



CITY COUNCIL 345 6th Street, Suite 100, Bremerton, WA 98337 ☐ Phone (360) 473-5280

A M E N D E D
WEDNESDAY, APRIL 22, 2026
CITY COUNCIL STUDY SESSION
5:00 PM in COUNCIL CONFERENCE ROOM 603

*Council Conference Room 603 will be open to the public to attend the Study Session in-person, but there will be no opportunities for input. However, public questions or comments may be submitted at any time to City.Council@bremertonwa.gov. Please remember that the content of the Agenda Bill items are subject to change; and no action at the Study Session is anticipated. If approved by the Council, this item will be placed on the **May 6, 2026** City Council Meeting Agenda, or as indicated.*

- *Members of the public may click the link below to join the webinar:
<https://bremertonwa-gov.zoom.us/j/87318266756?pwd=ZWIMVnVYbFBHYjY5U1RJUmFreDFXUT09>*
- *Or One tap mobile:
US: +12532050468,,87318266756#,,,,*857582# or +12532158782,,87318266756#,,,,*857582#*
- *Or Telephone: Dial (for higher quality, dial a number based on your current location): US: +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 669 444 9171 or +1 669 900 6833*

Webinar ID: 873 1826 6756; Passcode: 857582

A. AGENDA BILL BRIEFINGS

- 1.** Contract with Active Construction, Inc. for the East 9th Street Stormwater Improvements Project
- 2.** Application for Opportunity Zone 2.0 Designation for Harrison Heights Census Tract
(Information Only) **Item added**

B. GENERAL COUNCIL BUSINESS

1. Audit Committee Briefing (*Last Meeting 4/14/26*) – Chair Christy Cammarata
2. Public Works Committee Briefing (*Last Meeting 4/21/26*) – Chair Denise Frey
3. Regional and Other Board/Committee Briefings
4. Other General Council Business (*As necessary, and as time allows*)

C. ADJOURNMENT OF STUDY SESSION



Please contact City.Clerk@bremertonwa.gov or (360) 473-5323 up to 24 hours prior to the meeting to request Americans with Disabilities Act (ADA) accommodations.

AGENDA BILL
CITY OF BREMERTON
CITY COUNCIL

A1

SUBJECT:

Contract with Active Construction, Inc.
for the East 9th Street Stormwater
Improvements Project

Study Session Date: April 22, 2026
COUNCIL MEETING Date: May 6, 2026
Department: Public Works & Utilities
Presenter: Gunnar Fridriksson
Phone: (360) 473-5758

SUMMARY: The project addresses two undersized and failing outfalls in the Manette neighborhood. The project provides upsized stormwater conveyance and water quality improvements on Shore Drive and E. 10th Street. The stormwater outfall will be reconstructed at the E 9th Street Mini Park with shoreline and park restoration. As part of the project, shoreline mitigation will also be performed at Smith Cove. A bid opening was held on April 14, 2026 at 11:00 AM with Active Construction, Inc. as the lowest responsive bidder.

ATTACHMENTS: 1) Location Map 2) Contract 3) Bid Tabulation 4) Power Point Presentation

FISCAL IMPACTS (Include Budgeted Amount): This project is budgeted for \$4,328,770 in the 2026 Stormwater CIP.

