



Local Infrastructure Financing Tool Program (LIFT)

2016 Biennial Report



June 2016
Report to the Legislature
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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 created in 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.

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 39.102.140 RCW 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>

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 \$1 million 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 & 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 committed 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 the Department of Revenue annually based on local progress reports. These annual “caps” and the amount distributed to date are reflected in Table 1 (page 8).

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	\$2,781,676
City of Bothell	2008	2014	\$1,000,000	\$2,000,000
City of Everett	2008	Not yet implemented	\$500,000	\$0
City of Federal Way	2008	2013	\$1,000,000	\$2,760,493
City of Mount Vernon	2009	Not yet implemented	\$500,000	\$0
City of Puyallup	2009	2010	\$1,000,000	\$6,000,000
Spokane County	2008	2010	\$1,000,000	\$4,893,923
City of Vancouver	2008	Not yet implemented	\$500,000	\$0
City of Yakima	2009	2011	\$1,000,000	\$3,651,527
Totals			\$7,500,000	\$22,087,619

**Distributions as of December 31, 2015*

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

PROJECT HISTORY

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 (GP). 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 construct 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 the City land for parks, public space, and right-of-ways. 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.

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

1. Promoting mixed-use redevelopment that will help generate new family-wage jobs;
2. 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;
3. Helping reduce traffic congestion by allowing more people to live near where they work;
4. Facilitating remediation of environmental contamination within the site to a standard suitable for mixed-use redevelopment;
5. Facilitating the creation of valuable near shore habitat;
6. Allowing Western Washington University to expand programs and establish a more visible presence in Bellingham; and
7. Demonstrating Bellingham's commitment and ability to provide public access to the waterfront and to promote environmentally sustainable redevelopment.

2015 UPDATE TO WATERFRONT PROJECT STATUS

Progress continues on Bellingham's redevelopment of the waterfront. The Port of Bellingham entered into a Master Developer Agreement with Harcourt. Harcourt has submitted permits for the renovation of the historical Granary Building as the gateway project. The Port and Harcourt continue to actively pursue redevelopment and business opportunities for both mixed use and light industrial users and tenants in the Waterfront District.

The Consent Decree and Cleanup Action Plan for the Cornwall Site was completed (including public comment) in 2014. The completion of the Engineering and Design Report is expected in 2015. On the adjacent property, the R.G. Haley Site, the Remedial Investigation and Feasibility Study was completed in November 2015, and will be published in its final form on February 1, 2016.

ENGINEERING PROJECT UPDATE for 2015

Project: WF1001 – Granary and Laurel Streets

This project will construct Granary and Laurel Streets: new arterial roadways from Roeder Avenue to Cornwall Avenue, will serve as the primary access through the center of the redeveloped waterfront district. Appropriate utilities will be installed within the new street.

Accomplishments: Refined alignment of Granary Avenue to Laurel and completed transportation modeling and concept layouts; detailed design.

Next Milestone: Complete 90% design and begin permitting.

Project: Waterfront Utility Master Plan

Beyond the City’s standard utility planning (water, sewer, and stormwater systems), the City will evaluate the feasibility of district-level systems, including district-energy, small-scale hydro, and non-potable water. The overall planning effort is focused on the district south of Whatcom Waterway; the district-level systems are focused in the densest planned Downtown Waterfront Area.

Accomplishments: Preliminary feasibility report completed. Confirmed inclusion of district non-potable (irrigation) system.

Next Milestone: Completion of Utility Master Plan. Confirm development of small-scale hydro and district energy. Incorporation with design of Granary and Laurel Streets. Detailed utility layout and design.

Project: ER-0013 – Chestnut/Bay at RR Bridge Rehabilitation

This project consists of rehabilitating the deteriorated L-shaped bridge which spans the railroad tracks at the Chestnut Street/Bay Street/Roeder Avenue intersection. The rehabilitation will remove existing load restrictions on the bridge structure and improve truck route access from the waterfront. The City secured \$2,600,000 of federal dollars for this project. Project design is complete, and the project was put out to bid in February 2015.

Accomplishments: Completion of the project.

Project: Cornwall Beach Park Master Plan

The park master plan was completed and adopted by the Bellingham City Council. A conceptual near shore habitat plan was added to the project scope. The master plan will be considered in the Cornwall Avenue Landfill and RG Haley site construction documents. Implementation of the park master plan (park build-out) is scheduled several years out (after RG Haley and Cornwall Avenue Landfill cleanups are complete).

Accomplishment: Coordinated with Port and City on Cleanup Design.

Next Milestone: Engineering and Design final park design will proceed following the cleanup of Cornwall Avenue Landfill and RG Haley sites.

Project: Whatcom Waterway Park

This project will construct Whatcom Waterway Park. Actual build-out is anticipated to be phased. As currently scoped, this project is contingent upon completion of Whatcom Waterway and GP West cleanup.

Accomplishments: Refined park acreage and first phase of construction. Began final design and permitting for phase 1.

Next Milestone: Complete design and permitting of phase 1.

Project: ASB Interim Trail

The City and Port negotiated a license agreement for an interim public trail connection between Bellwether Way and the ASB Marina Trail. Construction was completed and the trail opened in July 2015.

Accomplishments: Completion of Project.

REVENUE DEVELOPMENT AREA

Bellingham's Revenue Development Area (RDA) was established with the Community Economic Revitalization Board's (CERB) approval of City's application in September 2006.

Bellingham's base year, 2007, produced \$314,096 of RDA sales tax revenue and \$634,028 in new construction assessed valuation. The sales tax revenue for 2015 was \$581,878. In addition, the property tax allocation value in the RDA was \$19,741,060.

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

The Bothell Crossroads Project aligned State Route (SR) 522 south of its previous route 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, stream mitigation, and erosion control was described in the City's LIFT proposal. The Project is also a **GreenRoads™ Pilot Project**. The total estimated cost of this project was \$53,203,000.

