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Local Infrastructure Financing Tool Program (LIFT)

2014 Biennial Report

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Report to the Legislature

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Executive Summary

The Community Economic Revitalization Board (CERB) and the Department of Revenue (DOR) jointly administer the Local Infrastructure Financing Tool (LIFT) Program as authorized by Chapter 39.102 Revised Code of Washington (RCW).

LIFT allows selected local governments to use tax revenue generated by private business activity within a designated Revenue Development Area (RDA) to help finance public infrastructure improvements.

Nine jurisdictions currently participate in the LIFT Program, each eligible to receive a state contribution of up to \$1 million per year for 25 years. Three LIFT projects were selected by the Legislature and the remaining six were competitively selected by CERB. There is no further authority under LIFT for additional state contributions and the program is currently closed to new designations.

The nine jurisdictions authorized to receive LIFT awards are required to report to CERB and DOR annually on the progress of their projects. CERB, in turn, reports this progress to the Legislature on a biennial basis. CERB is pleased to submit this 2014 report in accordance with the requirements of Section 39.102.140 RCW.

Introduction

Background

The Community Economic Revitalization Board (CERB) and the Department of Revenue (DOR) are authorized to administer the Local Infrastructure Financing Tool (LIFT) Program in Chapter 39.102 Revised Code of Washington (RCW).

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Outcome Reporting

The nine jurisdictions authorized to receive LIFT awards are required to report to CERB and DOR annually on the progress of their projects. CERB, in turn, reports to the Legislature on a biennial basis. These reports are required by RCW 39.102.140 to include:

- The amount of local excise tax allocation revenues, local property tax allocation revenues, other revenues from local public sources, and taxes under RCW 82.14.475 received by the sponsoring local government, co-sponsoring local government, or any participating local government during the preceding calendar year that were dedicated to pay the public improvements financed in whole or in part with LIFT authority, and a summary of how these revenues were expended.
- The names of any businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with LIFT authority.
- The total number of permanent jobs created in the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with LIFT authority.
- The average wages and benefits received by all employees of businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with LIFT authority.
- That the sponsoring local government is in compliance with RCW 39.102.070.
- A list of public improvements financed on a pay-as-you-go basis in previous calendar years and by indebtedness issued under LIFT authority.
- The date when any indebtedness issued under LIFT authority is expected to be retired.

- Periodic updated estimates of state excise tax allocation revenues, state property tax allocation revenues, and local excise tax increments, as determined by the sponsoring local government, that are estimated to have been received by the state, any participating local government, sponsoring local government, and co-sponsoring local government, since the approval of the project award by the board (updates provided at least once every three years).

Joint Legislative Audit Review Committee (JLARC) Reports

By statute (RCW 39.102.200), JLARC is required to evaluate the effectiveness of LIFT and report to the Legislature every five years beginning in September 2013. JLARC's final recommendation on whether to expand LIFT statewide is due September 1, 2028.

JLARC's first report on the LIFT program concluded that insufficient data exists to accurately report on the economic outcomes of LIFT. JLARC further noted that "even if the necessary data was readily available, there are significant challenges to isolating the impact of LIFT projects on the surrounding economy" (JLARC, LIFT Report Summary, December 2013). The full report is available at

<http://www.leg.wa.gov/JLARC/AuditAndStudyReports/2013/documents/LIFTFinalReport.pdf>

Legislative Changes in 2013

The 2013 Legislature and Governor made changes to the LIFT program through the enactment of E2SHB 1306. This legislation includes the following adjustments to the program which became effective September 28, 2013.

- Extends the expiration date of the LIFT program from June 30, 2039 to June 30, 2044.
- Requires construction to begin by June 30, 2017 in order to impose the state shared local sales and use tax.
- Removes the requirement that local governments must issue debt to receive state shared sales and use tax.
- Authorizes DOR to determine the amount of state contribution a jurisdiction receives.
- Requires the annual report to identify local revenue received by co-sponsoring and participating local governments, not just the sponsoring local government.

The LIFT Program

What is LIFT?

Created in 2006, the LIFT program is a form of tax increment financing in Washington State. Tax increment financing allows local governments to use expected future tax gains to finance public facility projects today. Under the LIFT program, nine local governments have been given the authority to finance specific local public improvement projects intended to encourage economic development. The state is a partner in these projects and provides a limited amount of funding, provided the local government has demonstrated a net gain in state tax revenues. The program is currently closed to new designations.

LIFT Components

Local governments designated under LIFT create a Revenue Development Area (RDA) in which to measure growth. The LIFT award recipient builds and finances public improvements in the RDA by issuing general obligation or revenue bonds, or by financing public improvements on a “pay-as-you-go” basis.

The public improvements in the RDA are intended to create growth in sales and property tax revenues by encouraging private development activities. This growth in tax revenue is in turn used to pay principal and interest on the bonds issued to finance the improvements. The local jurisdiction may earn a state contribution of up to \$500,000 or \$1 million (depending on the project) each year to help pay this debt service.

Competitive Criteria

Three LIFT projects were selected by the Legislature and six were selected by CERB through a competitive process. Criteria used to select projects included:

- Potential to enhance regional and/or international competitiveness.
- Ability to encourage mixed-use development and redevelopment.
- Jobs created and net employment change expected from the project.
- Net property tax and sales and use tax change expected from the project.
- A balanced statewide geographic distribution of project awards.

RDA boundaries were established by local government ordinance as part of the CERB application requirements. A signed developer agreement between the local government and a private partner was also required.

State Contributions

At the time of project selection, each LIFT designee received a “project award” which identifies the maximum amount of state contribution they may receive per fiscal year for up to 25 years.

The actual distribution of state funds is determined by DOR annually based on local progress reports. These annual “caps” and the amount distributed to date are shown in Table 1.

Table 1: Annual State Contributions

LIFT Recipient	Award Year	LIFT Tax Implementation Year	Annual State Award Cap	Amount of State Award Distributed*
City of Bellingham	2007	2013	\$ 1,000,000	\$744,866
City of Bothell	2008	July 2014	\$ 1,000,000	\$0
City of Everett	2008	Not yet implemented	\$ 500,000	\$0
City of Federal Way	2008	2013	\$ 1,000,000	\$653,916
City of Mount Vernon	2009	Not yet implemented	\$ 500,000	\$0
City of Puyallup	2009	2010	\$ 1,000,000	\$4,000,000
Spokane County	2008	2010	\$ 1,000,000	\$3,053,170
City of Vancouver	2008	Not yet implemented	\$ 500,000	\$0
City of Yakima	2009	2011	\$ 1,000,000	\$1,757,194
Totals			\$ 7,500,000	\$10,209,145

**Distributions as of December 31, 2013.*

Project Profile:

City of Bellingham New Whatcom Revenue Development Area

LIFT award: Up to \$1,000,000 per year for 25 years

Year LIFT tax imposed: 2013

In January 2005, the City of Bellingham partnered with the Port of Bellingham on the redevelopment of 137 acres of heavy industrial property formerly occupied by Georgia-Pacific Corporation. The property's location in the heart of Bellingham's historic waterfront district makes this an ideal site for redevelopment, combining environmental cleanup and urban revitalization.