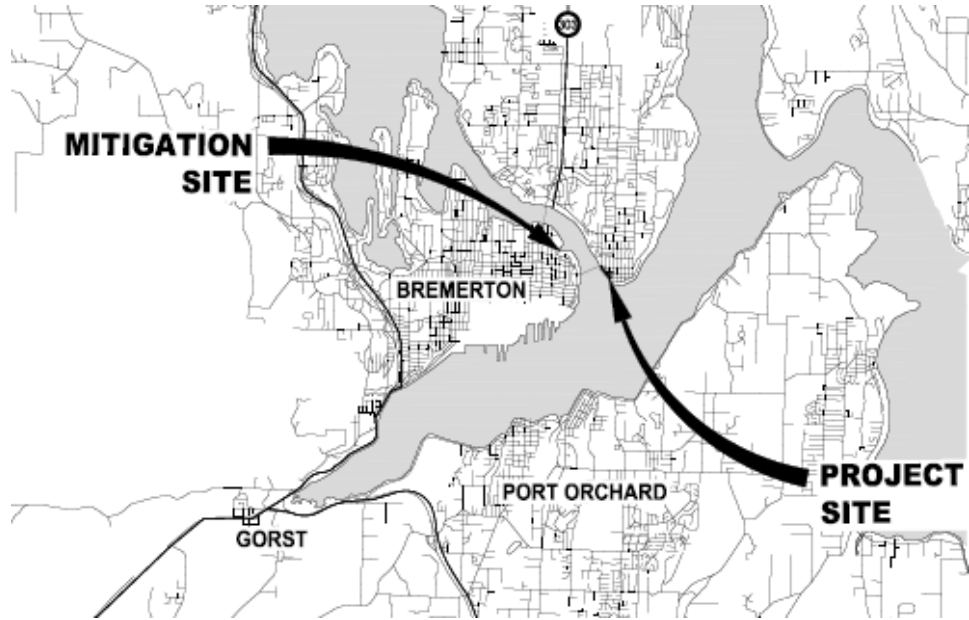
STUDY SESSION ACTION: Consent Agenda General Business Public Hearing

RECOMMENDED MOTION:

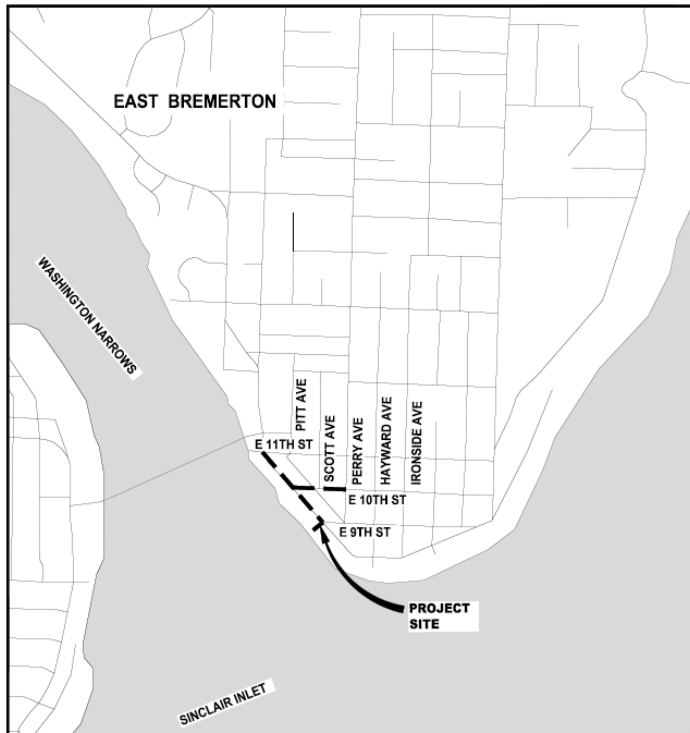
Move to award the contract for the East 9th Street Stormwater Improvements Project to Active Construction, Inc. in the amount of \$2,823,823.00, including sales tax, and authorize the Mayor to finalize and execute the agreement with substantially the same terms and conditions as presented.

COUNCIL ACTION: Approve Deny Table Continue No Action

East 9th Street Stormwater Improvements



Vicinity Map



LOCATION MAP

CONTRACT

(Page 1 of 4)

THIS AGREEMENT is dated the _____ day of _____ in the year 20____, by and between the **City of Bremerton** (hereinafter called CITY) and

Active Construction, Inc.
(hereinafter called CONTRACTOR).

CITY and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1. WORK.

CONTRACTOR shall complete the WORK as specified or indicated in the CITY’s Contract Documents entitled **East 9th Street Stormwater Improvements**.

ARTICLE 2. CONTRACT TIMES.

The WORK shall obtain Physical Completion within **130** working days after the commencement date stated in the Notice to Proceed. Time is of the essence as to each and every deadline set forth in this agreement. This provision has been specifically negotiated.

ARTICLE 3. LIQUIDATED DAMAGES.

