



# Port of Walla Walla Burbank/Wallula Gap Tax Increment Area

## Public Briefing 1

October 3, 2023

# Agenda

- What is a TIA?
- Why is the Port Considering a TIA?
- Proposed Boundary
- Public Improvements & Private Development
- Economic & Fiscal Impacts
- Impacts to Taxing Districts
- Timeline, Process, and Input

# What is a Tax Increment Area?

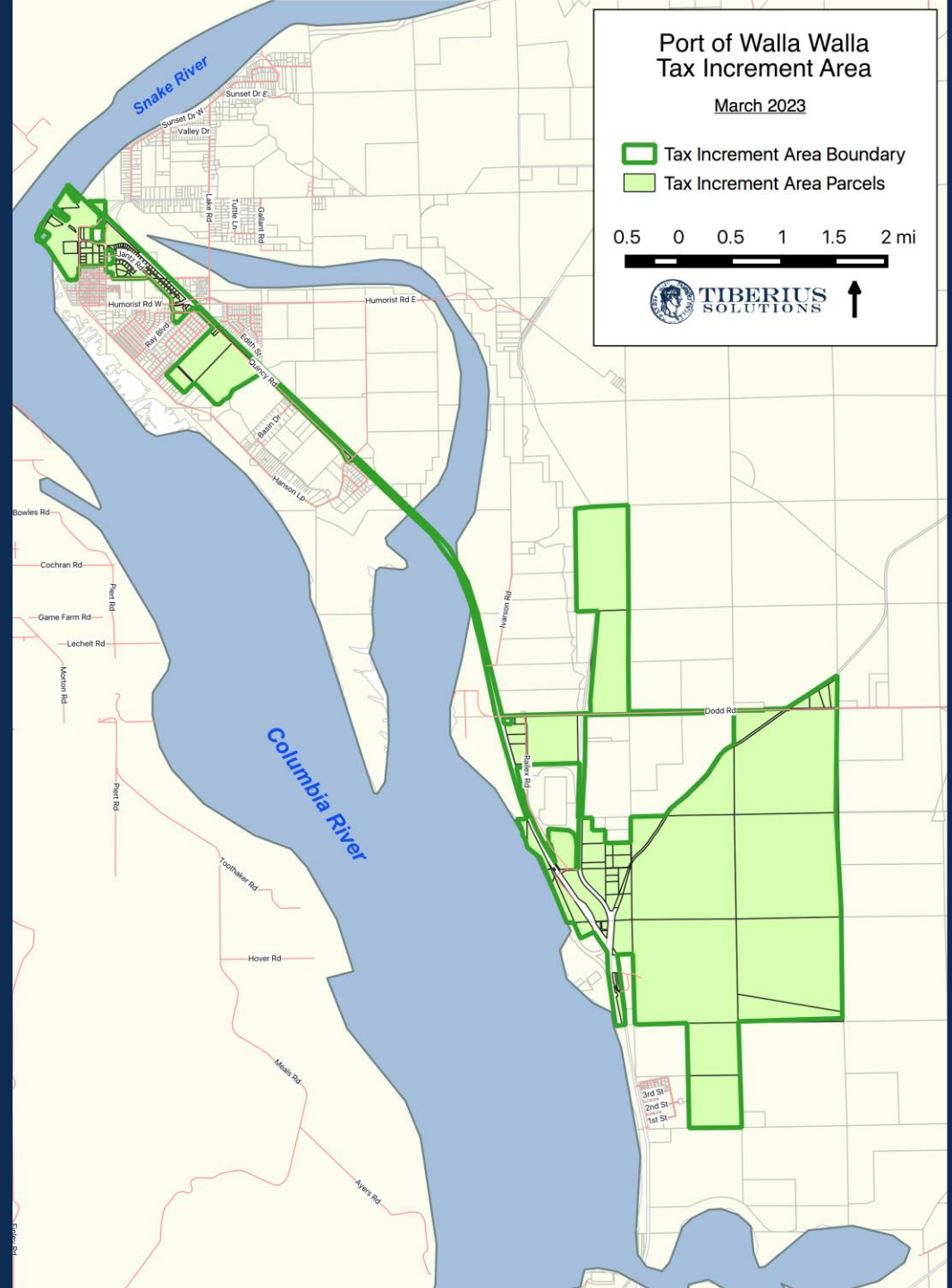
- HB 1189 enacted in 2021 (RCW 39.114)
- Cities, counties, and Ports can establish Tax Increment Areas (TIAs) to fund public improvements that enable private development
- Some property taxes paid in TIA are collected by the TIA to pay for specific public projects
- New in Washington, most other states have been actively using for decades