MAJOR 2009-2015 RDA DEVELOPMENTS:

2009-2010 - Pop Keeney Stadium

Completed renovating a 40-year old Pop Keeney Stadium, which includes updates to field lighting, replacement of the field turf and visitor stands stadium with a capacity of 4,500, as well as the construction of locker rooms, restrooms, and concession facilities. Located in downtown Bothell, seating capacity is 4,438, and it has 501 on-site parking spots.

2012-2013 - The 104 Development

Opened in 2013 and is a modern-style apartment building featuring 115 units on three floors.

2012-2014 - UW Bothell Science and Academic Building

Expansion is also occurring on the University of Washington Bothell campus. UW Bothell is the fastest-growing campus and the largest branch campus in Washington. In addition to recent construction of sports fields and a conservatory, construction of a \$68,000,000 science and math building opened for classes in the fall of 2014. This building addition allows the campus to serve another 1,000 full-time students.

2013-2014 - The Six Oaks

Opened in 2014. The development includes 203 apartments and 6,300 square feet of ground floor retail that will include the Amaro Bistro.

2014-2015 - The McMenamins Development

Renovated Bothell's Anderson School, built in 1931 as Bothell Junior High school. Comprised of four buildings across 5.41 acres, the development will include 72 hotel rooms with private baths, restaurants, small bars, on-site brewery, two first-run movie theaters, and an updated swimming pool. Final occupancy was approved in October 2015.

2014-2015 - University of Washington Bothell Student Activity Center (SAC)

Partners with Cascadia Community College constructing a 34,000 square foot, three-story, \$11,800,000 building. Construction is in progress and is slated to open fall of 2015.

2014-2015 - Bothell City Hall

Located adjacent to the old City Hall site and the recently constructed Police and Court facilities, the new City Hall facility includes a three level below grade parking garage, and a four-story office building above. The building was completed and the City began occupancy in late October 2015.

MAJOR 2016-2017 RDA DEVELOPMENTS:

2014-2016 - The Parkhurst Bothell (FKA Bothell Heights)

Constructing 59 single-family homes located near the University of Washington Bothell and Cascadia Community College campuses. All 59 homes are currently on the market to be sold by the end of 2016.

2012-2016 - The Village at Beardslee Crossing

Located near the UW Bothell and Cascadia Community College, this is a mixed-use development that includes 450 apartment units and 52,000 square feet of retail space. The development includes restaurants and a new fitness facility. Pre-leasing is taking place now. The fourth and final building containing 158 residential units is nearing completion with anticipated occupancy early summer 2016.

2015-2016 - Mercantile Building II LLC

Began construction in the summer of 2015 and is an apartment building featuring 122 units located near Main Street and 102nd Ave NE. Anticipated occupancy in late 2016.

2015-2016 - Swedish Crest Apartments

Began construction in 2015 and is an apartment building featuring 53 units, located near Main Street and 102nd Ave NE. Anticipated occupancy in late 2016.

2016-2017 - The Junction (FKA Lot L)

Located in adjacent to the McMenamins development, this is a 50,000 square foot development that is a three-story, 130 residential apartment units over two-story parking and retail. The review is currently on-going. Anticipated occupancy end of 2017.

2016-2017 - The Boulevard Place

Located on Bothell Way NE, this is a 356,000 square foot mixed-use development that is a \$40,600,000 five-story, 292 unit senior housing complex over two-story parking and retail. The final design review is currently on-going. Anticipated occupancy end of 2017.

Project Profile: City of Everett Riverfront Revenue Development Area

LIFT Award: Up to \$500,000 per year for 25 years
Year LIFT Tax Imposed: LIFT TAX NOT YET IMPOSED

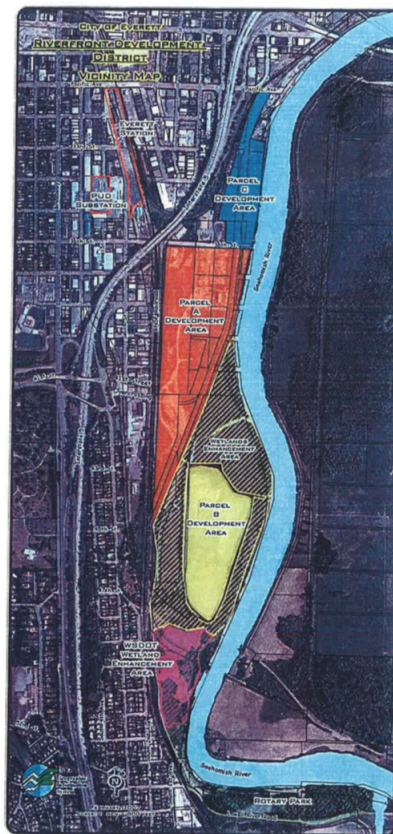
Project Description

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 (see attached map). 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.

Project Status

During 2013 the city's developer, Oliver McMillan, sold the property to Polygon Northwest. 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.

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. Polygon has started the grading work for the residential development on Parcel B and completed an EIS Addendum for the parcel. The City has developed a commercial strategy for Parcel A and have committed to meet all of the timelines that continue from the original agreement with Oliver McMillan.



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, multi-story, 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 multistory developments.

The Federal Way LIFT project will leverage up to a \$1,000,000 million per year in State funds over the 25-year program period, resulting in up to \$35,000,000 in total funding for these infrastructure improvements.

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. 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 RFQ/RFP in 2011, and a new project was proposed. That project appears similarly to face 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 2 acres) dedicated to a highly amenitized urban plaza, and the other site being made available for modestly scaled (no more than mid-rise) 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, 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 since that time. 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 over the next couple of years.

Redevelopment of The Commons Mall: a project that encompasses transformational redevelopment of the existing auto-oriented shopping mall, with introduction of new public street(s), parking, open spaces, etc.