The city committed to constructing the necessary public infrastructure on the site and to create a regulatory framework attractive to private investment. The port committed to undertake the environmental cleanup of its property and the Whatcom Waterway; build the necessary marine infrastructure; and provide land to the city for parks, public space, and rights-of-way. This is the largest redevelopment project in the history of Whatcom County and is the beginning of an exciting new era for Bellingham's waterfront. Over the next several decades, Bellingham's waterfront will undergo a transformation from an industrial waterfront site into a vibrant new neighborhood featuring breathtaking views, parks and trails, sustainable urban living, and a mix of essential new and traditional jobs.

Redeveloping Bellingham's central waterfront will provide numerous benefits for all of Whatcom County. These benefits include:

- Promoting mixed-use redevelopment that will help generate new family-wage jobs.
- Providing an area for both housing and business development to occur in a manner that helps preserve the county's limited supply of agricultural and natural resource lands.
- Reducing traffic congestion by allowing more people to live near where they work.
- Facilitating remediation of environmental contamination within the site to a standard suitable for mixed-use redevelopment.
- Facilitating the creation of valuable near shore habitat.
- Allowing Western Washington University to expand programs and establish a more visible presence in Bellingham.
- Demonstrating Bellingham's commitment and ability to provide public access to the waterfront and to promote environmentally sustainable redevelopment.

Project Status

Wharf Street Roundabout

This project provides a key southern access corridor to the redeveloped Waterfront District. The existing intersection of Wharf, Boulevard, State, and Forest streets will be reconstructed as a multimodal roundabout to improve safety, efficiency, and access for all transportation needs

including freight. In 2012, the city secured \$2.1 million in federal funding for construction of the project. In 2013, the project was bid and construction is 90 percent complete. The city expects to complete construction and close this project in early 2014.

Bloedel/Granary

Beyond its standard utility planning, the city will evaluate the feasibility of district-level systems including district-heat, small-scale hydro, and non-potable water. The overall planning effort is focused on the district south of Whatcom Waterway and the district-level systems are focused in the densest planned Downtown Waterfront Area. The preliminary feasibility report is completed and consultant team selected.

Cornwall Beach Park Master Plan

A conceptual park master planning effort is required in order to gain a better understanding of park use, which will be used to complete a grading plan. The grading plan will be incorporated into the Cornwall Landfill and RG Haley site construction documents. Implementation of the master plan (park build-out) is scheduled several years after the RG Haley and Cornwall Landfill cleanups are complete. The city has selected the consultant and begun the planning process.

Whatcom Waterway Park

A conceptual plan will be completed for Whatcom Waterway Park from Roeder Avenue to Commercial Street Green. Actual build-out is anticipated to be completed in phases. As currently scoped, this project is contingent upon completion of Whatcom Waterway cleanup. The consultant for design was selected concurrently with the Bloedel/Granary project consultant selection.

Project Profile: City of Bothell Revenue Development Area

LIFT award: Up to \$1,000,000 per year for 25 years

Year LIFT tax imposed: 2014

Bothell Crossroads

Project aligned State Route (SR) 522 south of its previous alignment at Bothell Landing. The general aspects of this work involved construction of the new roadway including utilities, grading, hazardous soil remediation, retaining walls, lighting, traffic control elements, landscaping, wetland mitigation, and erosion control as was described in the City's LIFT proposal. The Project is also a GreenRoads™ Pilot Project.

Enhancement of Main Street

Main Street streetscape enhancements will prepare existing Main Street businesses to more successfully compete as new commercial development occurs on revitalized lands. The makeover will include the reconstruction of travel lanes, flexible parking, sidewalk improvements, utility improvements, lighting, urban design elements, and landscaping enhancing the pedestrian-friendly atmosphere of Main Street.

Downtown Mobility Improvements

This project will analyze the two key intersections of Main Street/Kaysner Way and Main Street/102nd Avenue NE to determine what improvements should be made to address traffic congestion. These improvements could include installation of pedestrian-scale traffic signals or even a round-about.

Extension of Main Street

This project will extend Main Street west from SR 527 to 98th Avenue NE. The new street will connect the west side of downtown to the historic east side. The west side currently contains the King County Library and the soon-to-be redeveloped Northshore School District parcel. The extension will help the city complete its east-west street grid and tie together the downtown across SR 527, thereby enhancing the pedestrian-oriented atmosphere.

Wayne Curve

The Wayne Curve project improves SR 522 from just east of 96th Ave NE to approximately Hall Road. The first phase will improve approximately 2,500 linear feet of the SR 522 centered on the 96th Avenue NE intersection and will include transit queue lanes; intersection, lighting, landscaping, and utility improvements; sidewalks; and access management, and will improve the city's western gateway.

SR 527 Multi-way Boulevard

This project creates a pedestrian-friendly boulevard that will also be capable of accommodating arterial traffic volumes. The project will serve as the spine of the revitalized downtown, connecting the east and west sides of the downtown district with a vital, walkable boulevard. The boulevard will have two through lanes in each direction, left turn lanes where necessary and traffic signals spaced to enhance east-west circulation. It will include planter medians with rain gardens and trees to separate this arterial environment from a pedestrian-oriented parking lane and a wide sidewalk on each side.

Bothell has passed local ordinances to begin LIFT tax imposition effective July 1, 2014.

Project Profile: City of Everett Riverfront Revenue Development Area

LIFT award: Up to \$500,000 per year for 25 years

Year LIFT tax imposed: n/a

The City of Everett's Riverfront Revenue Development Area (RRDA) covers approximately 233 total acres of mostly vacant property uniquely situated between Interstate 5 and the Snohomish River, from Pacific Avenue and Lowell/Snohomish River Road. The RRDA includes three large parcels, identified as Parcels A, B, and C, which together represent approximately 111 acres of prime developable property that are poised for development as a cohesive, unique blend of commercial, office, retail, and residential uses that will generate significant jobs and tax revenues for the region.

Parcel A, a reclaimed municipal landfill, is planned for redevelopment into a “lifestyle entertainment center,” akin to Seattle’s University Village or Redmond’s Town Center, and a commercial office complex.

Parcel B, part of the former site of the Simpson Paper Mill, is planned for redevelopment as a new residential neighborhood.

Parcel C represents an assemblage of approximately 11 developable acres, much of which is the former site of a log-handling yard, and is planned for a mixed-use commercial and residential development.

These planned land uses are all consistent with official planning related to the RRDA, and the developer of Parcels A, B, and C that are in a Planned Development Overlay (PDO). Additionally, this mix-use development is illustrative of the type of mixed land uses envisioned under the Growth Management Act, with additional density being accommodated by cities and urban residential footprints growing in and near downtown areas.

The total new taxable commercial activity generated from these developments over the next 30 years has been independently estimated to be about \$4.5 billion or an average of approximately \$149 million per year. The incremental increases in sales and property taxes resulting from these developments are estimated to total approximately \$400 million over the next 30 years or an average of some \$13.3 million per year. These developments will also generate some 1,500 new jobs involving several different industries.

There are few, if any, areas of the size and quality represented in the RRDA in close proximity to Interstate 5 in the central Puget Sound region. In fact, economic development officials describe the RRDA as the largest contiguous undeveloped tract of land adjacent to I-5 between Seattle and the Canadian border.

What makes the site even more attractive to prospective developers is that it features a central location on one hand, and a pastoral, riverside environment on the other. Specifically, the Riverfront RDA is adjacent to Everett's downtown core and multi-modal transportation centers, including Everett Station, to the west, and adjacent to the Snohomish River shoreline to the east.