# Why is the Port Considering a TIA?

## **Port Mission:**

- Create and maintain family wage jobs
- Attract and encourage new investment
- Expand the region's tax base
- Maintain multi-modal transportation linkages
- Build infrastructure to support economic dev.
- Enhance economic vitality and quality of life

# Proposed Burbank/ Wallula Gap TIA Boundary





# Project List – Burbank

- Water System
- Sewer System
- Road/Highway
- Rail
- Sidewalk & Lighting
- Pedestrian Access
- Other Utilities
- High Dock and Barge Slips
- Public Administration Annex Buildings
- Property Acquisition
- Renewable Energy

# Project List – Dodd Road & Stearns Kelly Site

- Water System
- Sewer System
- Road/Highway
- Rail
- Other Utilities
- Property Acquisition
- Renewable Energy
- Security Improvements

# Project List – Wallula Gap Business Park

- Water System
- Wastewater System
- Road/Highway
- Rail
- Other Utilities
- Public Safety
- Property Acquisition
- Renewable Energy
- Other Extensions/  
Relocations
- Security Improvements



# Estimated Project Costs

<b>Project</b>	<b>Estimated Cost (2023 \$)</b>
Burbank Industrial Park & Burbank Business Park	\$55,150,000
Dodd Road Industrial Park & Stearns Kelly Site	\$59,350,000
Wallula Gap Business Park	\$145,500,000
<b>Total</b>	<b>\$260,000,000</b>
<i>Expected TIA Contribution</i>	<i>\$70,000,000</i>

# Private Development

- Four projects under construction: \$18.5M
- Planned residential subdivision: 950 homes with total value of nearly \$500M
- Two major industrial tenants with signed letters of intent: \$400M
- Potential for hundreds of millions of speculative future development due to infrastructure improvements