The Commons Mall has emerged from the “Great 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. At present there is no interest in more aggressive redevelopment, as initially contemplated above. 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/Events Center): In 2010, after many years of planning, the City purchased a 4-acre site to house a performing arts and conference center. In 2011, the City conducted a concept study of the space needs, adjacencies, and development cost estimates. In 2012, the City issued an 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. At this time, the Federal Way Performing Arts and Event Center (PAEC) is a 45,400 square foot multifunctional facility that includes a 716-seat auditorium, a mezzanine level patron’s room, two-1,600 square feet meeting rooms, a grand lobby that can combine with the meeting rooms to support conference events of 400 people, 180 surface parking stalls, and off-street frontage improvements on South 314th Street and South 316th Street. Back of house support includes a full-service kitchen, dressing rooms, office space, storage, loading docks for the needs of both the stage, and the kitchen. Construction of the \$32,000,000 facility started on October 27, 2015, and the project is projected to be completed during the summer of 2017. On November 26, 2014, the City issued a \$8,209,906 of general obligation bond anticipation notes with KeyBank to acquire the Target property. The funds were used to purchase the old Target property for downtown development, which borders PAEC. The bond will be paid off with the sale of the land in three years. Currently the bond calls for interest-only payments at 1.5%.

The City is contemplating the 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, storm water detention, etc.

Between currently proposed, emerging, and potential redevelopment projects within the City Center RDA, the City anticipates the following break-down of new development:

Land Use	Amount	Net Jobs
Residential:	1,500 dwelling units	--
Retail:	1,500,000 SF	3,347
Commercial/Office:	700,000 SF	1,765
Hotel:	1,200 rooms	730
Civic/Cultural/Educational:	200,000 SF	243
TOTAL:	--	6,086

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: LIFT TAX NOT YET IMPOSED

PROJECT DESCRIPTION

The City has commenced a comprehensive redevelopment plan for its downtown area. The goal of this planning effort was to guide the investment of public and private resources in the downtown area over the next 20 years. The City is creating a vibrant, attractive, safe waterfront, and downtown, with enhanced public access to the river. Including 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. A key component of this plan is to provide the City's downtown area with 100-year flood protection. The threat of flooding poses a major barrier to investment in the downtown area.

The City completed Phase II of the flood control project in October 2014, which has already provided for enhanced access to the river with the new Skagit Riverwalk promenade and the completion of the 30,000 square foot Skagit Riverwalk Park Plaza adjoining the riverwalk in the heart of downtown. Phase IIIA of the flood control project is substantially complete as of February 2016. Additionally, the downtown restroom project will be completed in March 2016.

The following list of LIFT project elements, exclusive of the flood protection element, have been identified as part of the Downtown and Waterfront Area improvements.

Structured Parking: Construction of a 350 - 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. Construction of the final element of the flood project (Phase IIIB) will begin in Spring 2017 with an estimated 12 month construction cycle. Preliminary work on the parking garage, land acquisition and preliminary design will begin in 2016, with construction of the parking structure beginning in 2017.

Waterfront Riverwalk, Urban Trail and other Park Facilities: A 25-foot pedestrian riverwalk was constructed and completed in October 2014, which runs along the river adjacent to the downtown. The north end of the riverwalk connects to a multi-purpose trail which continues further north. After completion of the third and final phase (IIIB) of the flood control element, the riverwalk will connect on the south end to a multi-purpose trail which will continue further south along the east side of the river.

Other park amenities include the Skagit Riverwalk Park plaza completed in October 2014. Although the riverwalk, park plaza, and restrooms are LIFT eligible costs, the City has funded these capital components using other means, keeping the primary focus of the LIFT financing on the structured parking facility.

Developers have indicated strong interest in moving forward with private development of mixed use construction in the downtown and waterfront area. The City anticipates that the new private development, in conjunction with the removal of the flood threat, will result in redevelopment projects in the Downtown RDA.

PROGRESS TO DATE/PROJECT SCHEDULE

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

- July 2007: Final Environmental Impact Statement on the flood control project was completed.
- June 2008: Final Master Plan for the Waterfront Area and Downtown Project was adopted in.
- July 2008: Downtown Parking Garage Feasibility Study was finalized.
- July 2008: The NEPA process for the flood control project was completed.
- 2010: Phase I of the flood structure and riverwalk were completed.
- August 2010: The City received a Conditional Letter of Map Revision (CLOMR) from FEMA, a critical achievement for the flood control project and future development of our downtown area. The purpose of a CLOMR was to receive confirmation from FEMA that our flood control project, as designed, would remove the downtown from the 100-year flood plain.
- October 2014: Phase II of the flood structure, riverwalk and park plaza were completed.
- March 2016: The public restrooms, phasing the new park plaza, are currently under construction.
- February 2016: Phase IIIA of the flood structure was substantially completed.
- Late 2016: Preliminary design of the parking facility will begin.
- Spring 2017: The City will begin construction of Phase IIIB, the final phase of the flood structure, with a 12-month construction window.
- 2018: Construction of the parking facility scheduled begin.

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

- The City of Mount Vernon has been certified as a Community Development Entity (CDE) which allows the City to receive New Market Tax Credits from other agencies. New Market Tax Credits provide an additional financial incentive and attraction for private development in the RDA. The City anticipates applying for New Market Tax Credits through the U.S. Treasury again.
- A development firm completed a study of the downtown area in 2010 outlining development opportunities, available lands, and potential sites for initial private development. The three specific projects 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: envision a series of storefronts, containing small retail businesses, business support establishments and art galleries, or professional offices. Above street level residential units.
- The Main Street waterfront site will be ripe for development upon completion of the flood control project.
- Privately owned downtown sites are expected to be developed/redeveloped at a fairly rapid pace upon removal of the flood threat and related development barriers.

Project Profile: City of Puyallup

Puyallup Revenue Development Area

BACKGROUND

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

Year LIFT Tax Imposed: 2010

Puyallup's long-term goal is to utilize multiple strategies, including downtown redevelopment and various infrastructure upgrades, throughout our Revenue Development Area (RDA). 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 Revenue Development Area 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 use space on today's downtown surface parking lots.