Project Status

The RRDA is ideally situated for “place-making” that features sustainable development on all levels and direct linkages between the shoreline environment and the Everett Station multi-modal facility. When work is complete, the Riverfront RDA will represent one of the most comprehensive transformations of formerly dormant, brownfield property ever successfully undertaken in Washington State.

During 2013, the city's developer, Oliver McMillan, sold the property to Polygon Northwest in Bellevue. Polygon will continue the development plan that proposes approximately 800,000 square feet of retail, office, and commercial developments, as well as up to 1,000 residential units. When the entire site is developed, with a total anticipated investment of \$490 million in direct private sector investment in building and site development, it is projected to add more than 1,500 new jobs. Polygon has committed to comply with the LEED “Silver” construction standards for their developments, to assure the blending of these developments into the unique natural setting of the Riverfront RDA.

Since the award of the LIFT authority for the Riverfront RDA the city has completed the landfill surcharging, leachate system, and 41st Street roundabout infrastructure projects. The current national economic situation has significantly impacted the commercial credit and development markets that have slowed the project's timeline but Polygon has started the grading work for the residential development on Parcel B and completed an Environmental Impact Statement addendum for the parcel. Polygon has developed a commercial strategy for Parcel A and is committed to meeting all of the timelines that continue from the original agreement with Oliver McMillan.

The City of Everett has not yet implemented the LIFT tax.

Project Profile: City of Federal Way City Center Revenue Development Area

LIFT award: Up to \$1,000,000 per year for 25 years

Year LIFT tax imposed: 2013

The City of Federal Way is pursuing aggressive redevelopment of its largely auto-oriented, suburban style central business district (“City Center”) in pursuit of a higher-density, mixed-use, multistory, pedestrian-friendly and transit-oriented major urban center between Seattle and King County that is envisioned by the city leaders and the state Growth Management Act. The Revenue Development Area (RDA) for application of the LIFT program comprises a majority of the City Center.

An essential component to triggering the redevelopment of the Federal Way City Center is significant additional investment in public infrastructure in tandem with private development. Key investments in public open space will begin to provide the amenities that create the “sense of place” that will draw residents, shoppers, employers and visitors. Key investments in right of way (ROW) improvements will add bike lanes, walking paths and additional roads to help create a pedestrian-friendly, efficient traffic circulation and land-use pattern. Key investments in public parking facilities are necessary to support the more intensive urban-style, mixed-use and multi-story developments.

This redevelopment scenario will be comprised of multiple projects. Three major projects were identified in the original application as cornerstones of this effort.

Symphony

A high-rise, mixed-use redevelopment project with up to 900 residential units, 60,000-75,000 square feet of retail and service uses, and 50,000-75,000 square feet of office uses, including a potential home for the Federal Way campus of Highline Community College. This project includes an approximately one-acre public park.

During 2009, this project slowed down due to the financial credit crunch and weakened housing market. Since that time the original developers, as well as a local group who attempted to take over the project, have failed.

Consequently, the city went out with a second request for proposals in 2011 and a new project was proposed, consisting of a business exhibition and conference center, together with associated retail and more than 500 residential units. That project appears to be facing similar financing problems and is likely not moving forward.

In the meantime, the city has formulated a new redevelopment plan for the subject site. This plan consists of roughly half the site (approximately two acres) dedicated to an urban plaza

with public amenities and the other site being made available for modestly scaled private redevelopment including shops and cafés to provide activation of the urban plaza. A concept plan for this project has been developed, and a regional development firm has been engaged. Further discussions with financiers are underway to enable this project to move forward. In this scenario, LIFT money may be used to finance construction of the urban plaza, storm water detention, and potentially public parking and other ROW improvements.

Rainier Plaza

A high-rise, mixed-use redevelopment project with up to 480,000 square feet of retail and service uses, 100,000 square feet of office space, a 150-room hotel with meeting facilities, and 1,750-2,000 residential units. These numbers differ from those in the initial LIFT application as the project has evolved due to market feasibility factors. This project includes public parking, public open spaces, and ROW improvements.

This project is currently on indefinite hold due to the weaker economic conditions and the developer's inability to secure financing. A refined version of this project may resurface in the next few years.

Redevelopment of the Commons Mall

This project encompasses transformational redevelopment of the existing auto-oriented shopping mall with the introduction of new public street(s), public parking, and open spaces. Several redevelopment scenarios are being explored in greater detail, including mixed-use, low, mid, and potentially high-rise buildings.

Build-out would include approximately 170,000 square feet of mostly ground-related retail space and approximately 430,000 square feet of upper-level tenant space that could be programmed for office, service commercial and residential, as market forces dictate. If all spaces were residential, it would yield up to 430 units; while half of this space in residential would yield approximately 215 units. The concept would necessitate approximately 850 structured parking spaces, at least half of which would be deemed "publicly accessible."

The Mall has emerged from the economic recession with an aggressive repositioning program consisting of bringing major new retailers to the site. Since last year, a new department store and other retailers have been constructed with another new major anchor under construction and expected to open in the fall of 2014. At present, there is no interest in more aggressive redevelopment. There is potential that LIFT funding for public infrastructure components may still be considered as redevelopment continues, especially with regard to ROW improvements and public parking.

Civic Center (Performing Arts/Conference Center)

After many years of planning, at the end of 2010 the city purchased a four-acre site to house a performing arts and conference center. In 2011, the city conducted a concept study of the space needs, adjacent areas and development cost estimates. In 2012, the city issued a request

for qualifications (RFQ) to pursue public-private partnership opportunities to bring in an associated hotel and restaurant/catering facilities in tandem with the Civic Center and explore potentially more cost-efficient development models.

The city was successful in eliciting positive response from the RFQ and has engaged a developer/architect team to conduct the initial phases of this project which so far have included concept design and initial cost estimating. At this time, the project is envisioned to house a 700-seat auditorium, together with approximately 14,000 square feet of conference/meeting facilities, to form a combined business model as a performing arts and conference facility under one roof.

The project includes an urban plaza for public gathering and the interior lobby is contemplated as a publicly accessible atrium. The private component of the project will likely consist of an approximately 120-room hotel. This project is moving forward, with commencement of construction possibly in the first part of 2015. The city contemplates use of LIFT-generated public monies for public infrastructure components of this project, such as the urban plaza and other public open space amenities, ROW improvements, and storm water retention.

Project Profile: City of Mount Vernon Downtown Revenue Development Area

LIFT award: Up to \$500,000 per year for 25 years

Year LIFT tax imposed: n/a

The City of Mount Vernon has a distinct and historic downtown which is ideally poised for redevelopment. The Downtown Mount Vernon Revenue Development Area (RDA), as adopted by Ordinance 3410, is located west of Interstate 5 and is bordered to the east by the Skagit River. The city is constructing a flood control project to permanently protect the downtown area from the base 100-year flood as defined by the Federal Emergency Management Administration (FEMA). Once downtown is no longer at risk for flooding and development constraints associated with building in a flood plain are removed, the downtown will be primed for redevelopment and new development.

Certain privately owned properties have been purchased by the city in order to construct the permanent flood wall and river walk. Once the flood control system is in place, the city will have substantial land, bordering the scenic Skagit River which will become prime real estate for mixed use commercial and high density residential development. The current use of the majority of this land that abuts the river is a surface parking structure that provides 355 essential parking spaces to downtown employees and visitors. The flood control project will displace this needed downtown parking which will be replaced with a combination of solutions that include a new parking facility in another downtown location.