CITY and the CONTRACTOR recognize that time is of the essence for this Agreement and that the CITY will suffer financial loss if the WORK is not completed within the time specified in Article 2 herein, plus any extensions thereof allowed in accordance with Section 1-08.9 of the Standard Specifications which may be modified by the Special Provisions. They also recognize the delays, expense, and difficulties involved in proving in a legal proceeding the actual loss suffered by the CITY if the WORK is not completed on time. Accordingly, instead of requiring any such proof, the CONTRACTOR shall pay the CITY liquidated damages in the amount of \$_____, per day after the date of Physical Completion for each phase.

ARTICLE 4. CONTRACT PRICE.

CITY shall pay CONTRACTOR for completion of the WORK in accordance with the Contract Documents in the amount set forth in the Bid Proposal.

ARTICLE 5. PAYMENT PROCEDURES.

CONTRACTOR shall submit Applications for Payment in accordance with Section 1-09.9 of the Standard Specifications which may be modified by the Special Provisions. Applications for Payment will be processed by ENGINEER as provided in the Special Provisions

Contractor Initials

CONTRACT

(Page 2 of 4)

ARTICLE 6. CONTRACT DOCUMENTS.

The Contract Documents which comprise the entire agreement between CITY and CONTRACTOR concerning the WORK consist of this Contract and the following attachments to this Contract:

- Notice Inviting Bids,
- Bidders Checklist,
- Bid Proposal including the Proposal Forms, Information Required of Bidder, Bid Bond, and all required certificates and affidavits,
- Performance Bond,
- Payment Bond,
- Standard Specifications,
- Special Provisions,
- Appendices,
- Contract Plans,
- Addenda numbers _____ to _____, inclusive,
- Change Orders which may be delivered or issued after Effective Date of the Agreement and are not attached hereto.

There are no Contract Documents other than those listed in this Article 6. The Contract Documents may only be amended by Change Order as provided in Section 1-04.4 of the Standard Specifications which may be modified by the Special Provisions.

ARTICLE 7. INDEMNIFICATION.

The CONTRACTOR and CITY acknowledge and agree that they have negotiated the following in accordance with the requirements of RCW 4.24.115 and the CONTRACTOR specifically waives his immunity under industrial insurance under Title 51 RCW. To the fullest extent permitted by Laws and Regulations, the CONTRACTOR shall indemnify, defend, and hold harmless the CITY, ENGINEER, their consultants, subconsultants, and the officers, directors, employees, and agents of each and any of them, against and from any and all claims, injuries, damages, losses or suits, including all legal costs and attorney fees, all claims and liability arising under, by reason of, related, or incidental to the Contract Documents or any performance of the WORK, but not from the sole negligence or willful misconduct of the CITY and/or the ENGINEER as further defined in the Contract Documents. The provisions of this section shall survive the termination of the contract.

Additionally, the parties further acknowledge that they have agreed to the Public Liability and Property Damage Insurance coverages in Section 1-07.18 of General Special Provisions as included herein.

Contractor Initials

CONTRACT

(Page 3 of 4)

ARTICLE 8. ASSIGNMENT

No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents. The CITY, in its sole discretion, may refuse to allow the CONTRACTOR to assign any or all of its duties, rights and/or responsibilities under the Agreement, except with regards to an assignment of funds for security purposes. In the case of an assignment for security purposes the CITY may condition its approval to the extent it deems necessary to assure that there will be adequate funds to complete the WORK and to pay a subcontractors and suppliers.

ARTICLE 9. THIRD PARTY BENEFICIARY

All parties agree that the State of Washington shall be, and is hereby, named as an express third-party beneficiary of the contract, with full rights as such.

ARTICLE 10. EQUAL EMPLOYMENT OPPORTUNITY STATEMENT

In the hiring of employees for the performance of work under this Contract, the Contractor, its subcontractors, or any person acting on behalf of the Contractor shall not discriminate in any employment practice on the basis of age (40+), sex, race, creed, color, national origin, sexual orientation/gender identity, marital status, military status, or the presence of any physical, mental, or sensory disability.

ARTICLE 11. ADA STATEMENT

The City of Bremerton does not discriminate on the basis of disability in programs and activities, which it operates pursuant to the requirements of the Americans with Disabilities Act of 1990, and ADA Amendments Act. This policy extends to both employment and admission to participation in the programs, services, and activities of the City of Bremerton. Reasonable accommodation for employees or applicants for employment will be provided.

