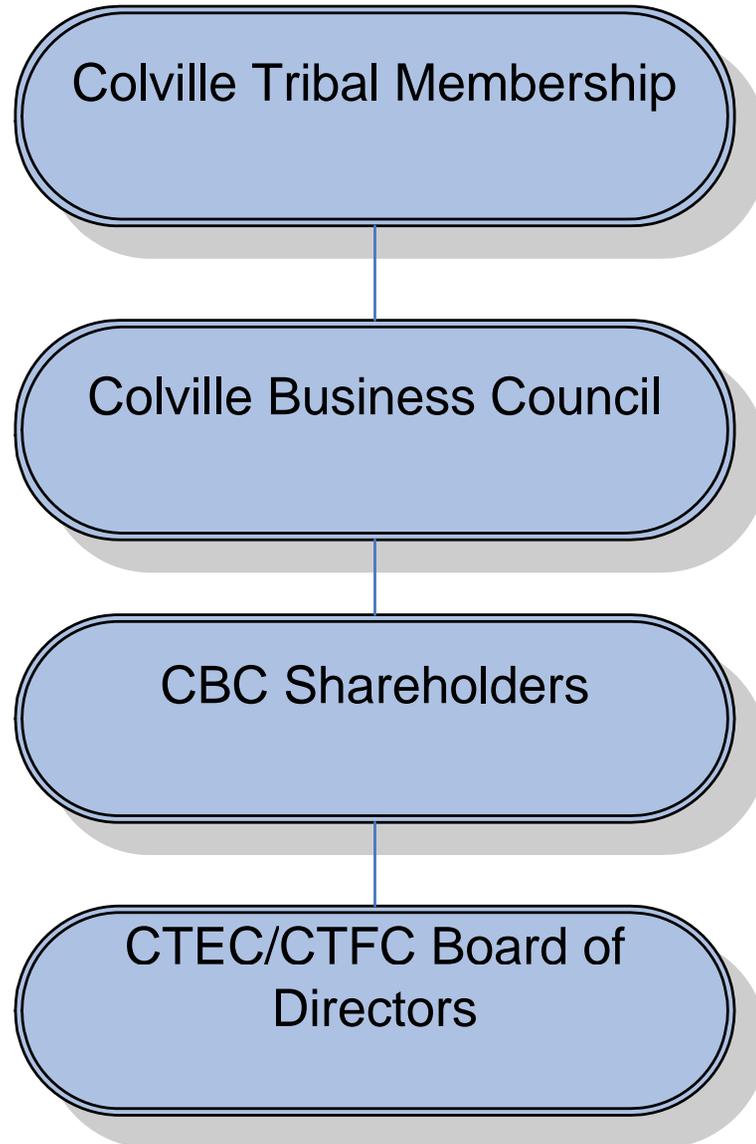
Colville Indian Reservation



Government & Business Administration

- The Confederated Tribes of the Colville Reservation is governed by fourteen Colville Business Council (CBC). From its administrative headquarters at Nespelem, the CBC oversees a diverse, multi-million dollar administration that employs approximately 1350 employees.
- The Colville Tribes has chartered its own parent corporations, the Government Corporation called Tribal Colville Tribal Enterprise Corporation (CTEC) and the Section 17 Corporation called Colville Tribal Federal Corporation (CTFC).
- The CTEC Corporation consists of primarily the forest products division, which due to the housing crisis has temporarily closed down the lumber and plywood mills. The mills along with a resource and logging company employed nearly 400 employees.
- CTFC oversees gaming, construction, retail and recreation. The Corporation employs 400 to 450 employees. The CBC has policy oversight of both corporations.

Organizational Structure



Past and Existing Colville Tribal Businesses

- Tribal Trail Convenience Store
- Colville Indian Power and Veneer
- Colville Indian Precision Pine
- Colville Tribal Logging
- Colville Tribal Gaming (3 separate sites)
- Colville Electrical Services (SBA 8(a) Certified)
- Roosevelt Recreation Houseboats
- Colville Tribal Services Corporation