The city intends to create a vibrant, attractive, and safe waterfront and downtown with enhanced public access to the shoreline and river, new and improved public amenities, and mixed-use redevelopment that will generate new jobs providing an area for both housing and business development to occur in a manner that helps preserve the character of downtown.

Although the flood control project is not eligible for LIFT financing, other significant and related projects in the downtown are eligible for financing under the LIFT program as outlined in the following section.

Structured Parking

Construction of a 350 to 600 stall parking facility. The structured parking facility will replace the displaced parking along the riverfront for our downtown business community and will provide parking for future downtown redevelopment needs. The parking facility will be strategically located near the core of downtown within walking distance of Skagit Station (the county's regional multi-modal station). The necessity of the parking structure will become time-critical once the flood project is fully constructed with the flood project final phase of construction beginning in 2014 and completing in 2016. Preliminary work on the parking garage, land

acquisition, and preliminary design will be complete in 2015, with construction of the parking structure beginning in 2016.

Waterfront River Walk, Urban Trail and other Park Facilities

A 25-foot pedestrian river walk is being constructed along the river adjacent to downtown with expansive views of the river on one side and shops and pedestrian attractions on the other. At the north and south ends it will connect to a multi-purpose trail continuing north and south along the east side of the river. Other park amenities include a new public plaza along the riverfront, permanent public restrooms, and facilities to accommodate the farmers market. The river walk, plaza and restrooms are currently under construction and will be completed in 2014. Although these elements are LIFT eligible costs, the city has funded these capital components with other funding to keep the primary focus of the LIFT financing on the structured parking facility.

Street Improvements

Street improvements in the master plan include a realignment of Division Street, South First Street and Freeway Drive, streetscape improvements north and south on First Street, and improved pedestrian connection between Skagit Station and downtown along Gates Street. Planned updates also include clear and attractive pedestrian connections between the downtown riverfront and the downtown core, and an improved pedestrian walkway on the Division Street Bridge.

Private Sector Project Description

Mount Vernon has already invested in a downtown transit center (Skagit Station) that provides bus and passenger rail service within the region. The major public amenity downtown is the Skagit River. The river has provided more obstacles to downtown development with its flood threat than attractions. Phase II of the flood control project including the riverwalk, park plaza and restrooms is currently underway and the final phase will begin later in 2014. Once the final phase (Phase III) is completed, conditions will be ripe for facility infrastructure improvements and amenities to attract additional residential and commercial development. The flood control project creates a significant opportunity for the city to revitalize and redevelop its downtown.

Developers have indicated strong interest in moving forward with private development of mixed-use construction in the downtown and waterfront areas with interest in securing certain privately owned undeveloped parcels to move forward with commercial projects which could include a hotel, conference center, and a restaurant. The city fully anticipates that the new private development in conjunction with the removal of the flood threat will also result in redevelopment projects in the Downtown RDA.

A market analysis prepared as part of the Downtown Mount Vernon Master Plan by a third party consultant, Property Counselors, identifies the potential for an improved downtown to capture the following levels of future development activity over the next 20 years.

	First 10 Years	Next 10 Years
Retail (square feet)	125,000	155,000
Office (square feet)	55,000	65,000
Housing (units)	200	250
Lodging (rooms)	100	100

Downtown private investment over 30 years is projected to be in excess of \$408 million. New jobs created over 30 years are estimated to be 2,548, along with 112 average annual construction jobs. Additionally, residences for 1,120 people will be provided.

Progress to Date/Project Schedule

Progress updates on key elements of the Downtown and Waterfront Area Project are as follows.

- Phase II is currently under construction and will be completed by September 2014. Phase II includes continued construction of the flood structure, river walk, park plaza and restrooms.
- The city plans to begin construction of the third and final phase of the flood structure, including an urban trail, later in 2014 with a two year construction window.
- Phase I of the flood structure and river walk was completed in 2010.
- In August 2010, the city received a Conditional Letter of Map Revision (CLOMR) from the Federal Emergency Management Agency (FEMA), a critical achievement for the flood control project and future development of the downtown area. The purpose of a CLOMR is to receive confirmation from FEMA that the flood control project as designed would remove the downtown from the 100-year flood plain.
- Preliminary design of the parking facility will begin in 2015. Construction could begin in late 2016.
- Final master plan for the Waterfront Area and Downtown Project was adopted in June 2008.
- The National Environmental Policy Act (NEPA) process for the flood control project was completed July 2008.
- Downtown Parking Garage Feasibility Study was finalized in July 2008.
- Final Environmental Impact Statement on the flood control project was completed in July 2007.

Key milestones for the anticipated private sector development are as follows.

- The City of Mount Vernon applied for New Market Tax Credits through the U.S. Treasury and if awarded this will be an additional financial incentive and attraction for private development in the RDA.
- A development firm completed a study of the downtown area in February 2010, outlining development opportunities, available lands, and potential sites for initial private development. The three specific projects were identified.

1. Hotel, conference center, and restaurant.
 2. Entertainment complex – cinema, high tech bowling alley or other active entertainment use, commercial and institutional office locations, small retail spaces and structured parking.
 3. Redevelopment along Montgomery Street – envisioned as a series of storefronts, containing small retail business, business support establishments, art galleries, or professional offices; residential units would be above street level.
- The Main Street waterfront site will be ripe for development upon completion of the flood control project and river walk construction.
 - Privately owned downtown sites are expected to be developed or redeveloped at a fairly rapid pace upon removal of the flood threat and related development barriers.

The city has not yet implemented the LIFT tax.

Project Profile: City of Puyallup Revenue Development Area

LIFT award: Up to \$1,000,000 per year for 25 years

Year LIFT tax imposed: 2010

Puyallup's long-term goal is to redevelop several city-owned parcels in the downtown area into mixed-use transit oriented development projects that include parking. In addition the city will provide for pedestrian, parks, trail, storm water, and telecommunications improvements in the South Hill area. The city estimates that these, along with other non-LIFT financed improvements, will generate approximately 8,600 jobs throughout the Revenue Development Area (RDA) during the life of this program.

The City of Puyallup's RDA will facilitate the following critical investments.

1. Structured downtown public parking on city-owned parcels through public-private development agreements for mixed-use redevelopment providing new, transit-oriented, downtown office, residential, retail, restaurants and other business uses on today's downtown surface parking lots.

In 2013, the city continued its strong downtown parking management program initiated in 2010. On-street parking restrictions to maximize usage for local businesses and residents continued to be updated. The city also began actively working with Sound Transit on its "ST2" station access planning, which with \$52 million of Sound Transit funding allocated to enhance long-term parking/access issues in the downtown vicinity.

Several new businesses opened in the downtown core in 2013, including the South Sound Running retail store and the Forum restaurant.

The city preserved \$1.5 in state capital funds for infrastructure improvements in the vicinity of the city-owned Administrative Office Building lot, located on 3rd Street SW to the west of the city Library. These improvements were to facilitate future redevelopment of the site, which could provide additional parking to the downtown. In late 2012, the city moved forward in contracting with private consultants for design and construction of street/utility improvements along the multi-block 3rd Street SW/NW corridor (serving the Administrative Office Building lot and points north) as a part of this overall project. This street/utility work was principally constructed in 2013, although some landscape features are still being finalized in early 2014.

2. Access to competitive, high speed data telecommunications services needed to support higher wage technical and professional employment growth.