Progress - the City continued efforts in this regard:

- Parking management: The City continues to monitor and manage public downtown parking resources, including its on-street parking restrictions to maximize usage for local businesses and residents. This year involved significant coordination with Sound Transit on its "ST2" station access planning, which is allocated to enhance long-term parking/access issues in the downtown Sounder Station vicinity. The Sound Transit Board recommended a preferred Station Access package for Puyallup, including a multi-story parking garage, based upon a recommendation from the Puyallup City Council.
- Business developmentS: Several new businesses opened in the downtown core, including two popular new restaurants.
- Administrative Office Building (AOB) lot/3rd Street corridor: Over the past two years, this multi-block street/utility project moved forward, with final construction and landscaping concluding in 2014.

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

Progress - The City continues to document and improve routes for fiber connectivity on a local and regional basis.

The City is currently working on completing a fiber run between the intersections of River Road and Meridian to 31st Ave South and Meridian, within the RDA. The strategy is to enhance what they have and add conduit via public works street projects, which is more cost effective than installing conduit as separate projects. Discussions are also in progress to add language to City policies 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.

Progress - Over the past two years, 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.

In 2014, the City also filled-in a prior gap in a key pedestrian walkway by constructing almost 200 feet of new sidewalks along the north side of 43rd Avenue SE immediately east of 5th Street SE, within the RDA. This new sidewalk provides a much safer walking route for adjacent multi-family housing. Lastly, in 2014-2015, the City is installing new flashing beacon sidewalk signals at numerous pedestrian crossings throughout the City, including the RDA.

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

Progress - 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 (2015) re-overlay of 39th Avenue SE between Shaw Road-10th Street SE, is utilizing LIFT funding and will include pervious concrete sidewalks.

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

Progress - As noted above, funding has been secured for the aforementioned re-overlay of the 39th Avenue SE roadway. That 2015 street project will include the entire 39th Avenue frontage of/entrance to Pierce College, including sidewalk upgrades, thus enhancing access to that education site.

6. Pierce Transit connector service

Progress - For the past few years, as Pierce Transit service levels were cut back during the recession, the City coordinated with Pierce Transit on implementing a demonstration "community connector" shuttle service.

That connector service (aka Route 495) began in 2014, and enhanced transit service for all portions of the RDA, including South Hill, downtown, and points in-between (e.g., Good Samaritan hospital). At this time, Pierce Transit is currently assessing whether that connector route will remain throughout 2015.

The key long-term goals for the City's Revenue Development Area, 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 which 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 who will need to transition into the private sector.

These objectives are being implemented via continued successful investment - public and private - in these initial years of the City's LIFT grant. Principal among these is the Good Samaritan Hospital expansion project, a multi-year campus project within the RDA involving an approximately \$400,000,000 private investment in new health care facilities and supporting infrastructure.

Examples of other current/recent RDA development include:

- Benaroya South Hill Business & Technology Center development - tenant improvements to accommodate two new major employers at the Benaroya site occurred in 2013-2014. In 2014, Benaroya also did permit planning for further tenant improvements to their large, unleased, South Building.
- Western Institutional Review Board (WIRB), a medical testing/verification firm, moved approximately 225 employees to the site at the end of 2013. In 2015, they were making a small expansion in their floor area, due to an expected staff increase.
- TriWest Healthcare Alliance, a company which services Veteran's Administration TriCare health care customers, commenced operations on the campus in January 2014, with 50 new employees. That job number increased to over 110 employees by the end of 2014; TriWest is expected to add an additional 100 employees by late 2015.

Additional ongoing RDA private redevelopment include:

- Continued tenant improvements/new occupancies in the 30th-Meridian office complex's already-constructed Buildings #1 and #2, with permits approved in 2014 for a new 27,000 square foot Office Building #3, to be constructed in 2015.
- Completion of occupancy of the 80,000 square foot Eerdman's medical office building on the Good Samaritan campus.
- Tenant improvements for multiple new retail establishments within the RDA, including multiple retail tenant spaces within the South Hill Mall.
- Major remodels to several new and existing restaurants within the RDA.
- Various remodels and upgrades at the Puyallup Fair & Events Center.

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

BACKGROUND

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. Increment Area 2005-01 has a 2005 (Assessment Year) Base Year and a 2006 (Assessment Year) Increment Year.

Since establishment of Spokane County Increment Area 2005-01 and the approval of the River District RDA, approximately \$5,293,982 of public infrastructure, intended to be financed by LIFT on a “pay as you go” basis, has been constructed. These improvements are shown in the following Table 1.

Project Description	Year Constructed	Year LIFT Financed	Project Cost
Bitterroot Street			
Street, Lighting & Landscaping	2007	2011	\$ 239,689
Storm Drainage	2007	2011	\$ 11,660
Sewer	2007	2011	\$ 45,173
Water	2007	2011	\$ 89,063
Sewage Lift Station	2008	2011	\$ 150,000
I-90 Waterline Crossing Sleeve	2011	2012	\$ 84,000
I-90 Waterline	2011	2012	\$ 440,000
The Courtyard at Bitterroot Infrastructure			
Street, Lighting & Landscaping	2012	2012	\$ 33,000
Water and Sewer	2012	2012	\$ 176,300
Harvest Parkway – Street, Water, Sewer	2013	2015	\$ 833,995
Harvard Road Roundabout	2013	Est. 2016	\$ 610,000
Harvard Road Sewer Lift Station	2014	Est. 2016	\$ 804,213
Wellington Road Infrastructure (Trutina)	2015	Est. 2016	\$ 973,998
River Crossing North Infrastructure	2015	Est. 2016	\$ 551,916
Indiana Infrastructure	2015	Est. 2016	\$250,975
Total To Date			
			\$ 5,293,982
Source: Greenstone , City of Liberty Lake			

The public improvements listed in Table 1, together with other public infrastructure not funded through LIFT, have encouraged private investment that has contributed to increased taxable valuation within the River District TIF Increment Area and RDA.