Colville Tribes Power and Veneer Plant & Future Site of Omak Industrial Park



Colville Tribes' Industrial Park Plan

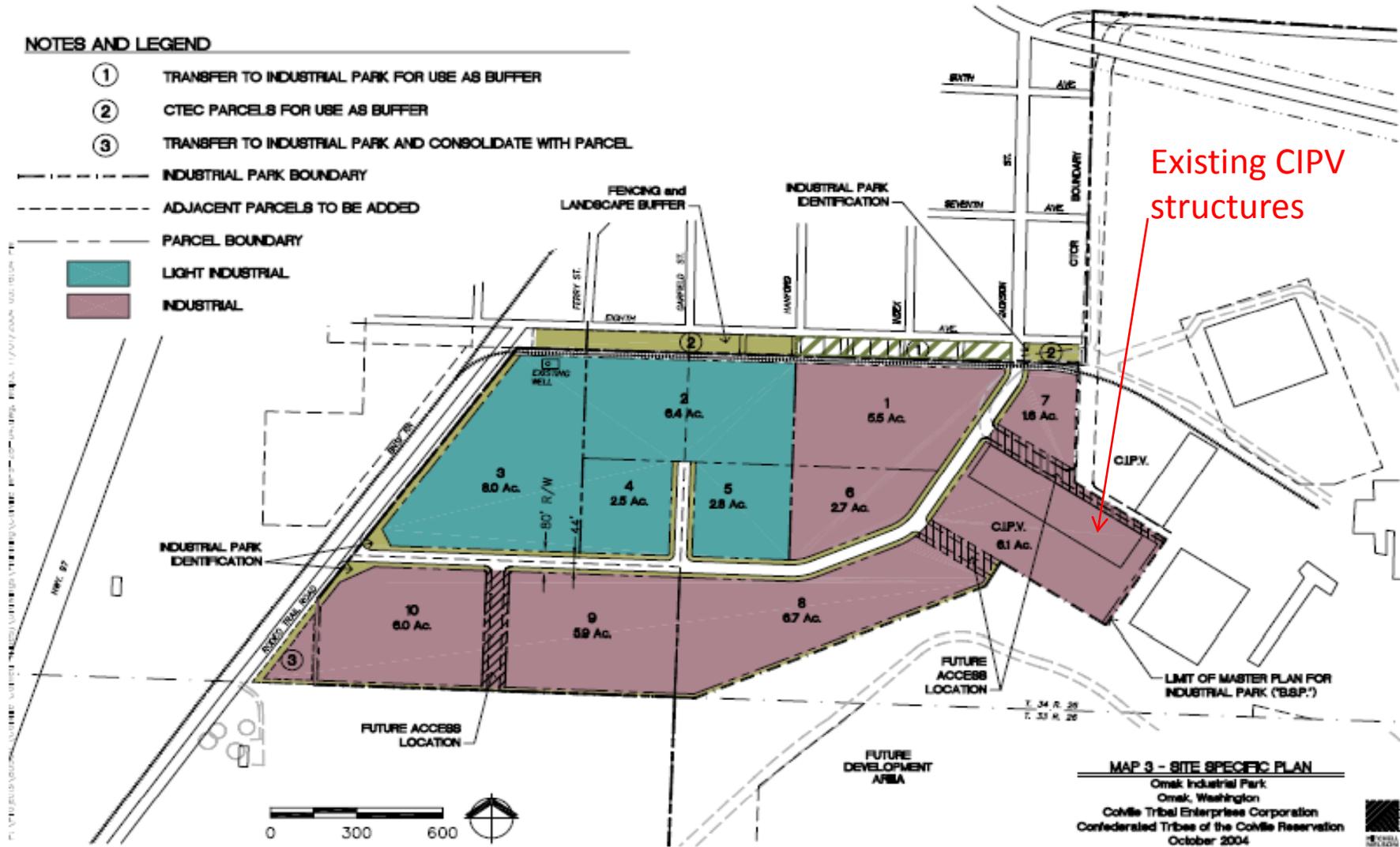
- The Omak Industrial Park is a sub-unit of the larger, 386-acre, CIPV industrial site.
- The Industrial Park contains roughly 67-acres. The site has access to State Route 155 and Rodeo Trail Road at the western property line. It has access to Hwy 97 by connection to SR 155.
- The Industrial Park centers the Colville Tribes' long-range strategic plan for the economic development of that area.
- In the future, this site will become part of a much larger commercial development made up of a variety of commercial and industrial activities .

