



Port of Walla Walla Burbank/Wallula Gap Tax Increment Area

Public Briefing 1

September 28, 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?

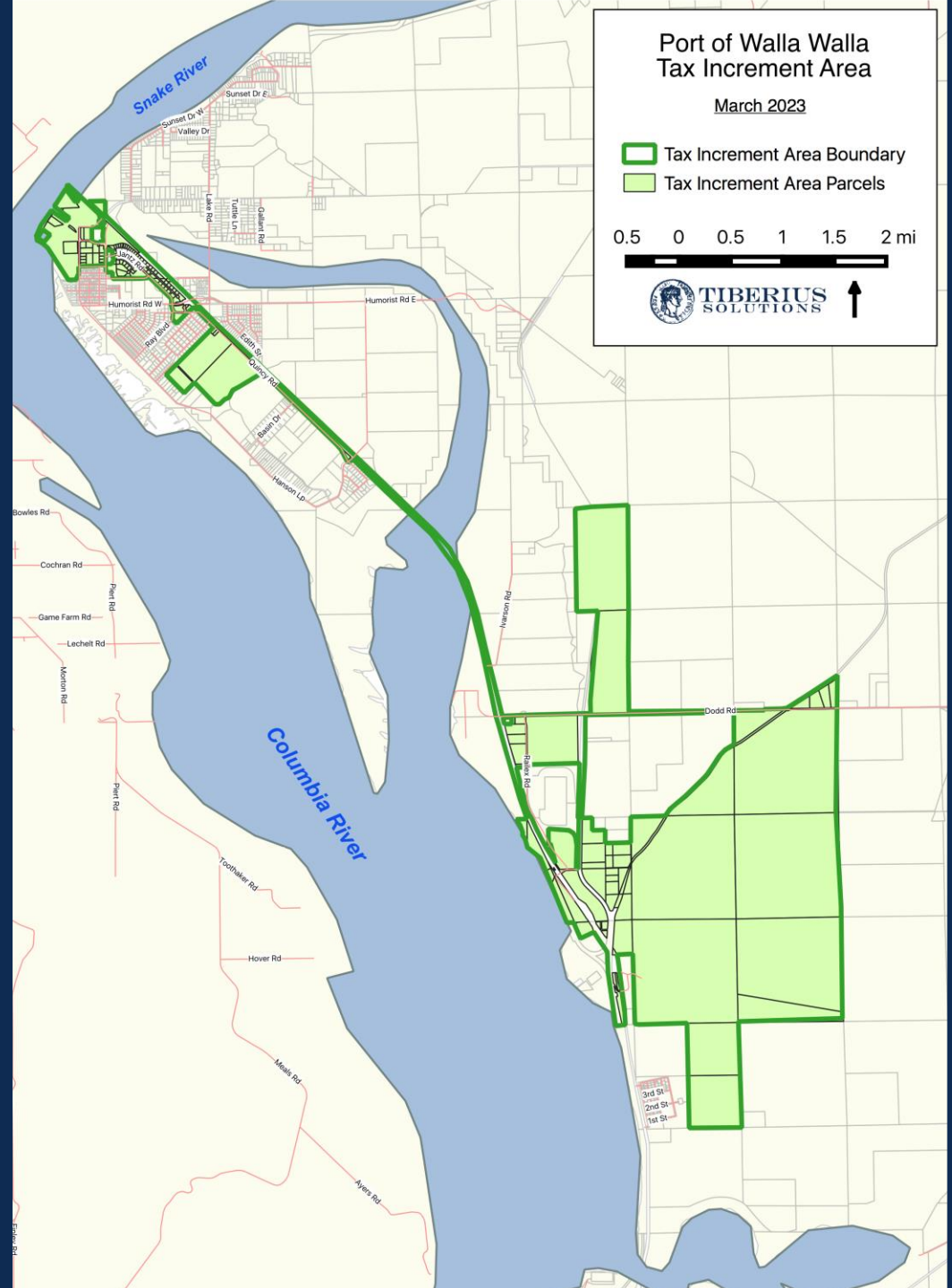
- HB 1189 enacted in 2021 (RCW 39.114)
- Cities, counties, and Ports can establish Tax Increment Areas (TIAs) to fund public improvements that enable private development
- Some property taxes paid in TIA are collected by the TIA to pay for specific public projects
- New in Washington, most other states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