The city continues to document and improve routes for fiber connectivity on a local and regional basis and is currently working with a tri-county group to add and connect additional fiber between Puyallup and the SR-167 corridor cities to assist in interoperability and economic development. The completion of an overhead fiber run between the city's Information Technology Center and the Puyallup City Hall (located within the RDA) is underway. The major piece of fiber involved in that project has now been installed, with engineering underway for the final connection portion.

The city's current strategy is to enhance existing infrastructure and add conduit through public works street projects, which is more cost effective than installing them as separate projects. One key recent project has been installing railroad overpass conduit in the Shaw Road extension vicinity. While Shaw Road itself is outside the RDA, this connection has a community-wide benefit in allowing us to overcome a major obstacle in adding to the connectivity with the tri-county consortium mentioned above. Discussions are also in progress to add language to city policy or standards to site conduit in city right-of-way as sidewalk and street projects are undertaken.

3. Safe pedestrian and bicycle trails to connect neighborhoods, parks, schools, and large land parcels that lack necessary urban infrastructure.

In 2012-13, the city used LIFT funds to complete construction of the long-missing 39th Avenue SE roadway gap between South Meridian and 3rd Street SE, which has already served to facilitate vehicular, pedestrian, and bicycle access along this important street grid. New sidewalks are also a part of the current design work being done for the state Transportation Improvement Board-funded street widening of the segment of 39th Avenue SW immediately west of 9th Street SW, which has been the subject of right-of-way acquisition in 2013. This new project, while located immediately west of the city's RDA, will still enhance the pedestrian/bicycle circulation system of this major east-west connector.

4. Enhanced stormwater and drainage facilities to protect water quality, promote environmentally responsible economic development, and create better recreation and land use opportunities.

Both of the aforementioned 39th Avenue roadway widening/connection projects involve extensive storm drainage improvements, including significant property purchase and adjacent wetland protection measures. A pending (2014) re-overlay of 39th Avenue SE between Shaw Road-10th Street SE (mostly within RDA), designed in 2013 and intended to utilize LIFT funding, will include pervious concrete sidewalks. Other recent development projects within the RDA have used extensive Low Impact Development measures, including the 39th Avenue SE new Group Health medical clinic, a LEED-Gold facility.

5. Student and employer access to higher education resources at Puyallup's Pierce College.

In 2013, design and funding was secured for the aforementioned re-overlay of the 39th Avenue SE roadway. That street project will include the entire 39th Avenue frontage of/entrance to Pierce College, including new sidewalks, thus enhancing access to the education site.

6. Pierce Transit connector service (bus rapid transit).

In 2013, the city continued to coordinate with Pierce Transit on maintaining bus service within the RDA, in spite of funding/service cutbacks at the transit agency. In late 2013, plans were finalized for a demonstration Pierce Transit "community connector" shuttle service to run in 2014, which will enhance transit service for all portions of the RDA, including South Hill, downtown, and points in between (e.g., Good Samaritan hospital).

The key long-term goals for the city's RDA, supported by these infrastructure investments, are to create:

- New employment growth, estimated at 8,654 ongoing jobs, plus an additional 9,893 jobs projected for the building industry on a one-time basis.
- New housing and office uses in downtown and South Hill, providing 2.67 million square feet of offices and retail space with 1,512 units of housing.
- Local and state revenue benefits totaling \$611 million.
- A more efficient re-use of downtown city properties and existing infrastructure.
- Effective re-use of commercial surface parking to usable, compact, transit-oriented developments that could contribute to attracting higher employment.
- Employment and population growth that is accommodated in a manner that reduces auto dependency with frequent, convenient transit "connector" service. The employment growth will have the added benefit of supplying new job opportunities at a critical time for military personnel expected to return home from deployment over the next few years and needing to transition into the private sector.

These objectives are being implemented through successful investment – public and private – in the initial years of the city's LIFT grant. Principal among these thus far is the Good Samaritan Hospital expansion project, a multi-year campus project within the RDA involving an approximately \$400 million private investment in new health care facilities and supporting infrastructure.

Project Profile: Spokane County River District Revenue Development Area at Liberty Lake

LIFT award: Up to \$1,000,000 per year for 25 years

Year LIFT tax imposed: 2010

The River District RDA coincides with the boundary of Spokane County Increment Area 2005-01, a property Tax Increment Finance (TIF) area authorized under chapter 39.89 RCW and established by Spokane County on December 22, 2005.

Since establishment of Spokane County Increment Area 2005-01 and the approval of the River District RDA, approximately \$1,059,585 of public infrastructure has been constructed.

The River District at Liberty Lake is a planned mixed-use development on approximately 1,000 acres contained within the 1,540 acre River District RDA. The vision and design principles that guide the development plan include the following:

- A design that opens to the Spokane River and provides many opportunities for visual and physical access to the river.
- An integrated park and trail plan connecting the project to the river, Centennial Trail, and to Liberty Lake's trail system.
- A mixed-use design with urban characteristics that embraces a wide range of residential, commercial, and civic uses.
- A diverse range of housing products that reflects the changing markets to smaller lots and higher-density development, including affordable and workforce housing components.
- A pedestrian-oriented village center providing a focal point for civic, social, and commercial activity.
- A regional retail center that meets the needs of the broader Spokane-Coeur d'Alene community.

Conceived as a pedestrian-oriented, compact, and complete community, River District embraces the ideal of city life – an urban tapestry of diverse and distinctive homes; walk-able, tree-lined streets; neighborhood stores; nearby offices; schools; and parks throughout. As an urban density mixed-use center, River District will incorporate:

- More than 4,400 residential units.
- 2.5 million square feet of office, commercial and industrial space.
- More than 150 acres of public and private parks, and open space.

Project Status

The years 2008 through 2013 were very active for the River District. Three Binding Site Plans (BSP) were submitted for approval. These BSPs allow for the development of over 200 acres of retail, commercial, and mixed-use projects. The infrastructure associated with one of those plans, Bitterroot Commerce Center, was completed during this period. This infrastructure allows for 16 acres of commercial property to be ready and available for site construction. Additionally, the infrastructure associated with the Bitterroot BSP allowed the construction completion of 210 Bitterroot Lodge apartment units and 47 townhouse rental units. The Bitterroot Lodge and Courtyard project has added approximately \$25.5 million in taxable valuation and 5 FTE jobs within the River District.

The first phase of the Telido Station project was completed in 2013 with the construction of Harvest Parkway and associated water, sewer, and storm water facilities. Fifty-seven (57) acres of commercial retail zoned land is now available and the owner is actively marketing the property for sale and development. The Washington State Department of Transportation (WSDOT) also completed the \$1.7 million Harvard Road roundabout in 2013.

Planning is a major emphasis as the project developer positions the River District for additional infrastructure design and construction. Basic infrastructure system needs for water, wastewater, storm water and parks are being analyzed and alternatives evaluated within the constraints of the Growth Management Act and comprehensive planning documents of both Spokane County and the City of Liberty Lake. Special emphasis is being given to transportation elements, critical to the success of the River District.

WSDOT is conducting an Interchange Justification Report (IJR) for the Barker Road interchange west of the River District site. WSDOT is expected to commence an IJR for the Harvard/Greenacres Interchanges in 2014 and complete the process in 2015. Transportation funding for I-90 from Barker to Harvard is crucial to the successful development of the River District. Partial funding of a reconstructed interchange at Harvard/Greenacres is envisioned.