Omak Industrial Park Plan

NOTES AND LEGEND

- ① TRANSFER TO INDUSTRIAL PARK FOR USE AS BUFFER
- ② CTEC PARCELS FOR USE AS BUFFER
- ③ TRANSFER TO INDUSTRIAL PARK AND CONSOLIDATE WITH PARCEL

- INDUSTRIAL PARK BOUNDARY
- ADJACENT PARCELS TO BE ADDED
- PARCEL BOUNDARY
- LIGHT INDUSTRIAL
- INDUSTRIAL



Industrial Park Advantages

- The Omak Industrial Park seeks to offer tenants both development and undeveloped sites with easy market access by truck and rail.
- The Industrial Park already has access to the local utility to for all possible power needs at a service rate of \$.0375/kWh, some of the cheapest in the US.
- The Industrial Park looks for both light and heavy manufacturing partnership opportunities.
- The Industrial Park is open to joint venture, lease and co-development opportunities.
- Significant tax advantages to locating on the reservation

Power Availability

- The Grand Coulee Dam, located on the southern border of the reservation has a generating capacity of 6,480 megawatts (MW), it is the largest producer of hydroelectric power in the United States.
- The Colville Tribes hold an ownership stake in both the Grand Coulee and Wells Dams which provides cheap, reliable power.
- There are six transmission lines crossing onto the Reservation which carry this power, four 115 (kV), and two 230 kV.
- The Colville Reservation enjoys cheap hydropower on the west side from Okanogan County PUD at \$.0375 industrial rates at virtually any level desired (in Mw if needed)
- The Colville Tribes is developing a Woody Biomass power generating facility next to the industrial park for sale on the open market as renewable energy
- The Colville Tribes is also developing various types of bio-fuels and biodiesel with oil seed such as canola

Raw Materials Available

- Forest resources, woody biomass, lumber
- Agricultural products; apples, wheat, canola
- Rock and gravel operations
- Wind generation possibilities
- Solar generation
- Cheap Hydropower
- Sizable mineral deposits

Water Availability

- Although in an mostly arid climate, the two bordering rivers and aquifers provide ample water supplies
- The Colville Tribes has unique property and sovereignty rights for water on the reservation.
- The Tribes have established its own Tribal Code in order to develop, manage and preserve the ownership of and jurisdiction over, the waters of the Colville Reservation and lands held in trust off-Reservation

Infrastructure

- **Wastewater** The City of Omak provides water, sewer, solid waste and storm drain services. The Colville Tribes will be developing a larger waste water facility in future, but existing Industrial Park will have proper service
- **Solid Waste** The Colville Tribes have four solid waste satellite transfer stations open to the public. The Colville Tribes operate a Recycling Program and will develop a regional solid waste transfer station for waste and recycling material
- **Telecommunications** Several projects are underway such as mountain top based communication devices and towers, radio, and portable/mobile communication. Local telephone services are provided by Qwest, and there are several local Internet Service Providers (ISPs) in the Omak area

Infrastructure Continued

- **Broadband services available** The Colville Tribes have access to Broadband at private homes and for larger customers with:
 - Fixed Wireless; 5-6 Service Providers on OK PUD Infrastructure,
 - Fixed Wireless; 1 Service Provider on Provider owned infrastructure,
 - Cable Access – Charter Cable and
 - ADSL – Qwest service to be provided within 30- 60 days.
 - The Colville Tribe is proposing a 275 mile open access last mile fiber optic network to connect the 2100 square mile community's households, businesses and critical community facilities to broadband.
- **Redundancy** diverse path options do exist depending on location and type of service. Bandwidth services have a collapsed ring redundancy protection.
- **Fiber availability** Direct connection is available at the building and at the proposed build-to-suit site.

Transportation

- **Rail** service is through the Cascade and Columbia River Railroad, a shortline, that interchanges with the BNSF in Wenatchee, WA and runs north to Oroville.
- The Kettle Falls International Railway has two access points in British Columbia, Canada and makes connections in Spokane County; direct lines from Union Pacific, Burlington Northern/Santa Fe and Amtrak to Seattle and Chicago
- **Highway** US Highway 97 is the major North/South highway and a portion from the Canadian Border to Oroville is designated as a Heavy Haul Corridor. SR 155 connects the Reservation East/West toward Spokane.
- **Trucking** There are over a dozen private trucking companies located in Okanogan County. One of the largest, Nordang Trucking, hauls 65,000 lbs payload and rates are based on load and destination. United Parcel Service has a distribution center in the city of Omak and Federal Express delivers daily to businesses in Okanogan County
- **Air Service.** While there lacks full commercial passenger air service, there are six city airports in Okanogan County that handle much of the freight shipped daily to area businesses

Tax Advantages to locating on Colville Reservation

- Colville Reservation is exempt from state taxes on land and buildings and B & O taxes
- Corporate Income taxes would relate to TERO regulations, but no other corporate taxes
- No inventory tax on goods held for resale or otherwise in stock
- Colville Reservation qualifies for the Indian Employment Credit; it provides non-Indian businesses with \$20,000 yearly tax deduction for every “qualified employee” that is paid “qualified wages”
- A development on the Colville Reservation and/or trust lands is exempt from all local, county and state zoning and land restrictions.