Contractor Initials

CONTRACT

(Page 4 of 4)

CITY and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

IN WITNESS WHEREOF, CITY and CONTRACTOR have caused this Agreement to be executed the day and year first above written.

CITY: City of Bremerton

CONTRACTOR: Active Construction, Inc.

By _____ By

[CORPORATE SEAL]

Attest _____

Attest _____

Address for giving notices

Address for giving notices

354 6th Street, Suite 100, Bremerton, WA 98337

License No. _____

Approved as to Form:

Agent for service of process:

(Signature)

(Title)

CONTRACT CERTIFICATE

(if Corporation)

STATE OF)
) ss.
COUNTY OF)

I HEREBY CERTIFY that a meeting of the Board of Directors of the _____

a corporation existing under the laws of the State of _____, held on
_____, 20___, the following resolution was duly passed and adopted:

“RESOLVED, that _____, as
_____ President of the Corporation, be and is hereby authorized
to execute the Agreement dated _____, 20___, by and between this
Corporation and the **City of Bremerton** and that his/her execution thereof, attested
by the Secretary of this Corporation, and with the Corporate Seal affixed, shall be the
official act and deed of this Corporation.”

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the
corporation this _____, day of _____, 20___.

(Secretary)

(SEAL)

PERFORMANCE BOND

(Page 1 of 2)

KNOW ALL MEN BY THESE PRESENTS,

That _____ as CONTRACTOR,
and _____ as Surety,
are held and firmly bound unto **City of Bremerton** hereinafter called "OWNER," in the sum of _____ dollars,

for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that said CONTRACTOR has been awarded and is about to enter into the annexed Agreement with said OWNER to perform the WORK as specified or indicated in the Contract Documents entitled "**East 9th Street Stormwater Improvements**"; now, therefore,

In the event CONTRACTOR fails to timely or properly perform any of the requirements of the Contract Documents at the times and in the manner contained therein, the Surety shall be liable under this bond up to the amount of the bond for the full amount of the OWNER'S expenses to construct or repair all work as well as all loss, cost, expense or damage suffered by the OWNER in excess of the Contract amount due to the CONTRACTOR'S failure to comply with any contract or permit conditions or other applicable laws and regulations.

The Surety agrees that within 30 calendar days of receiving notice that the OWNER has declared a CONTRACTOR default and formally terminated the CONTRACTOR'S right to complete the Contract pursuant to its terms and conditions and that the CONTRACTOR has defaulted on all or part of the terms guaranteed by this bond, the Surety shall either:

1. Notify the OWNER in writing of its intent to cure the default itself within a reasonable period of time acceptable to the OWNER. The OWNER agrees to pay the balance of the Contract price to the Surety in accordance with the terms of the Contract, or
2. Tender to the OWNER the demanded sum, up to the amount of the bond. However, if the amount necessary for the OWNER to cure the default is less than the amount tendered, the OWNER will return, without interest, any overpayment to the Surety.

PROVIDED, that any alterations in the WORK to be done or the materials to be furnished, or changes in the time of completion, which may be made pursuant to the terms of said Contract Documents, shall not in any way release said CONTRACTOR or said Surety hereunder, nor shall any extensions of time granted under the provisions of said Contract Documents, release either said CONTRACTOR or said Surety, and notice of such alterations or extensions of the Agreement is hereby waived by said Surety.

PERFORMANCE BOND

(Page 2 of 2)

The obligation of the Surety shall include reimbursing the City for all costs and expenses, (including, but not limited to fees and charges of engineers, architects, attorneys, and other professionals, and court costs if litigation is commenced) incurred by the OWNER in enforcing the provisions of this Bond.

The CONTRACTOR hereby agrees that the CONTRACTOR'S obligation to perform the required work is not limited to the amount of funds held by the Surety. This bond is irrevocable and cannot be canceled by the Surety or the CONTRACTOR.

This bond shall remain in full force and effect for a period of one (1) year following final acceptance of the project by the City, and until the bond is released in writing by the OWNER at the written request of the Surety or CONTRACTOR.

IN WITNESS WHEREOF, we have hereunder set our hands and seals this _____ day of _____, 20__.