Table 2 lists the annual River District RDA taxable valuation and tax distribution since formation of the TIF Increment Area 2005-01.

			Tax Distribution								
Assessment Year	Tax Year	Taxable Valuation	Spokane County Library District	Spokane County General	Conservation Futures	Spokane Valley Fire Dist. 01	City of Liberty Lake	Spokane County Roads	State	River District Increment Area	Total
2005	2006	61,056,253	Base Year								
2006	2007	87,736,370	21,596.00	88,878.23	4,278.24	83,507.48	42,926.94	62,235.66	192,474.65	89,297.18	585,194.38
2007	2008	128,574,460	4,757.28	92,594.29	5,664.73	117,466.35	107,229.34	13,472.60	248,848.22	216,308.63	806,341.44
2008	2009	153,918,180	4,924.12	97,154.82	3,626.59	122,074.06	111,040.77	13,984.66	295,870.68	289,395.62	938,071.32
2009	2010	167,301,845	4,900.00	102,157.51	3,777.47	131,606.41	120,578.98	13,946.59	336,586.02	339,735.05	1,054,288.03
2010	2011	166,936,709	5,461.32	100,650.25	3,903.57	132,510.16	133,266.28	13,426.82	375,930.35	354,648.61	1,119,797.36
2011	2012	163,876,080	5,436.33	102,120.01	3,958.24	130,146.35	137,563.67	13,882.88	384,350.67	354,367.04	1,131,825.18
2012	2013	164,937,980	5,359.50	107,985.11	4,136.89	130,552.78	138,861.45	17,000.31	403,297.31	364,665.64	1,171,858.99
2013	2014	177,614,930	5,338.06	118,462.82	4,295.12	136,459.41	145,397.94	18,082.40	423,317.05	408,591.64	1,259,944.44
2014	2015	190,046,390	5,411.31	137,059.91	4,386.28	140,963.35	146,616.44	18,192.39	431,778.27	462,787.34	1,362,408.73
2015	2016	206,054,230	5,373.54	139,595.74	4,434.50	143,933.90	148,799.76	17,998.31	433,885.22	507,679.45	1,401,700.42

Note: For Tax Year 2016, values shown are preliminary and are subject to change due to valuation appeals and other adjustments. Source: Spokane County Assessor/Treasurer

The River District contained 15 existing businesses at the time of the RDA formation and LIFT application approval. River District businesses existing at the time of RDA approval is documented by Spokane County.

The River District total taxable sales and distributed sales and use taxes are shown in Table 3.

Calendar Year	Total Taxable Sales	Total Tax (8.7%)	State (6.5%)	Local (2.2%)	Spokane County (0.15%)	City of Liberty Lake (0.85%)
2008	\$ 44,877,392.75	\$ 3,904,333.17	\$ 2,917,030.53	\$ 987,302.64	\$ 1,179.29	\$ 376,463.97
2009	\$ 51,204,857.99	\$ 4,454,822.65	\$ 3,328,315.77	\$ 1,126,506.88	\$ 5,434.46	\$ 425,454.42
2010	\$ 51,218,371.00	\$ 4,455,998.28	\$ 3,329,194.12	\$ 1,126,804.16	\$ 76,827.56	\$ 435,356.15
2011	\$ 65,520,626.01	\$ 5,700,294.46	\$ 4,258,840.69	\$ 1,441,453.77	\$ 98,280.94	\$ 556,925.32
2012	\$ 76,589,264.97	\$ 6,663,266.05	\$ 4,978,302.22	\$ 1,684,963.83	\$ 114,883.90	\$ 651,008.75
2013	\$ 94,271,432.29	\$ 8,201,614.61	\$ 6,127,643.10	\$ 2,064,544.37	\$ 139,993.08	\$ 793,294.10
2014	\$ 98,797,892.85	\$ 8,595,416.68	\$ 6,421,863.04	\$ 2,163,673.85	\$ 146,714.87	\$ 831,384.27
2015	\$ 112,699,710.16	\$ 9,804,874.78	\$ 7,325,481.16	\$ 2,468,123.65	\$ 167,359.07	\$ 948,368.06

Sources: Spokane County, Frost Consulting, Greenstone, City of Liberty Lake Note: Local amounts reflect applied credits and administrative fees

2015 ACTIVITIES

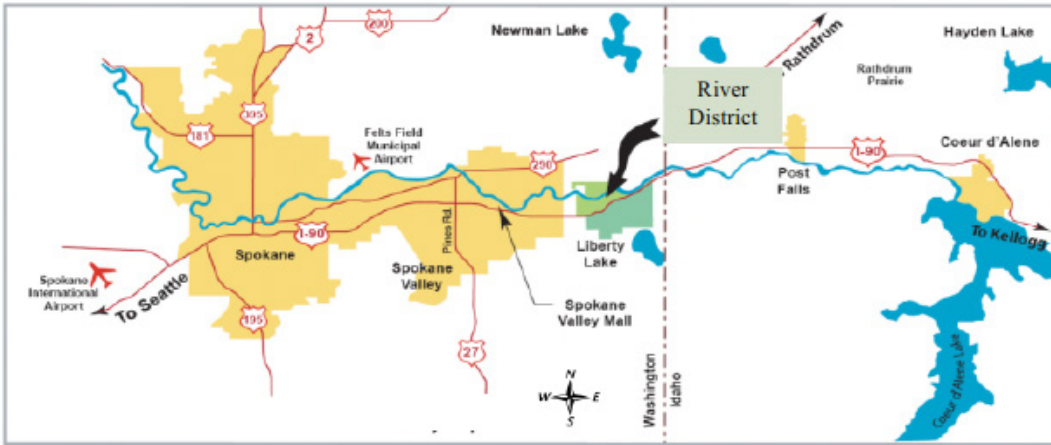
River Crossing, LLC constructed the necessary infrastructure to develop 34 additional acres within the RDA. Approximately 7,600 lineal feet of public streets, 17,600 lineal feet of water line, and 22,352 lineal feet of sewer was constructed during 2015.