Estimated Project Costs

Project	Estimated Cost (2023 \$)
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
Total	\$260,000,000
<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

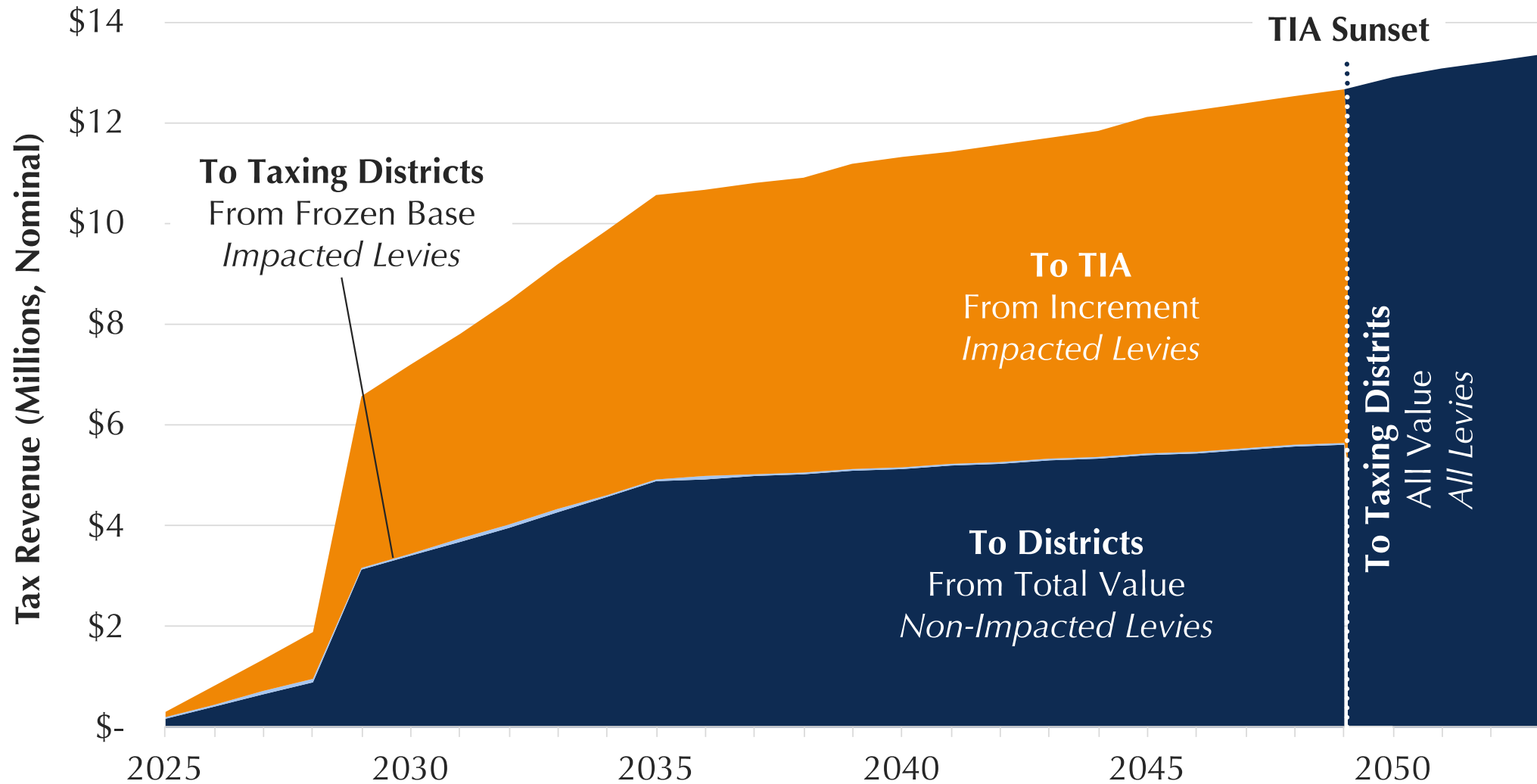
Economic Impacts

- 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



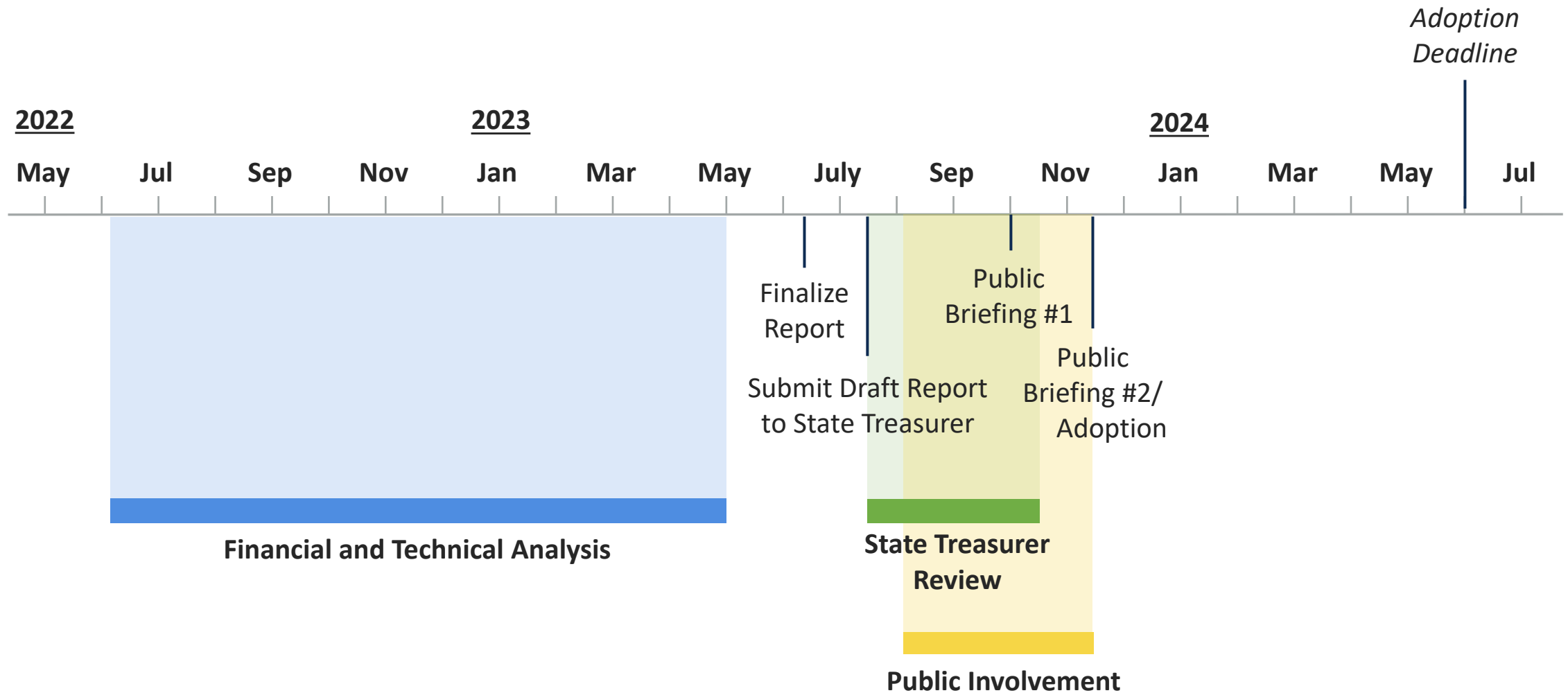
Taxing District Impacts: 25-Year Total

Taxing District	Total Impact over 25 Years (Nominal \$)
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
Total	\$117,582,306

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:
- Attend second public briefing in the fall
- www.portwallawalla.com/business/economic-development/tax-increment-area



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