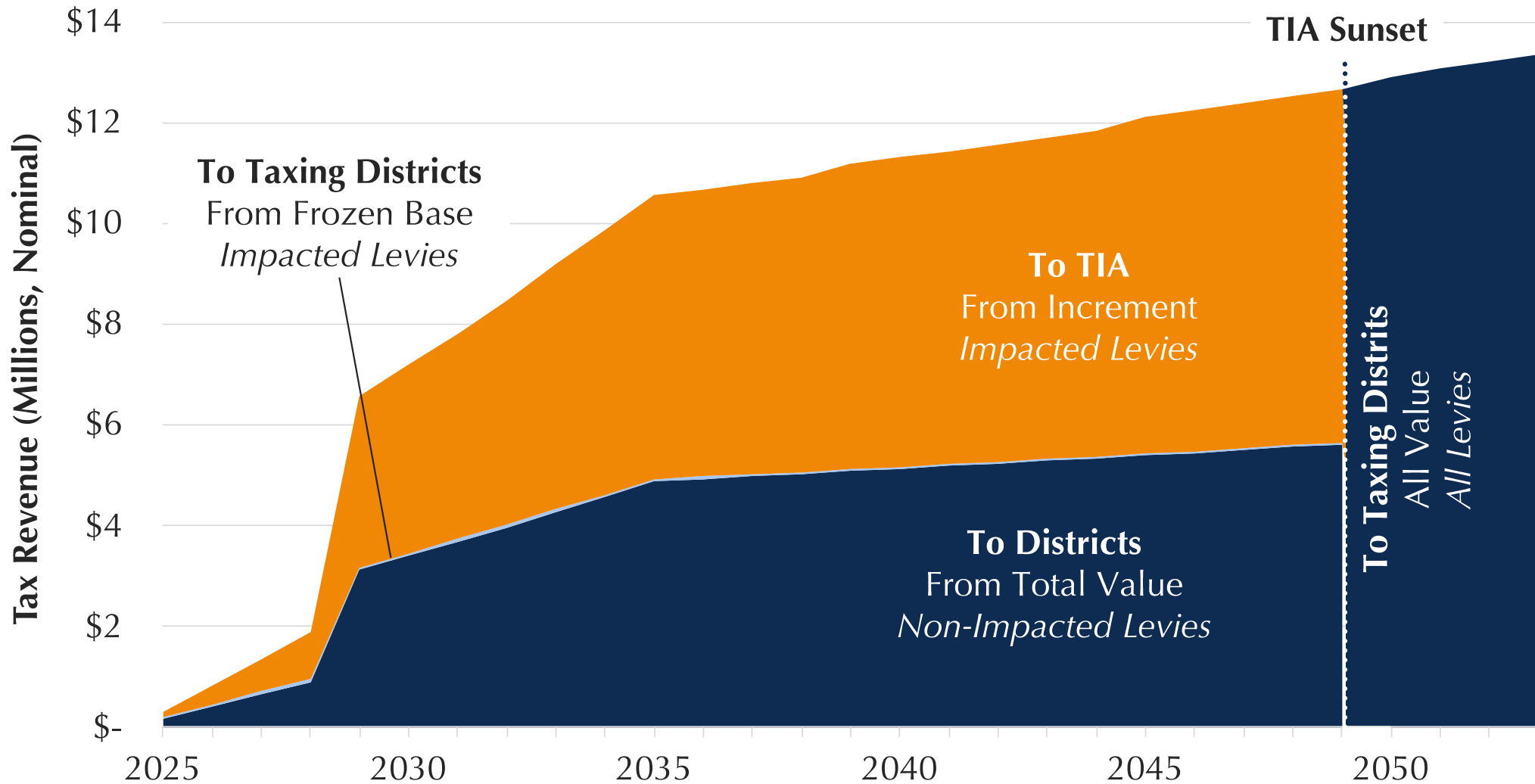
# Economic Impacts

- Construction impacts (temporary)
  - 10,885 FTE jobs
  - \$641 million in labor income
  - \$1.46 billion in economic output
- Operating impacts (ongoing each year)
  - 1,950 FTE jobs
  - \$70 million in labor income
  - \$242 million in economic output

# Fiscal Impacts

- Construction impacts (temporary)
  - Federal Taxes: \$203.7 million
  - State/Local Taxes: \$51.4 million
- Operating impacts (ongoing each year)
  - Federal Taxes: \$6.8 million per year
  - State/Local Taxes: \$3.2 million per year
  - Sales tax is the largest State/Local beneficiary (\$2.6M)
  - Additional property tax revenues after TIA closes