Development planning continues to be a major emphasis as the project developer positions the River District for additional infrastructure design and construction. Special emphasis is being given to transportation elements critical to the success of the River District.

The Washington State Transportation Department (WSDOT) is conducting an Interchange Justification Report (IJR) for the Barker Road Interchange, just west of the River District Site. WSDOT commenced an IJR for the Harvard/Greenacres Interchange in 2014 and although expected to complete the process in late 2015, the process is continuing. Transportation funding for I-90 from Barker to Harvard is crucial to the successful development of the River District. Partial funding by LIFT of a reconstructed interchange at Harvard/Greenacres is envisioned.

PROJECT DESCRIPTION SUMMARY

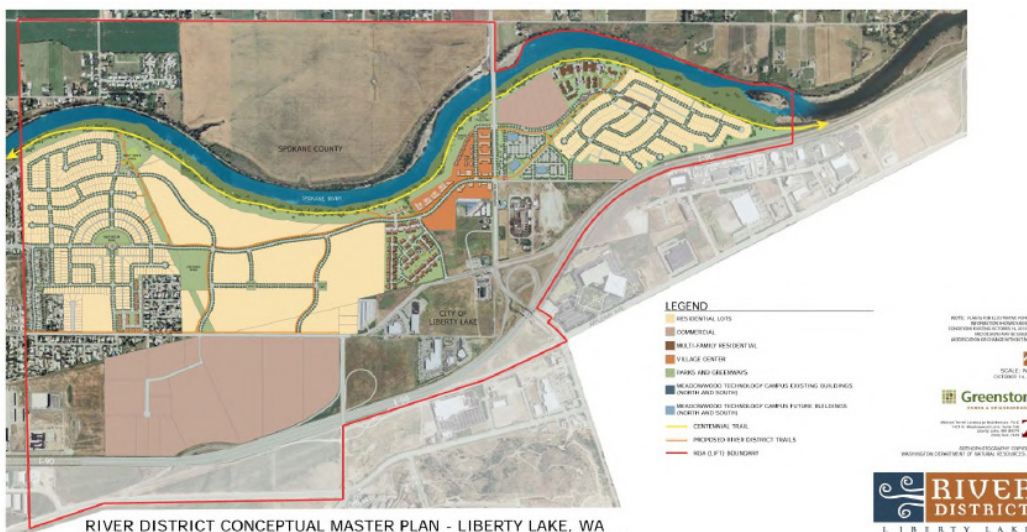
The River District at Liberty Lake is a planned mixed-use development on approximately 1,000 acres contained within the 1,540 acre River District RDA.



As an urban density mixed-use center, River District will incorporate, upon full development, over 4,400 residential units, 2.5 million square feet of office, commercial and industrial space, over 150 acres of public, and private parks and open space. Public infrastructure anticipated to be funded by LIFT, and conforming to the Comprehensive Plans of Spokane County and the City of Liberty Lake, is shown in Table 4.

Infrastructure Description	Estimated Cost
Arterial Streets, Lighting, Landscaping & Signalization	\$ 10,000,000
Interstate 90 Access/Bridge Improvements	\$ 16,000,000
Stormwater	\$ 4,000,000
Transit Parking	\$ 2,500,000
Parks & Trails	\$ 29,900,000
Water Distribution Improvements	\$ 4,100,000
Wastewater Collection Mains & Lift Stations	\$ 3,500,000
Wastewater Reuse	\$ 2,000,000
Total	\$ 72,000,000

An updated Master Plan for the development of the River District RDA.



Project Profile: City of Vancouver Riverwest Revenue Development Area

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

Year LIFT Tax Imposed: LIFT TAX NOT YET IMPOSED

The Riverwest project, the City of Vancouver's LIFT 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 Boulevard and C Streets.

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 \$15,000,000.

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

The library building has been completed. As of February 27, 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, announced that the Riverwest development would be put on hold due to a decline in regional and national economic conditions.

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 Cascade Mill Development Project involves redevelopment of the 225-acre mill site into a mixed use, regional commercial, business park, light industrial, and entertainment area. Once completed, the area is expected to generate over 4,500 jobs, \$337,000,000 in private sector investment and add over \$426,000,000 in new tax revenue over 30 years.

The planned LIFT funded project consists of potential bonding of up to \$50,000,000 in public infrastructure for utilities and streets, contribution to a modification of the I-82 & Yakima Avenue interchange to improve freeway access to the site, and environmental clean-up of a former municipal landfill.

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

- 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. The City has since contracted with an urban economist to assist in the development of more detailed land use recommendations for the property.

Project Revenue

The following tables demonstrate estimated tax allocation revenues in the RDAs as reported by the nine jurisdictions administering LIFT projects for calendar years 2014 and 2015. Some minor calculation errors in the project reports have been corrected by CERB and DOR staff and these corrections are reflected in the following tables.

Table 2: 2014-15 Estimated Property Tax Allocation Revenues as Reported by LIFT Jurisdictions

LIFT Recipient	Award Year	Local Property Tax Allocation Revenues		State Property Tax Allocation Revenues	
		2014	2015	2014	2015
City of Bellingham	2007	\$37,011	\$42,488	\$45,464	
City of Bothell	2008	\$456,059	\$541,846	\$738,283	\$881,072
City of Everett	2008	\$0	\$0	\$0	\$0
City of Federal Way	2008	\$11,198	\$11,198	\$20,512	\$20,512
City of Mount Vernon	2009	\$0	\$0	\$0	\$0
City of Puyallup	2009	\$327,537	\$328,357	\$439,738	\$419,374
Spokane County	2008	\$0	\$0	\$0	\$0
City of Vancouver	2008	\$0	\$0	\$0	\$0
City of Yakima	2009	\$36,003	\$35,577	\$26,098	\$29,385
Totals Reported		\$867,808	\$959,466	\$1,270,095	\$1,350,343

Minor calculation errors in the project reports have been corrected by CERB and DOR staff.