These planning and entitlement efforts will allow LIFT-funded public infrastructure to be constructed and private investment to occur within the River District as originally envisioned.

Project Profile: City of Vancouver Riverwest Revenue Development Area

LIFT award: Up to \$500,000 per year for 25 years

Year LIFT tax imposed: n/a

The Riverwest project includes over 500,000 square feet of mixed-use development on 3.75 acres in downtown Vancouver, located at the southwest corner of Evergreen Blvd and C Streets. The private project is estimated to cost \$160 million and will include:

- 100,000 square foot office building.
- ~200 condominiums/townhouses.
- 65 room boutique hotel.
- 17,500 square feet of retail.
- Public plaza.

In addition, the project includes an 83,000 square foot new main library branch funded by a 2006 voter-approved bond, which has been completed.

The LIFT-funded public infrastructure is a 300-400 square foot underground parking structure to serve the non-residential portions of the project. The cost of the public portion of the parking structure is currently estimated at \$15 million.

As of February 2013, the library building represents the only development activity within the RDA. The library construction was funded with bonds approved by the library district voters and private donations.

In late September 2008, private developer Killian Pacific, jointly with the city and Fort Vancouver Library District (FVRL), announced that the Riverwest development would be put on hold due to a decline in regional and national economic activity.

Timing of the construction of the underground parking garage is anticipated to match that of the private development portion of the project. The library's parking needs are met with temporary surface parking at the site. The city, FVRL, and Killian Pacific have worked together to develop a phasing plan to meet the library's parking needs, as well as during phased construction of the garage and private buildings on the site.

Killian Pacific remains committed to seeing the Riverwest project through to completion and will continue to evaluate when economic conditions are appropriate to move forward toward an economically successful project.

The city does not anticipate triggering a state match under LIFT for construction of the library or interim surface parking. The city has not yet implemented the LIFT tax.

Project Profile: City of Yakima Revenue Development Area

LIFT award: Up to \$1,000,000 per year for 25 years

Year LIFT tax imposed: 2011

The Yakima Sawmill Redevelopment Project is a mixed-use redevelopment area that consists primarily of a 225-acre site that was a Boise Cascade Mill and Plywood plant, which closed in 2005.

The city and property owner have completed Phase 2 and 3 Environmental Investigation Report, and a feasibility study on mitigation was completed in the summer of 2010. The project experienced environmental delays due to the additional investigation that was required for the parcel, which was a city landfill that closed in the 1960s.

The planned LIFT-funded project consists of potential bonding of up to \$50 million in public infrastructure for utilities and streets, contributions to a modification of the I-82 and Yakima Avenue interchange to improve freeway access to the site and environmental cleanup of the former landfill site.

The city, Yakima County, and Washington Department of Transportation are involved on several fronts related to the transportation needs for the site, including the following.

- **Interchange Justification Report.** In March 2013, the Federal Highway Administration (FHWA) authorized the Washington State Department of Transportation, the City of Yakima, and Yakima County to proceed with the design of the interchange modifications. This authorization cleared the way for the technical design and evaluation of alternatives for an interchange modification at I-82 and Yakima Avenue. In October 2013, an open house was held at the Yakima Convention Center to invite the public and stakeholders to review the design options and submit comments.
- **National Environmental Protection Act (NEPA) review** of the environmental impacts of the East-West Corridor (county portion and city/LIFT “H” Street alignment) and the Cascade Mill Parkway (the north-south road) are underway using the NEPA process. The NEPA has not gone through a public comment process yet.
- **Engineering design options for east-west and north-south traffic flow.** Preferred street alignments for the east-west corridor and the Cascade Mill Parkway have been designed.
- **Recreation facilities.** In 2013, the city applied for but did not receive grant funding from the State Recreation Conservation Office for these facilities. The city has since contracted with an urban economist to assist the city in the development of more detailed land use recommendations for the property.

Project Revenue and Public Improvements

Project Revenue

The following tables show the estimated tax allocation revenues in the RDAs as reported by the nine jurisdictions administering LIFT projects. The data was included in annual reports to CERB and DOR for calendar years 2012 and 2013. Some minor calculation errors in the project reports have been corrected by CERB and DOR staff and these corrections are shown in the tables.

Table 2: 2012-2013 Estimated Property Tax Allocation Revenues as Reported by LIFT Jurisdictions

LIFT Recipient	Award Year	Local Property Tax Allocation Revenues		State Property Tax Allocation Revenues	
		2012	2013	2012	2013
City of Bellingham	2007	\$22,492	\$27,552	\$26,840	\$34,591
City of Bothell	2008	\$324,932	\$365,893	Not provided	\$606,135
City of Everett	2008	\$0	\$0	\$0	\$0
City of Federal Way	2008	\$8,391	\$8,544	\$15,623	\$15,421
City of Mount Vernon	2009	\$0	\$0	\$0	\$0
City of Puyallup	2009	\$374,284	\$331,491	\$542,214	\$462,973
Spokane County	2008	\$0	\$0	\$0	\$0
City of Vancouver	2008	\$0	\$0	\$0	\$0
City of Yakima	2009	\$29,782	\$24,212	\$242,117	\$28,971
Totals Reported		\$759,881	\$781,054	\$826,794	\$1,148,091

Table 3: 2012-2013 Excise Tax Allocation Revenues as Reported by LIFT Jurisdictions

LIFT Recipient	Award Year	Local Excise Tax Allocation Revenues Received by Calendar Year		State Excise Tax Allocation Revenues Received by Calendar Year	
		2012	2013	2012	2013
City of Bellingham	2007	\$203,585	\$237,597	\$1,564,498	\$1,825,868
City of Bothell	2008	Not reported	\$261,513	Not reported	\$2,020,006
City of Everett	2008	\$0	\$0	\$0	\$0
City of Federal Way	2008	\$51,629	\$36,320	\$398,794	\$280,544
City of Mount Vernon	2009	\$0	\$0	\$0	\$0
City of Puyallup	2009	\$772,399	\$615,180	\$5,966,244	\$4,751,837
Spokane County	2008	\$309,460	\$484,513	\$2,019,366	\$3,145,341
City of Vancouver	2008	\$0	\$0	\$0	\$0
City of Yakima	2009	\$261,863	\$205,441	\$3,031,174	\$1,808,024
Totals Reported		\$1,598,936	\$1,840,564	\$12,980,076	\$13,831,620

**Table 4: 2012-2013 Local Revenue Generated and Funds Expended for Public Improvements
As Reported by LIFT Jurisdictions**

LIFT Recipient	Local Property Tax Allocation Revenue	Local Excise Tax Allocation Revenue	Other Revenue from Local Public Sources	Local LIFT Tax Revenue*	Total Local Revenues Received 2012-2013	Funds Expended Pay As You Go	Funds Expended for Bond Repayment
City of Bellingham	\$50,047	\$441,182	\$0	\$490,189	\$981,418	\$4,674,614	\$0
City of Bothell	\$690,825	\$261,513	\$14,796,741	\$0	\$15,447,508	\$14,796,741	\$0
City of Everett	\$0	\$0	\$0	\$0	\$0	\$6,005,814**	Not reported
City of Federal Way	\$16,935	\$87,949	\$2,000,000	\$0	\$2,104,884	\$0	\$0
City of Mount Vernon	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Puyallup	\$705,775	\$1,387,579	\$3,208,831	\$2,000,000	\$7,302,185	\$4,875,935	\$0
Spokane County	\$0	\$793,973	\$2,000,000	\$2,000,000	\$4,793,973	\$4,000,000	\$0
City of Vancouver	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Yakima	\$53,994	\$467,304	\$2,227,789	\$1,112,354	\$4,139,824	\$2,646,031	\$0
Totals Reported	\$1,517,576	\$3,439,500	\$24,233,361	\$5,602,543	\$34,769,795	\$36,999,135	\$0

**Available the year after the tax is first imposed.*

***Funds expended were not identified as "Pay As You Go" or for bond repayment.*

Public Improvements

The nine jurisdictions with LIFT projects may finance public improvements in the approved RDA on either a “pay-as-you-go” basis or by bond issuance. In 2012 and 2013, several jurisdictions reported construction of public improvements under the LIFT statute (39.102 RCW), as detailed in Table 5 below.