	(SEAL)	(SEAL)
(SEAL)		
(CONTRACTOR)	(Surety)	
By:	By:	
(Signature and SEAL)	(Signature and SEAL)	

(SEAL AND NOTARIAL ACKNOWLEDGEMENT OF SURETY)

Address of Surety to which all notices shall be sent: _____

Address of Surety for service of process:
(must be a physical address) _____

PAYMENT BOND
(Page 1 of 2)

KNOW ALL MEN BY THESE PRESENTS,

That _____ as CONTRACTOR,
and _____ as Surety,
are held and firmly bound unto **City of Bremerton** hereinafter called "OWNER," in the sum of _____ dollars,

for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that said CONTRACTOR has been awarded and is about to enter into the annexed CONTRACT with said OWNER to perform the WORK as specified or indicated in the Contract Documents entitled "**East 9th Street Stormwater Improvements**"; now, therefore,

If said CONTRACTOR, or subcontractor, fails to pay for any materials, equipment, or other supplies, or for rental of same, used in connection with the performance of work contracted to be done, or for amounts due under applicable State law for any work or labor thereon, said Surety will pay for the same in an amount not exceeding the sum specified above, and, in the event suit is brought upon this bond, reasonable attorney's fees to be fixed by the court. This bond shall inure to the benefit of any persons, companies, or corporations entitled to file claims under applicable State law so as to give a right of action to them or their assigns in any suit brought upon this bond.

PROVIDED, that any alterations in the WORK to be done or the materials to be furnished, or changes in the time of completion, which may be made pursuant to the terms of said Contract Documents, shall not in any way release said CONTRACTOR or said Surety thereunder, nor shall any extensions of time granted under the provisions of said Contract Documents release either said CONTRACTOR or said Surety, and notice of such alterations or extensions of the CONTRACT is hereby waived by said Surety.

The obligation of the Surety shall include reimbursing the City of all costs and expenses, (including, but not limited to fee and charges of engineers, architects, attorneys, and other professionals, and court costs if litigation is commenced) incurred by the OWNER in enforcing the provisions of this Bond.

PAYMENT BOND
(Page 2 of 2)

IN WITNESS WHEREOF, we have hereunder set our hands and seals this _____ day
of _____, 20__.

(CONTRACTOR)

(Surety)

By: _____
(Signature and SEAL)

By: _____
(Signature and SEAL)

(SEAL AND NOTARIAL ACKNOWLEDGEMENT OF SURETY)

Address of Surety to which all notices shall be sent: _____

Address of Surety for service of process:
(must be a physical address) _____

END OF CONTRACT FORMS

CONTRACT RETAINAGE BOND

BOND #: _____

DATE POSTED: _____

KNOW ALL PERSONS BY THESE PRESENTS:

That we _____
_____ (hereinafter called "Principal") a corporation organized under the laws of the State of _____, and registered to do business in the State of Washington as a contractor, as Principal, and _____ (hereinafter called "Surety"), a corporation organized under the laws of the State of _____ and registered to transact business in the State of Washington as Surety, their heirs, executors, administrators, successors and assigns, are jointly and severally held and bound to the City of Bremerton, Washington, (hereinafter called "City"), and are similarly held and bound unto the beneficiaries of the trust fund created by RCW Chapter 60.28, in the sum of _____ Dollars (\$ _____), plus 5% of any increases in the contract amount that have occurred or may occur due to change orders, increases in the quantities or the addition of any new item of work, the payment of which, well and truly to be paid, we bind ourselves, our heirs, executors and successors, jointly and severally, formally by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, on _____, the Principal executed a contract (the "Contract") with the City known as:

Project Name: _____

Contract Number: _____

; and

WHEREAS, said Contract and RCW Chapter 60.28 require the City to withhold from monies earned by the Principal during the progress of the construction, hereinafter referred to as "earned retained funds"; and

WHEREAS, the Principal and Surety agree to be bound by the laws of the State of Washington; and

WHEREAS, the Principal requested that the City release the earned retained funds, as allowed under RCW Chapter 60.28; NOW THEREFORE

The condition of this obligation is such that the Principal or Surety is held and bound to the City to compensate, defend and hold the City harmless from any and all loss, costs or damages that the City may sustain by reason of release of said earned retained funds to Principal, then this obligation to be null and void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, it is expressly understood and agreed that:

1. Any suit or action under this bond must be instituted within the time period provided by applicable law. The bond shall be subject to all claims and liens provided for by law or Contract against the earned retained funds and in the same manner and priority as set forth for retained percentages in RCW Ch. 60.28 and the Contract.