Table 3: 2014-2015 Excise Tax Allocation Revenues as Reported by LIFT Jurisdictions

LIFT Recipient	Award Year	Local Excise Tax Allocation Revenues Received by Year		State Excise Tax Allocation Revenues by Year	
		2014	2015	2014	2015
City of Bellingham	2007	\$244,328	\$267,781	\$1,877,591	\$2,057,858
City of Bothell	2008	\$2,848,790	\$2,215,580	\$18,517,135	\$14,401,270
City of Everett	2008	\$13,287	\$50,229	\$98,381	\$371,902
City of Federal Way	2008	\$287,112	\$55,136	\$2,217,741	\$425,889
City of Mount Vernon	2009	\$0	\$0	\$0	\$0
City of Puyallup	2009	\$658,778	\$836,213	\$5,088,601	\$6,459,163
Spokane County	2008	\$608,724	\$666,953	\$3,433,579	\$4,318,827
City of Vancouver	2008	\$0	\$0	\$0	\$0
City of Yakima	2009	\$403,089	\$591,641	\$2,120,517	\$4,693,178
Totals Reported		\$5,064,108	\$4,683,533	\$33,353,545	\$32,728,087

Minor calculation errors in the project reports have been corrected by CERB and DOR staff.

Table 4: 2014-2015 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 2014-2015	Funds Expended Pay As You Go	Funds Expended for Bond Repayment
City of Bellingham	\$79,499	\$512,109	\$0	\$2,291,488	\$2,883,096	\$4,676,504	\$0
City of Bothell	\$1,000,906	\$5,064,370	\$28,048,243	\$2,000,000	\$36,113,519	\$28,048,242	\$2,328,040
City of Everett	\$0	\$385,189	\$8,058	\$0	\$393,247	\$1,875,533	\$0
City of Federal Way	\$22,396	\$342,248	\$3,345,231	\$2,349,073	\$6,058,948	\$820,231	\$0
City of Mount Vernon	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Puyallup	\$655,894	\$1,494,991	\$2,004,654	\$1,983,375	\$6,138,914	\$4,692,447	\$0
Spokane County	\$0	\$0	\$2,000,000	\$2,492,321	\$4,492,321	\$2,000,000	\$0
City of Vancouver	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Yakima	\$71,580	\$994,730	\$2,774,188	\$2,087,922	\$5,928,420	\$1,886,892	
Totals	\$1,830,275	\$8,793,637	\$38,180,374	\$13,204,179	\$62,008,465	\$43,999,849	\$2,328,040

Minor calculation errors in the project reports have been corrected by CERB and DOR staff.

*Available the year after the tax is first imposed.

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 2014 and 2015, several jurisdictions reported projects under construction of public improvements under the LIFT statute (39.102 RCW), as detailed in Table 5 below.

Table 5: 2014-2015 Public Improvements	
City of Bellingham	
2014	<ul style="list-style-type: none"> • Granary / Bloedel Avenue preliminary design • Utility Master Plan feasibility study • Cornwall Beach Master Plan • Consent Decree for Cornwall Beach • Chestnut/Bay at Railroad Bridge Rehabilitation • Breakwater Trail
2015	<ul style="list-style-type: none"> • Granary / Bloedel Avenue preliminary design • Utility Master Plan feasibility study • Cornwall Beach Master Plan • Chestnut/Bay at RR Bridge Rehabilitation • Breakwater Trail
City of Bothell	
2014	<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 • Bridge at Park at Bothell Landing • SR 522 • Bothell Crossroads • Multiway Boulevard Phase 1 and 2 • Main Street Extension and Enhancement • Downtown Contaminated Soil Clean Up • Pop Keeney Way • Downtown Revitalization Sewer, Storm, and Water Utility Improvements • Horse Creek Improvements • Sammamish River Side Channel Restoration

2015	<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 • Bridge at Park at Bothell Landing • SR 522 • Bothell Crossroads • Multiway Boulevard Phase 1 and 2 • Main Street Extension and Enhancement • Downtown Contaminated Soil Clean Up • Pop Keeney Way • Downtown Revitalization Sewer, Storm, and Water Utility Improvements • Horse Creek Improvements • Sammamish River Side Channel Restoration
City of Everett	
2014	LIFT TAX NOT YET IMPOSED
2015	LIFT TAX NOT YET IMPOSED
City of Federal Way	
2014	<ul style="list-style-type: none"> • None
2015	<ul style="list-style-type: none"> • PAEC - Infrastructure • Downtown Parks - Park Facilities
City of Mount Vernon	
2014	LIFT TAX NOT YET IMPOSED
2015	LIFT TAX NOT YET IMPOSED
City of Puyallup	
2014	<ul style="list-style-type: none"> • 39th Avenue SE Extension Road and Storm • 3rd Street Improvements • SR 161 Safety Improvements • 39th Avenue SE Overlay, 10th to Shaw • 23rd Avenue SE , Meridian to 9th • 7th Avenue SW & City wide safety • South Meridian Overlay • Pioneer Park - Splash Pad & Play Equipment • South Hill Mall gravity station • 4th Avenue SE Water Main replace • Street Improvements for car wash