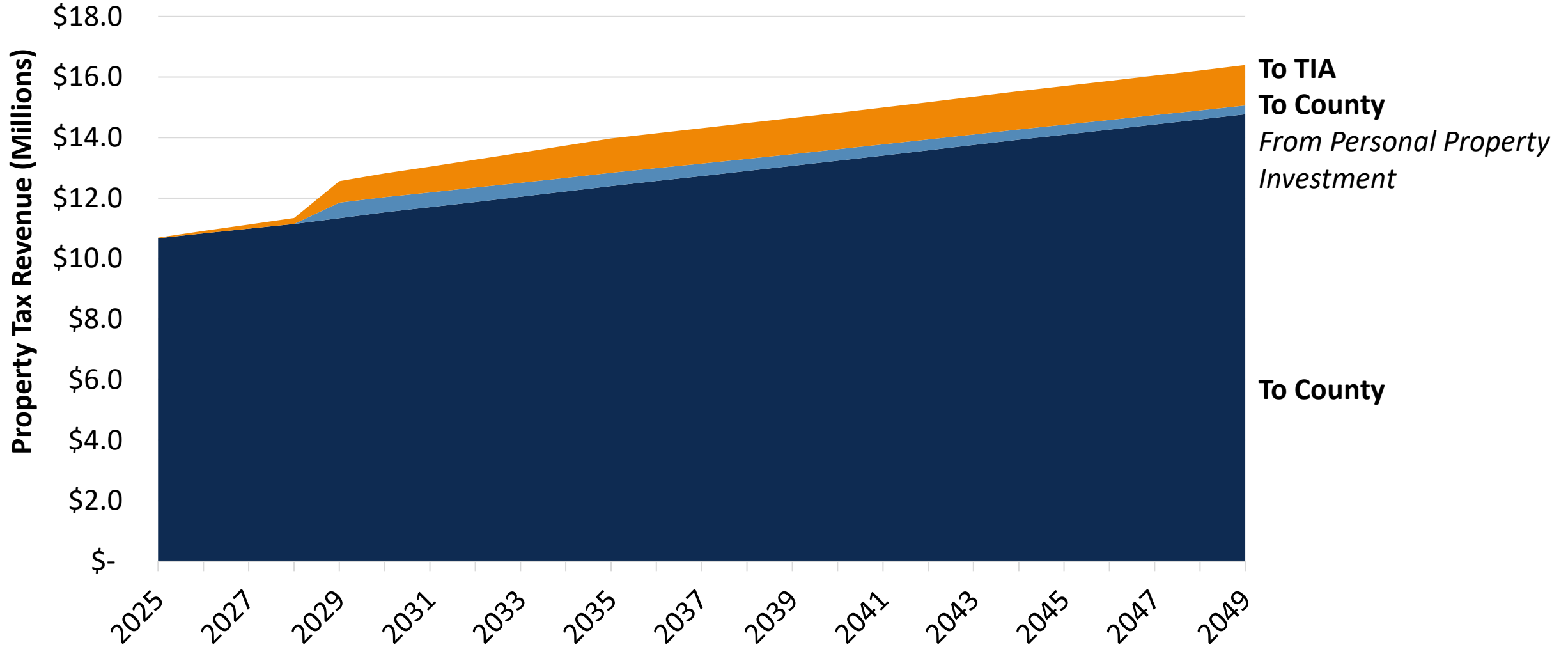
# Property Tax Revenue Forecast



# Taxing District Impacts: 25-Year Total

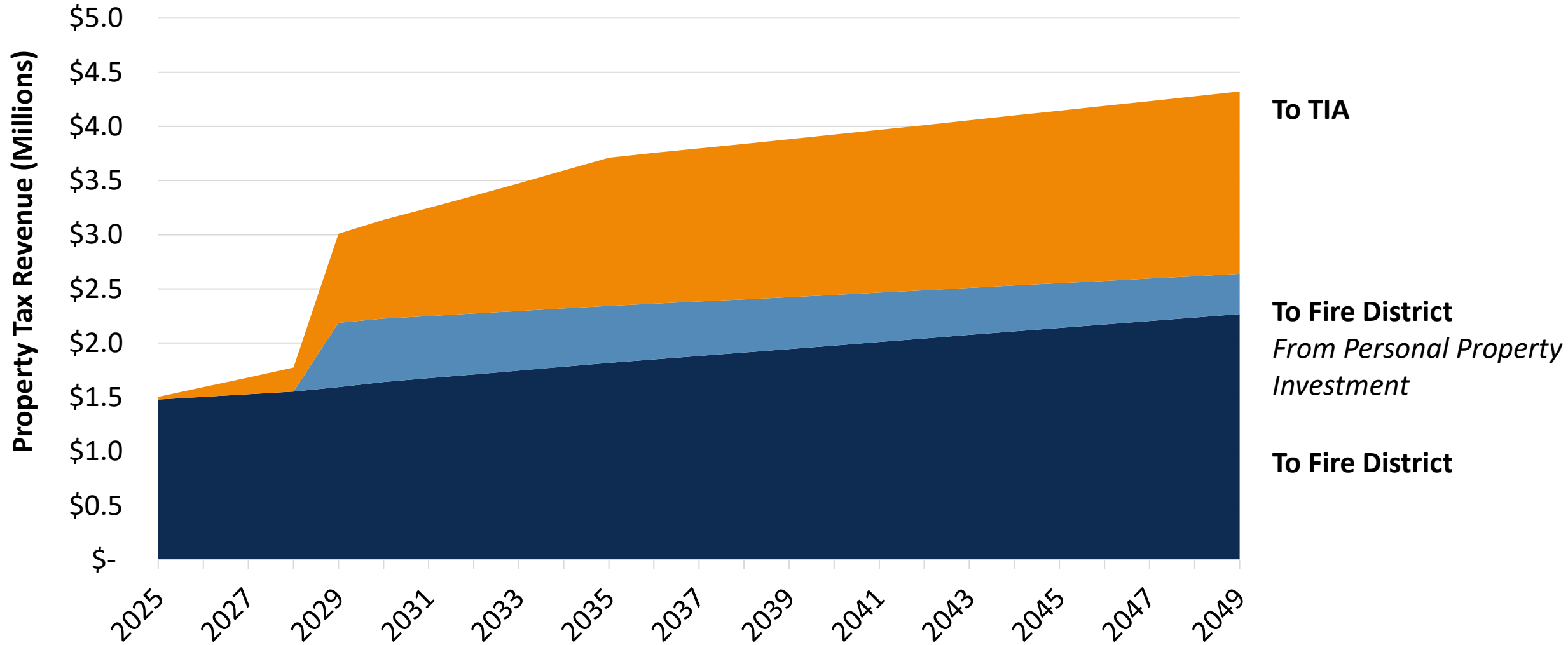
<b>Taxing District</b>	<b>Total Impact over 25 Years (Nominal \$)</b>
County Current Expense	\$23,289,863
Fire District #5	\$28,284,313
Port of Walla Walla	\$5,468,320
County Public Works General Fund	\$36,362,258
Rural Library General Fund	\$8,321,145
EMS Levy	\$15,856,407
<b>Total</b>	<b>\$117,582,306</b>