2. The Surety hereby consents to and waives notice of any extension in the time for performance of the Contract, assignment of obligations under the Contract, or Contract alteration, termination, amendment or change order.

3. Until written release of this obligation by the City, this bond may not be terminated or canceled by the Principal or Surety for any reason. Any extension of time for the

Principal's performance on the Contract, assignment of obligations under the Contract, or Contract alteration, amendment or change order shall not release the Surety from its obligation under this bond.

4. RCW Ch. 60.28 authorizes the City to substitute a retainage bond in lieu of earned retained funds and the Surety hereby waives any defense that this bond is void or otherwise not authorized by law.

5. Any claim or suit against the City to foreclose the liens provided for by RCW Ch. 60.28 shall be effective against the Principal and Surety and any judgment under RCW Ch. 60.28 against the City shall be conclusive against the Principal and the Surety.

6. The laws of the State of Washington shall apply to the determination of the rights and obligations of the parties hereunder. Jurisdiction and venue for any dispute or claim hereunder shall be the state courts of Washington in Kitsap County, Washington.

IN WITNESS WHEREOF, we have hereunder set our hands and seals this _____ day of _____, 20_____.

_____(SEAL)
(CONTRACTOR)

_____(SEAL)
(SURETY)

By: _____
(Signature and SEAL)

By: _____
(Signature and SEAL)

(SEAL AND NOTARIAL ACKNOWLEDGEMENT OF SURETY)

Address of Surety to which all notices shall be sent:

Address of Surety for service of process:
(Must be a physical address)

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**CITY OF BREMERTON
BID TABULATION**

BID TITLE:	East 9th Street Stormwater Improvements		OPENED BY:	LINDSEY VICTOR
DATE OPENED:	4/14/2026	TIME OPENED:	11:00 AM	RECORDED BY:

NAME OF BIDDER	BOND	SCHEDULE A	SCHEDULE B	TOTAL
Sound Pacific Construction	Yes	\$3,165,158- 3,186,263.60	21,095.60	3,186,263.60 (2)
Ceccanti	Yes	3,214,750-	36,309.-	3,251,059.00 (3)
Rodarte	Yes	3,463,303-	25,498.20	3,488,801.20
Northwest Cascade Inc	Yes	3,360,142.-	22,768.20	3,382,910.20
ACI NW	Yes	2,800,727.20	23,095.80	2,823,823 (1)
CURRENT SALES TAX RATE	9.20%			

SUMMARY

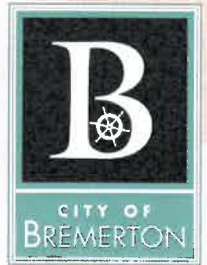
ENGINEER ESTIMATE (INCLUDING SALES TAX)	\$	3,402,117.80
APPARENT LOW BIDDER ACI NW	\$	2,823,823 2,823,823-
SECOND LOW BIDDER Sound Pacific	\$	3,186,263.60
THIRD LOW BIDDER Ceccanti	\$	3,251,059-

East 9th Street Stormwater Improvements



1

<https://www.bremertonwa.gov/1331/East-9th-Street-Stormwater-Improvements>



East 9th Street Stormwater Improvements

Contract Award to Active Construction, Inc.

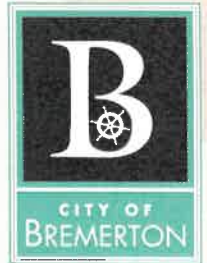


Project addresses two undersized and failing outfalls and provides stormwater improvements on Shore Drive, and E. 10th Street. Includes reconstruction of the existing outfall and mini-park at E. 9th Street, stormwater treatment vaults, and beach mitigation work at Evergreen Park and Smith Cove.



East 9th Street Stormwater Improvements

Contract Award to Active Construction, Inc.