Tax Advantages to locating on Colville Reservation ...Continued

- Colville Reservation qualifies for the New Markets Tax Credit (NMTC) Program. Put simply, investors receive a federal income tax credit for making qualified investments in designated Community Development Entities, up to 39% of total project cost.
- Sales tax exemption on machinery and equipment used directly in the manufacturing process, including replacement parts
- Non-Indian manufacturers can calculate shorter recovery periods for depreciation deductions for it production equipment
- Colville is eligible for a Foreign Trade Zone thus allowing exemption from US Customs duties on all products imported through the reservation
- Authority to issues tax free bonds in Section 1402 of the ARRA

Other Designation Advantages

- Colville Electrical Corporation has nine years of SBA 8(a) certification.
- Colville Tribal Services Corporation are certified under the SBA HUB Zone Program
- Trade Adjustment Assistance Program eligibility was granted to CTEC to assist trade-affected workforce in returning to sustainable employment as quickly as possible.
 - Many jobs were lost as the timber/lumber markets collapsed, shutting down and leaving 400 people out of work
- Colville is a designated Enterprise Community through the USDA, which provides exclusive funding opportunities for economic development

Permitting & Zoning

- Permitting and zoning within the Colville Reservation is less tedious than other jurisdictions.
- The permitting process is streamlined in a way that is beneficial to your company and requires less time and money to reach the overall goals of your business.
- Whereas construction may take years through other municipalities, often times the Tribe's streamlined process could have you ready to build in months.

Potential Markets

- The Colville Tribes studied target businesses for the Industrial Park, and the following describes the findings. Many of these businesses will be associated with similar industries in the area, but will not preclude Colville Tribes from engaging in any sound venture. The target markets are:
 - **Wood Products** (Construction Materials Cluster), Engineered wood products, Secondary wood products, Specialty wood products
 - **Food Products** (Processed Food Cluster), Dried fruits, Specialty foods, Fish products (part of the Fishing & Fishing Products Cluster)
 - **Recreational & Travel Vehicles** (Prefabricated Enclosures Cluster), RV's, Travel Trailers, Campers, Boat building (part of the Transportation & Logistics Cluster), Prefabricated wood buildings (part of the Forest Products Cluster), Manufactured housing, Truck trailers
 - **Power Generation & Transmission Cluster**, Bio-fuels development and generation, Fuel cells, supportive technologies
 - **Metal Manufacturing Cluster**, Fabricated metal products
 - **Plastics Cluster**, Specialty plastics products (combined with Engineered Wood)
- With the adoption of the UCC codes, the Colville Tribes have set up this Industrial Park to find sound partners to develop good businesses providing sound employment.

Labor Supply

- Most of the laborers in the region are agricultural or forest-based focused with many years of experience.
- The Colville Reservation has a high percentage of veterans and higher education amongst it's membership.
- Many tribal members worked at both timber operations
- There exists a number of skilled workers in the construction and skilled labor fields (electrical, welders, etc)
- With the recent closing of the mill operations, many workers have decided to re-train for other employment opportunities.
- Despite not having a full university, Omak can offer better than average higher education opportunities and workforce training programs for a rural community of its size.
- The availability of on-line courses from Washington State University makes it possible for employers to arrange continuing education for key employees in their fields of specialty.
- The Median household income in 2008 in Okanogan County was \$37,900

Other employers of the region

- Major Employers; Colville Tribes: 800-1,200 employees & CTEC/CTFC : 400- 450 employees
- Area Hospital, Clinic, Nursing Home Facilities - 852
- Gebbers Farms - 350 (1,800 during harvest) employees
- Wal-Mart - 380
- Okanogan County - 241
- Okanogan National Forest - 234
- Sun Mountain Lodge - 155
- Sunopta Fruit 130 - 150
- Okanogan County PUD - 102
- Gold Digger Apples & Cellars - 100 (+600 seasonal)
- Ferry County – 124
- Columbia Cedar – 96
- Kinross Gold – 92
- Curlew Job Corps - 80

Business environment

- Smaller, rural towns usually have a much simpler approach to business regulations than large cities and Omak is no exception.
- Businesses locating on the Colville Reservation will find a receptive political and civil environment.
- The Colville Tribes have successfully operated businesses for years and are welcoming of partnerships and possible tenants
- The assistance provided by the Economic Alliance will be an important factor in assuring companies they will be welcome in Omak.

Thank You for Your Time
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