# County – Current Expense Impacts

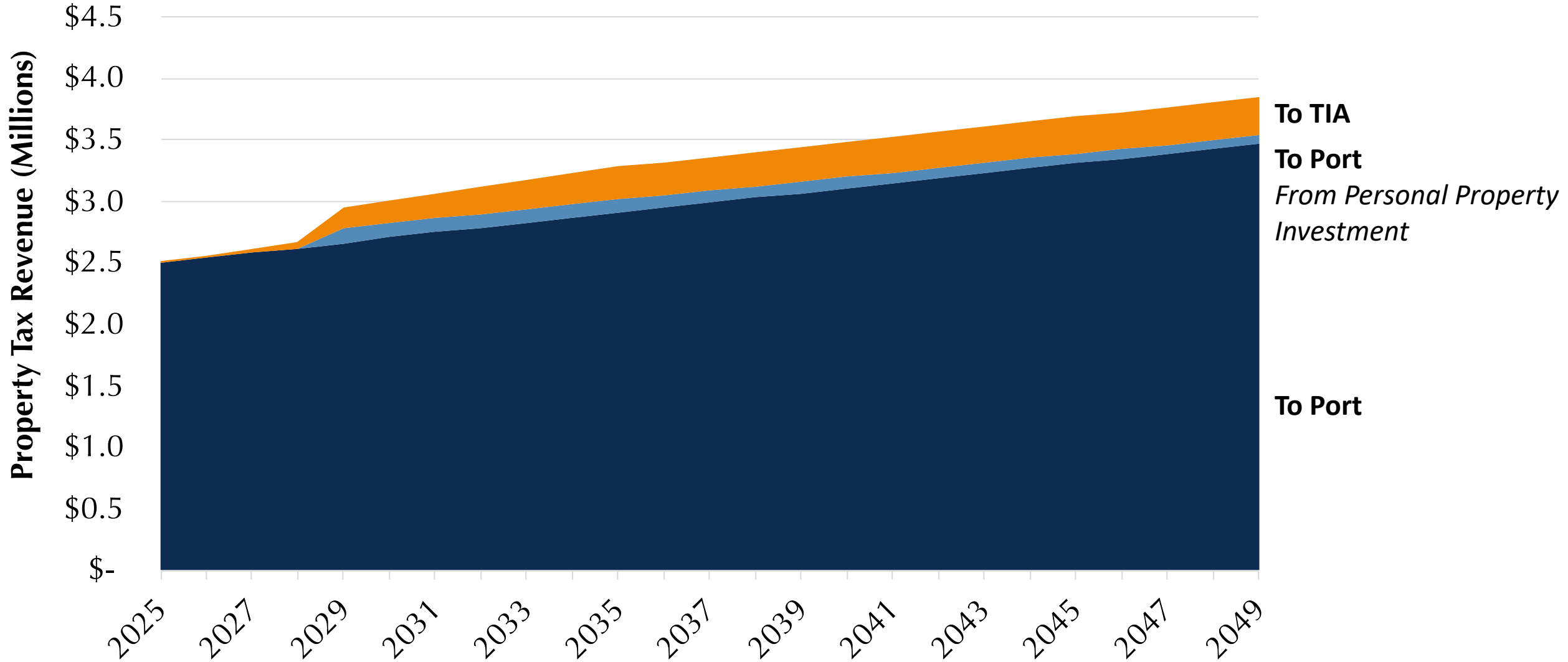




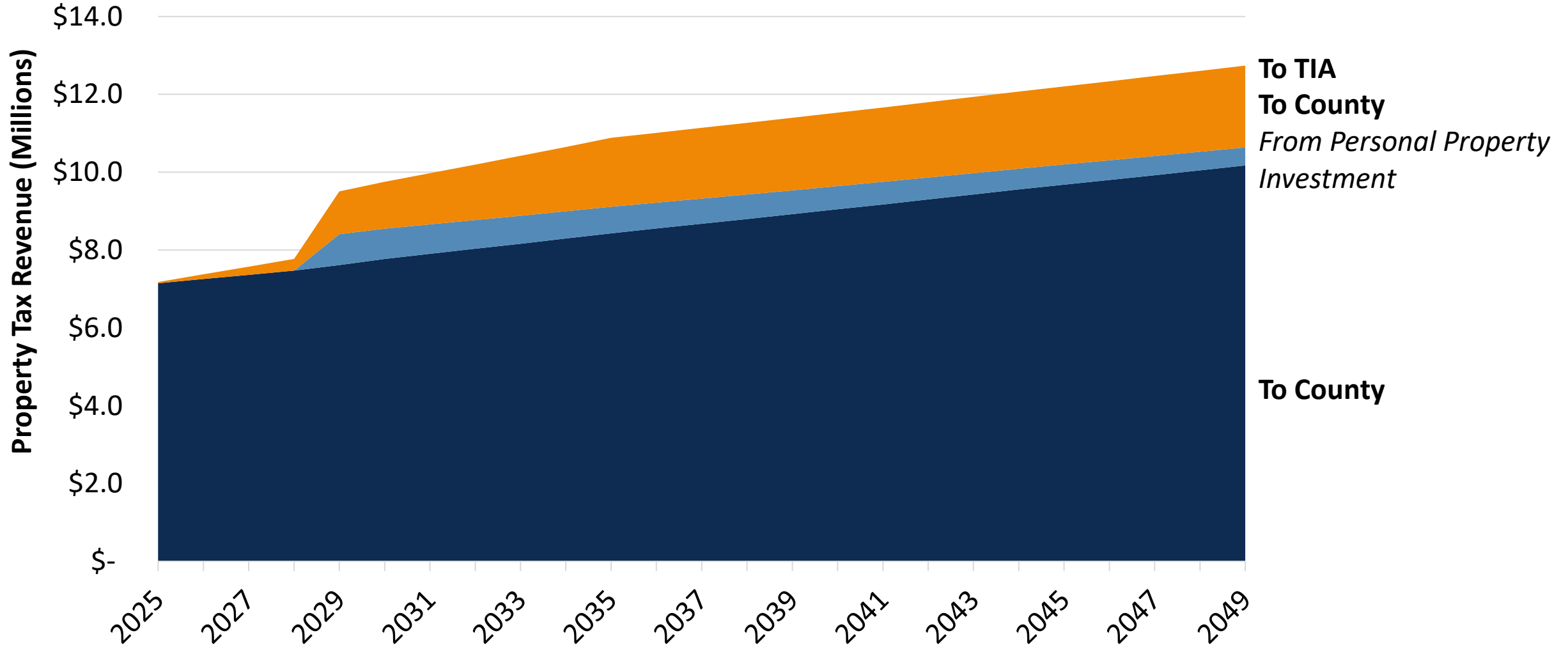
# Fire District Impacts



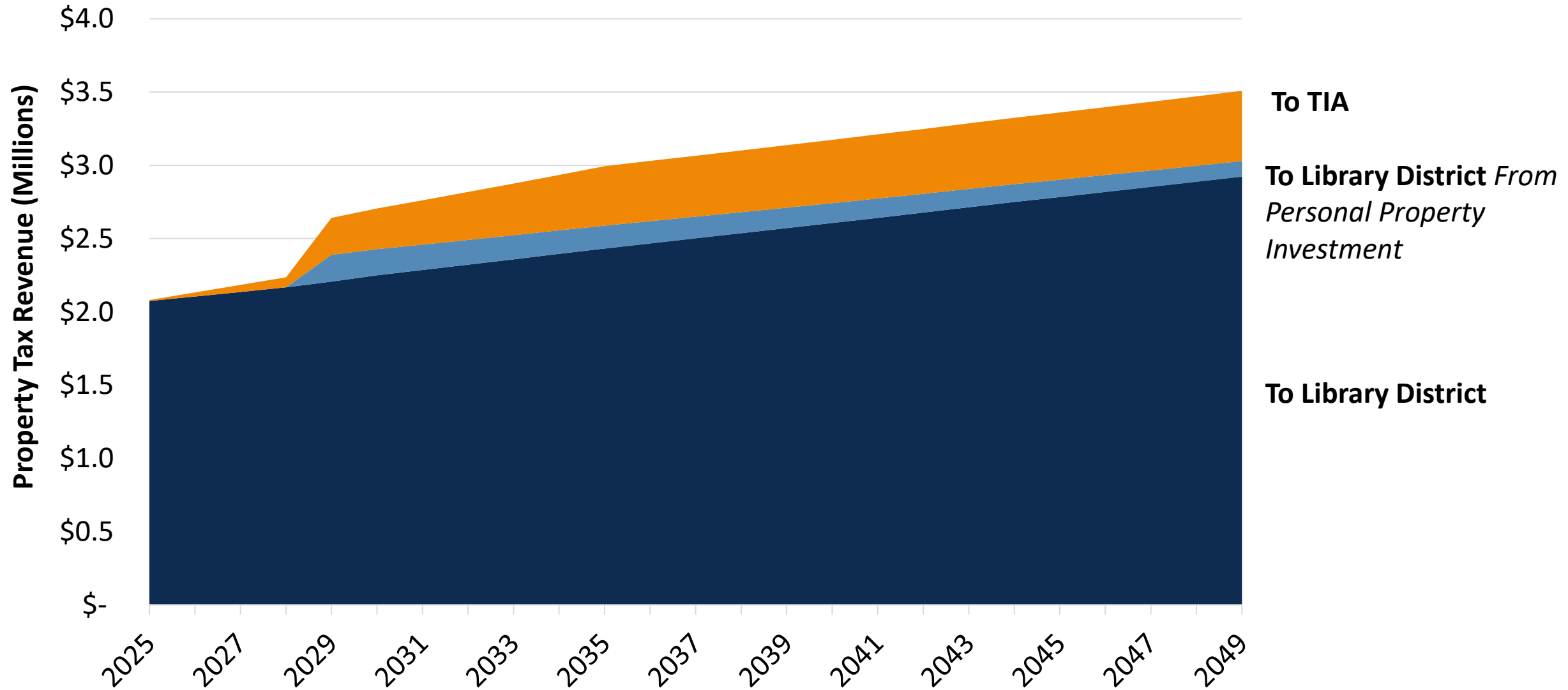
# Port Impacts



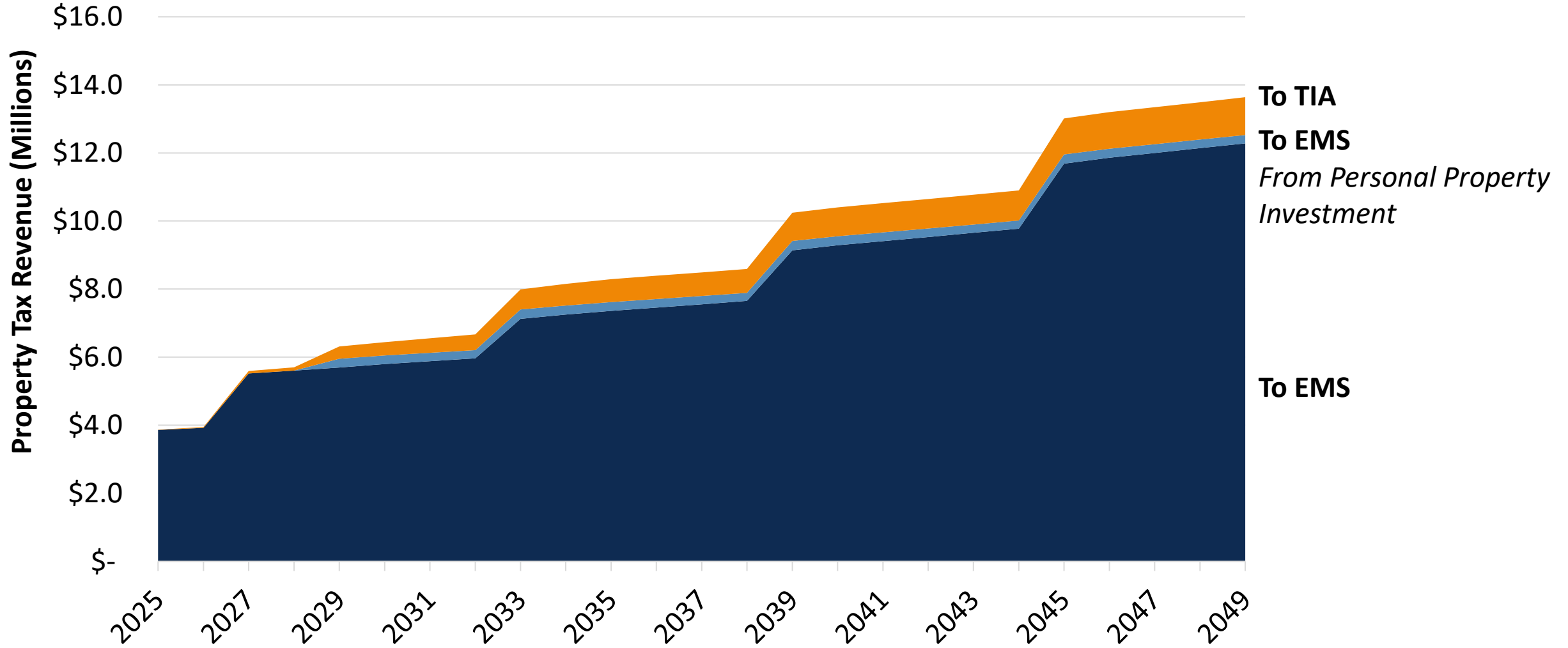