Number of Bidders:	5
Engineer's Estimate:	\$ 3,402,117.80
Apparent Low Bid:	\$ 2,823,823.00
Second Low Bid:	\$ 3,194,355.60
Third Low Bid:	\$ 3,251,059.00

Lowest Responsible and Responsive Bidder:	Active Construction, Inc.
	\$ 2,823,823.00

INFORMATION ONLY ITEM
CITY OF BREMERTON
CITY COUNCIL

A2

Added 4/22/26 2:35 PM

SUBJECT: Application for Opportunity Zone 2.0 Designation for Harrison Heights Census Tract.

Study Session Date: 4/22/2026
Presenter: Andrea Spencer
Phone: 360.473.5283

SUMMARY:

The federal Opportunity Zones program is designed to encourage long-term private investment in economically distressed communities. Governors nominate individual census tracts for designation by the U.S. Treasury, making them eligible for tax incentives that help attract investment capital to areas with historic underinvestment.

The initial program, OZ 1.0, was established under the 2017 Tax Cuts and Jobs Act and remains in effect through 2028. The City's Downtown Regional Center was designated under this program.

A new, permanent OZ 2.0 program will begin with updated designations in 2026, providing greater long-term certainty and a 10-year investment horizon through 2036.

Pursuing designation as an Opportunity Zone can benefit the City by:

- Attracting private investment into neighborhoods where redevelopment has been challenging;
- Supporting job creation and business expansion;
- Increasing the financial feasibility of housing; and
- Promoting patient, long-term investment aligned with community priorities.

It should be noted that designation does not create a new government program or impose new requirements. Instead, it provides a voluntary incentive that can help accelerate revitalization efforts already identified by the community in our Sub-area and Comprehensive Plans.

The application window for the State nominations opens **April 28th** and closes **May 28, 2026**.

Given this short timeframe, staff would like to begin work on a proposal to nominate the "Harrison Heights" Census tract with Council's support. We will return for a study Session on May 13 and an action meeting to endorse the application on May 20, 2026 to finalize the City's nomination application.

HANDOUTS: Attached are excerpts from HUD's website about the OZ 2.0 program, the Washington State Department of Commerce designation criteria from their draft application, and snapshots of the Federal maps that indicate which Bremerton Census Tracts qualify for application and an initial review of Harrison Height's alignment with the required approval criteria.

2026 Opportunity Zones (OZ 2.0)

Application window opens on April 28th and closes on May 28, 2026

From HUD's website about this Federal Program:

Opportunity Zones are economically distressed communities, defined by individual census tract, nominated by America's Governors, and certified by the U.S. Secretary of the Treasury via their delegation of authority to the Internal Revenue Service. Under certain conditions, new investments in Opportunity Zones may be eligible for preferential tax incentives.

The initial designation of Opportunity Zone census tracts and related tax benefits is known as "OZ 1.0" from the 2017 Tax Cuts and Jobs Act. The new, permanent Opportunity Zones tax incentive program is known as "OZ 2.0" providing more certainty for communities and investors.

In OZ 1.0 there are 8,764 designated census tracts in the United States, many of which have experienced a lack of investment for decades. The OZ 1.0 map is in effect through the end of 2028. In 2026, Governors will nominate census tracts for Treasury to designate, creating a new OZ 2.0 map. The OZ 2.0 map will be in effect through the end of 2036. New OZ maps with designated census tracts will be chosen every 10 years.

The Opportunity Zones initiative is not a top-down government program from Washington, D.C. but an incentive to spur private and public investment in America's under invested communities.