Table 5: 2012-2013 Public Improvements

City of Bellingham	
2012	<ul style="list-style-type: none"> Central Avenue rehabilitation and enhancement completed construction Wharf Street roundabout design and engineering begun
2013	<ul style="list-style-type: none"> Wharf Street roundabout construction Granary & Bloedel Avenue preliminary design
City of Bothell	
2012	<ul style="list-style-type: none"> City Hall Design and Phase 1 Utility Relocation Northshore School District Property Acquisition Park at Bothell Landing Half Acre Open Space SR 522 Bothell Crossroads Multiway Boulevard Phase 1 Main Street Extension Main Street Enhancement Downtown Contaminated Soil Clean Up Pop Keeney Way
2013	<ul style="list-style-type: none"> City Hall Design and Phase 1 Utility Relocation NSD Property Acquisition Park at Bothell Landing Half Acre Open Space SR 522 Bothell Crossroads Multiway Boulevard Phase 1 Main Street Extension Main Street Enhancement Downtown Contaminated Soil Clean Up Pop Keeney Way
City of Everett	
2012	<ul style="list-style-type: none"> <i>A list of improvements was not provided. The City reported that \$2,709,303 was spent in 2012 on public improvements but did not specify whether these expenditures were “Pay As You Go” or associated with indebtedness issued under RCW 39.102.</i>
2013	<ul style="list-style-type: none"> 41st Street Roundabout

	<ul style="list-style-type: none"> • Public Amenities • Leachate System • Gas Collection System Improvements • Site Preparation Design • Eclipse Mill Road Intersection Improvements • <i>City reported total spent in 2013 on these improvements was \$2,091,973.</i>
City of Federal Way	
2012	<ul style="list-style-type: none"> • None
2013	<ul style="list-style-type: none"> • None
City of Mount Vernon	
2012	<ul style="list-style-type: none"> • None
2013	<ul style="list-style-type: none"> • None
City of Puyallup	
2012	<ul style="list-style-type: none"> • 39th Ave SE Extension Road and Storm • 330 3rd St SE Improvements • Flasher Beacon – 5th St NW and 3rd Ave NW • Driveway/Road Replacement for S Meridian
2013	<ul style="list-style-type: none"> • Railroad Crossing improvements • 5th Ave NW Sewer Replacement • SR 161 Safety Improvements • 39th Ave SE Extension and Overlay
Spokane County	
2012	<ul style="list-style-type: none"> • I-90 Water Line Undercrossing
2013	<ul style="list-style-type: none"> • Harvest Parkway Infrastructure • Harvard Road Improvements
City of Vancouver	
2012	<ul style="list-style-type: none"> • None
2013	<ul style="list-style-type: none"> • None
City of Yakima	
2012	<ul style="list-style-type: none"> • Environmental & Preliminary Engineering • Planning for East-West Corridor and Interchange
2013	<ul style="list-style-type: none"> • Millsite Environmental Study

Business Activity

Businesses, Jobs and Wages in Revenue Development Areas

Jurisdictions with LIFT awards report to CERB and DOR annually. Part of this report includes economic outcomes within the RDA that have resulted from “*public improvements undertaken by the sponsoring local government and financed in whole or in part with LIFT authority*” (39.102.140 RCW). These economic outcomes include:

- The names of any businesses locating within the RDA.
- The total number of permanent jobs created in the RDA.
- The average wages and benefits received by all employees of businesses locating within the RDA.

Due to economic conditions associated with the recent economic downturn, LIFT projects have experienced delays and sluggish business activity. In addition, many of the local governments sponsoring LIFT projects have struggled to collect adequate and consistent data on jobs created by businesses within the RDAs and the wages associated with those jobs. Some jurisdictions reported residential developments as part of the business activity. These residential developments are *not* reflected in the tables below. Table 6 illustrates the business, job, and wage data that was reported by local jurisdictions for 2012 and 2013.

Table 6: Business Activity in 2012-2013

City of Bellingham				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of Jobs Created	Employee Benefits for Jobs Created
2012	None	n/a	n/a	n/a
2013	A Better Way Massage	The City of Bellingham reported contacting each business twice to verify job and wage information and received a very low response rate. Seven of the 43 businesses responded to the inquiry, however the responses provided incomplete information. The City then contacted the Washington State Employment Security Department (ESD) in an effort to obtain wage and benefit data. ESD provided information on the average wage by industry for the Revenue Development Area. However, job numbers, wages, and benefits specific to individual businesses were not provided.		
	Avalai			
	Bayview Pain and Primary			
	Belle Bridal Formal Company			
	Bellwether Lane Jewelry & Boutique			
	Bloom Bellingham Prenatal Massage			
	Carne Bellingham			
	Danea Armstrong Counseling			
	ESS Support Services			
	Friendly Fulks Hair Care			
	Goodell's Sports Emporium			
	Gypsies & Ginger Snaps			

	Home to Home	
	Hoppis Real Estate LLC	
	Inner Landscape Acupuncture	
	Iron Street Printing LLC	
	Juanita's	
	Kelly Rosebrock Photography	
	Khya Rice LMP	
	Lion Fortress Services	
	Mahnaz Lary MD	
	Orpheus LLC	
	P&G Collections	
	Prosudio	
	Red Rokk Interactive	
	Repair It	
	Salish Sea Conservation	
	SamChampion the Gear Doctor	
	Seifert & Jones Wine Merchants	
	Sole Graphics	
	Sown Designs	
	Soy House Restaurant	
	Spyglass Optik	
	The Hair Art Studio	
	The Loft At Latitude 48.5	
	The Wailing Goat Espresso	
	Two Dreamers	
	Vinostrology Wine Lounge & Merchant	
	Vizual Junkie	
	Whatcom Creek Archery	
	Wompmobile	
	Zazen Salon Spa	

City of Bothell				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of Jobs Created	Employee Benefits for Jobs Created
2012	HealthPoint Clinic	50	Unknown	Unknown
	McMenamins	Under const.	n/a	n/a
	University of Washington Bothell Sports & Recreation Complex	Unknown	Unknown	Unknown
	The Six Oaks	Under construction	n/a	n/a
2013	The Six Oaks	Under construction	n/a	n/a
	The Village at Beardslee Crossing	Under construction	n/a	n/a
City of Everett				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of Jobs Created	Employee Benefits for Jobs Created
2012	None	n/a	n/a	n/a
2013	None			
City of Federal Way				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of Jobs Created	Employee Benefits for Jobs Created
2012	None	n/a	n/a	n/a
2013	None			
City of Mount Vernon				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of All Jobs Created	Employee Benefits for Jobs Created
2012	None	n/a	n/a	n/a
2013	None			