# County – Public Works Impacts



# Library District Impacts



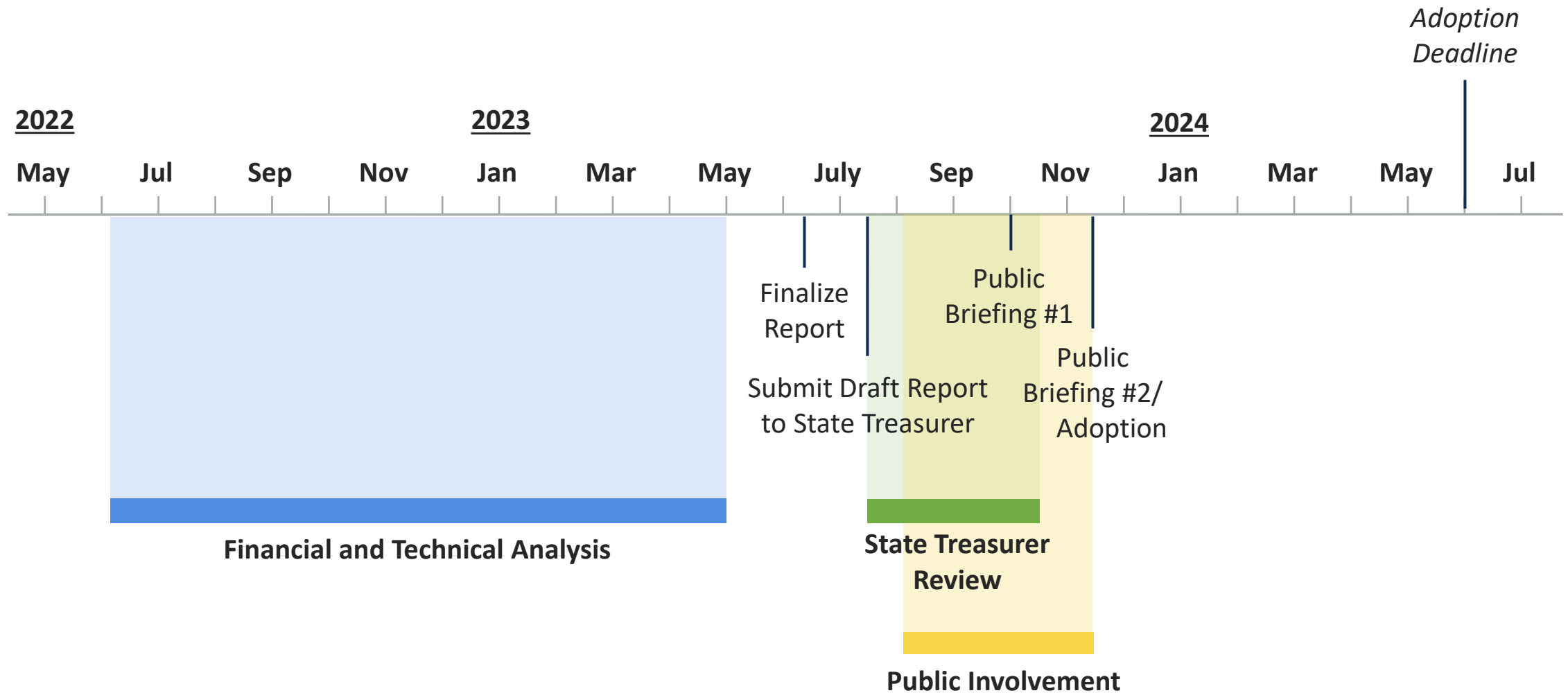
# EMS Impacts



# Taxing Districts NOT Impacted

- State Schools (Total Taxes from TIA over 25 Years)
  - Part 1: \$35.2 million
  - Part 2: \$18.8 million
- Burbank School District: New assessed value in the TIA would not result in a net increase in total tax revenue for the local school district, but would reduce the levy rate that is imposed districtwide to produce the approved annual levy amounts.

# Project Timeline





# How to Provide Input

- Send e mails to: [info@portwallawalla.com](mailto:info@portwallawalla.com)
- Attend second public briefing in the fall
- [www.portwallawalla.com/business/economic-development/tax-increment-area](http://www.portwallawalla.com/business/economic-development/tax-increment-area)





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