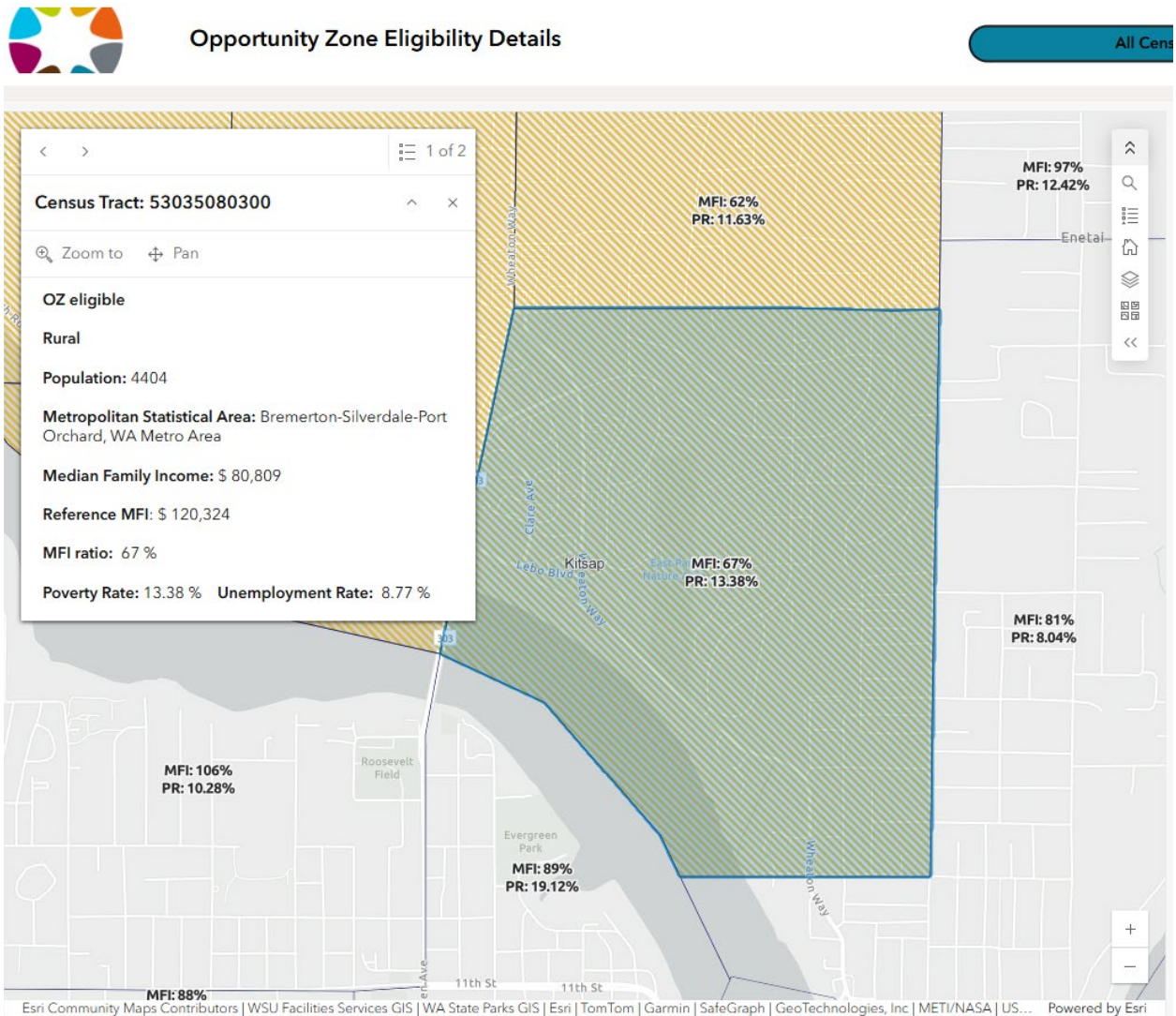
Washington State's OZ website: <https://www.commerce.wa.gov/opportunity-zones/>

Guiding Principles from the "Public Scoring Criteria Framework" from the Washington State Department of Commerce. Must meet these requirements to be considered for the Governor's Federal Nomination:

Based on best practices from the Economic Innovation Group and lessons learned from the 2018 designation process, Washington's scoring methodology is built around three fundamental tests, or categories:

- **Community Need Test:** Does this area genuinely **need new investment** to grow its economy so that residents can prosper?
- **Market/Investment Readiness Test:** Can this area **realistically attract private capital** and put it to **productive use** within the policy's timelines?
- **Policy Alignment Test:** Are local policies investment-friendly and conducive to economic development and potential investments?

2026 Citywide Opportunity Zone Eligible Tract, Harrison Heights:



This Census tract appears to meet all the criteria for approval from Washington State's criteria for designation under the OZ 2.0 program.

- **Community Need Test:** Existence of vacant and re-developable vacant buildings that could be adaptively reused that are ready for new investment and economic growth.
- **Market/Investment Readiness Test:** Existing permit applications in development that are ready for capital investment and can therefore move forward quickly within the OZ timelines
- **Policy Alignment Test:** The City has prepared a subarea plan, a market study, and Planned Action EIS to be conducive to economic development and streamlined permitting.