City of Puyallup				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of All Jobs Created	Employee Benefits for Jobs Created
2012	Fairfield Inn	746	\$52,189 yearly	Not reported
	Hampton Inn Suites			
	GKC Inc.			
	Rue 21 Inc.			
	Gymboree Retail Stores, Inc.			
	Panera LLC			
	The TJX Companies Inc.			
	Marcheli Inc. (Mr. Jalapeno)			
	Eight Opportunities LLC (Aveda)			
	DEMI 777 LLC (Amante Pizza)			
	Foss Audio & Tint Inc.			
2013	South Sound Running	934	\$50,572	Not reported
	Wendy's			
	Retail Group LLC/Romy			
	Walt's Auto Care			
	Cinnabon			
	Scotty's Bar & Grill			
	Puyallup River Alehouse			
	BJ's Restaurant			
	Oki Japan			
	Taco Del Mar			
	Utah Jazz Retail			
Spokane County				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of Jobs Created	Employee Benefits for Jobs Created
2012	None	n/a	n/a	n/a
2013	None			
City of Vancouver				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of Jobs Created	Employee Benefits for Jobs Created
2012	None	n/a	n/a	n/a

2013	None			
City of Yakima				
	Names of Businesses Locating Within RDA	Number of Jobs Created	Average Wages of Jobs Created	Employee Benefits for Jobs Created
2012	None	n/a	n/a	n/a
2013	None			

Appendix A: Sample Reporting Form

Local Infrastructure Financing Tool (LIFT) Program Annual Report

January 1, 2013 through December 31, 2013

A recipient of a LIFT award must provide an annual report to both the Community Economic Revitalization Board (CERB) and the Department of Revenue (DOR) regarding the progress made on the project related to the LIFT award (RCW 39.102.140).

Please complete this form and return it (and any attachments) by **March 1, 2014** to both CERB and the DOR using the contact information listed below:

CERB/LIFT—Attn: Janea Eddy
Department of Commerce
1011 Plum Street SE
Post Office Box 42525
Olympia, Washington 98504-2525
Janea.Eddy@commerce.wa.gov

LIFT—Attn: Locke Craig-Michael
Washington State Department of Revenue
Post Office Box 47476
Olympia, WA 98504-7476
LockeC@dor.wa.gov

1. Sponsoring Government _____
Contact Name _____ Title _____
Email _____ Phone _____

Project Name _____
Start Date _____ Has Construction Started? _____
Date (or Anticipated Date) of Imposition of LIFT Tax _____

Please attach a project description to this report.

2. Please complete Table A and Table B regarding property tax allocation revenues and excise tax allocation revenues.

Table A -- Property Tax Allocation Revenues

Local Property Tax Allocation Revenues					State Property Tax Allocation Revenues	
	Sponsoring Local Jurisdiction <div></div>	Co- Sponsoring Jurisdiction (Name)	Other Participating Jurisdiction (Name)	Total		State of Washington
Property Tax Allocation Revenue Value*					Property Tax Allocation Revenue Value*	
Local property levy rates**					State property tax levy rate**	
Estimated Local Property Tax Allocation Revenues (multiply revenue value by levy rate)					Estimated State Property Tax Allocation Revenues (multiply revenue value by levy rate)	

Definitions:

* Property Tax Allocation Revenue Value is commonly referred to as "RDA value".

** Levy rates used to calculate Property Tax Allocation Revenues that will be received in calendar year 2014.

Instructions:

Participating Local Government - Add more columns if necessary

State Property Allocation Revenue is used for measurement purposes only.

Table B -- Excise Tax Allocation Revenues

Local Excise Tax Allocation Revenues					State Excise Tax Allocation Revenues	
	Sponsoring Local Government <div></div>	Co- Sponsoring Jurisdiction (Name)	Other Participating Jurisdiction (Name)	Total		State of Washington
Local excise tax allocation revenues received in calendar year 2013 – estimated annual increase in local excise taxes					State excise tax allocation Revenues received by the state in calendar year 2013	

3. What is the amount of local excise tax allocation revenues, local property tax allocation revenues, other revenues from local public sources, and taxes under RCW 82.14.475 received by the sponsoring local government during the 2013 calendar year that were dedicated to pay the public improvements financed in whole or in part with local infrastructure financing?

	Total Revenue Generated				Funds Expended	
	Sponsoring Local Government	Co-Sponsoring Jurisdiction (Name)	Other Participating Jurisdiction (Name)	Total Revenues Received	Pay As You Go	Dedicated to Bond Repayment
Local Property Tax Allocation Revenue (From Table A)						
Local Excise Tax Allocation Revenue (From Table B)						
Other revenues from local public sources (please identify specific revenue source and amounts separately)						
LIFT Tax Revenues (RCW 82.14.475)						
Totals						

4. List the names of any businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing.

Provide the total number of permanent jobs created in the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing.

Provide the average wages and benefits received by all employees of businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing.

5. Please provide a list of public improvements financed on a pay-as-you-go basis and by indebtedness issued under RCW 39.102 for each calendar year since the award was made:

2011	2012	2013

6. Please provide:

- a. Estimates of state excise tax allocation revenues since the approval of the award.
- b. State property tax allocation revenues since the approval of the award.
- c. Local excise tax increments received by the state since approval of the award.

7. Is the sponsoring local government in compliance with RCW 39.102.070? Yes _____ No _____

Appendix B: Required Reporting Elements

RCW 39.102.140

Reporting requirements. (Expires June 30,2044)

(1) A sponsoring local government shall provide a report to the board and the department by March 1st of each year. The report shall contain the following information:

(a) The amount of local excise tax allocation revenues, local property tax allocation revenues, other revenues from local public sources, and taxes under RCW [82.14.475](#) received by the sponsoring local government during the preceding calendar year that were dedicated to pay the public improvements financed in whole or in part with local infrastructure financing, and a summary of how these revenues were expended;

(b) The names of any businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing;

(c) The total number of permanent jobs created in the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing;

(d) The average wages and benefits received by all employees of businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing;

(e) That the sponsoring local government is in compliance with RCW [39.102.070](#); and

(f) Beginning with the reports due March 1, 2010, the following must also be included:

(i) A list of public improvements financed on a pay-as-you-go basis in previous calendar years and by indebtedness issued under this chapter;

(ii) The date when any indebtedness issued under this chapter is expected to be retired;

(iii) At least once every three years, updated estimates of state excise tax allocation revenues, state property tax allocation revenues, and local excise tax increments, as determined by the sponsoring local government, that are estimated to have been received by the state, any participating local government, sponsoring local government, and cosponsoring local government, since the approval of the project award under RCW [39.102.040](#) by the board; and

(iv) Any other information required by the department or the board to enable the department or the board to fulfill its duties under this chapter and RCW [82.14.475](#).

(2) The board shall make a report available to the public and the Legislature by June 1st of each even-numbered year. The report shall include a list of public improvements undertaken by sponsoring local governments and financed in whole or in part with local infrastructure financing and it shall also include a summary of the information provided to the department by sponsoring local governments under subsection (1) of this section.

(3) The department, upon request, must assist a sponsoring local government in estimating the amount of state excise tax allocation revenues and local excise tax increments required in subsection (1)(f)(iii) of this section.