2015	<ul style="list-style-type: none"> • SR 161 Safety Improvements • 39th Avenue SE Overlay;10th to Shaw • 23rd Avenue SE; Meridian to 9th • 9th Avenue SW; Meridian - 5th Street SW • 7th Avenue SW-Citywide Safety Improvements • South Meridian Overlay Project • 9th Street SW/River Road Safety Improvements • Citywide Flashing Yellow Arrows • Pioneer Park Splash Pad/Play Equipment • Emergency Repair-South Hill Mall • South Hill Mall Lift Station Gravity Conversion • West Stewart Signal Modification • Overlay Project • Chip Seal
Spokane County	
2014	<ul style="list-style-type: none"> • Harvard Road Sewer Lift Station
2015	<ul style="list-style-type: none"> • Harvard Road Sewer Lift Station - Additional public facility • Wellington Street Infrastructure • River Crossing North Addition
City of Vancouver	
2014	LIFT TAX NOT YET IMPOSED
2015	LIFT TAX NOT YET IMPOSED
City of Yakima	
2014	<ul style="list-style-type: none"> • East-West Corridor • Fair Avenue Extension • East-West Interchange • Landfill Cleanup • Millsite Environmental Study • County Contribution
2015	<ul style="list-style-type: none"> • East-West Corridor • Fair Avenue Extension • Millsite Environmental Study • East-West Interchange • Landfill Cleanup • Environmental remediation • Stormwater Study/Design

Business Activity

Businesses, Jobs, and Wages in Revenue Development Areas

Jurisdictions with LIFT awards report to CERB and the 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 Revenue Development Area.
- The total number of permanent jobs created in the Revenue Development Area.
- The average wages and benefits received by all employees of businesses locating within the Revenue Development Area.

Due to economic conditions associated with the Great Recession, 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 including 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 2014 and 2015.

Table 6: Business Activity in 2014-2015

City of Bellingham				
*In 2013, the City of Bellingham conducted a survey on jobs, wages, and benefits. Survey results were disappointing with most businesses choosing not to respond. Of the forty-three new businesses in 2013 only seven responded. The responses varied in their completeness and provide little if any information. Therefore, the City is now relying on the Washington State Employment Security Department to provide job and wage information that LIFT legislation desires.				
Unfortunately, the data available at the 2014 reporting due date for 2013 and it does not contain benefit information. The City does believe that the Washington State Employment Security Department information will be the most reliable and consistent over time and provide the most useful year-over-year comparisons. The City plans to use the 2013 data as the baseline from which to monitor future changes during the LIFT reporting period.				
2013 Revenue Development Area				
		Number of Firms	2013 Averages wages	Number of Employees
		173	\$39,844	2,557
	Names of Businesses Locating within RDA			
2014	<ul style="list-style-type: none"> • Uptown Art Studio • Bellinghamsterdam • Hot Point & Tea Express • Hemp House, LLC • Whatcom County Homegrown • Railroad Coffee • Good Time Girls LLC • Subrina Karen Farmer 			

- Merl Publications
- The Third Planet Inc
- Mary L Harding LLC
- Cameron Clark
- Icebug USA
- Working Waterfront Coall'
- Ashlan Jean Hair Studio
- Goodrich & Associates LLC
- Bloomens LLC
- Wells Fargo Advisors, LLC
- MCE Automotive Repair LLC
- The Confluence Fly Shop
- Ellgi LLC
- Sakonnet Passage LLC
- Acme Ice Cream LLC
- Digital Koma
- Jessica Willis L.M.P
- Northwest Keyboards
- OLC Global
- Next Generation Legal
- Vuezgallery
- Ashley's Boat Works
- Bellwether Market
- Leslie Jones, L.M.P.
- Carmen L Witte Leamp/RDH
- The Wailing Goat Espresso
- Karen Christine Russell
- Borealis Sailing Expedition: Endeavor Fishing LLC
- Lolani, LLC
- Starline Windows USA LLC
- Tim Manzo
- Paul Miller Hair Design
- Dragon Monkey Yoga
- Kulshan Counseling Group
- Right Up Your Alley By TLC
- Distinctive Voice Consulting
- Skagit Valley Acupuncture
- B&J Fiberglass
- Duncan Robb Boatworks, Inc
- Gallery 1215
- Pegasus Corporation
- Bellhaven Yacht Sales
- Rogoz LMP
- Upcycled Artist
- Opus Performing Arts LLC
- I & Wife Thai Cuisine
- Naked Clothing Co
- Anchor Society
- San Juans and Beyond
- Northwest Tarp & Canvas
- Earned Trust Inc

- Ormolulu
- UK Sailmakers
- NYP - New York Pizza
- Fluid Fabrication LLC
- A Lovely Day
- Noah Citron
- Jun's Sushi & Bento
- Tattoos By Johnny
- The Metal Edge
- Imaginative Solutions LLC
- ERS International LLC
- Heather M Geer
- Tranquil Massage
- Seabreeze Cafe LLC
- Passion Education
- Island Time Charters
- Irish Dreamer LLC

2014 Revenue Development Area

		Number of Firms	2014 Averages wages	Number of Employees
		212	\$40,226	2,950

- | | |
|------|--|
| 2015 | <ul style="list-style-type: none"> • Culture Cafe And Kombucha Town • Ananda Hypnotherapy • Northwest Retro Gaming • Brewster Design Build • Hunt And Gather • Design 209 LLC • ESS Support Services • Bellwether Real Estate LLC • Sweet Green Fields USA LLC • Cafe Bouzingo • Marta Shala Erlich • Gruff Brewing Company LLC • Lulu's Cleaning • 8las Inc • Ayurvedic Health Center And Wellness Shop LLC • Megan Sylvester LLC • Bellingham Engraving • D N Webb CPA • Northwest School Of Music • International Regional Development • Chopra And Sons LLC • Oyster Creek Canvas LLC • Z Rustic • Law Firm Of David N Jolly PS • NYX Logistics LLC • Vittles & Rainbow • Orcas Island Growlers • Brit Keeton • Community Construction Services • Alisa Pheifer • Patti Varner • Tangible Wishes |
|------|--|

	<ul style="list-style-type: none"> • Latino Advocacy LLC • New York Pizza And Bar • Santosuosso Inc • Chris Wallace Does Hair • Christian Bannick • Green Truck li Limited Partnership • Leopold Properties • Comics Place The • Gretchen Kruger Hair • Stir Center NFP • Sarah J Thomas • Lisa Surridge • Markaya Henderson LMP • Eat Restaurant & Bar • Amy Cozart LLC • Kristi Lee • Syntactical Design • Ajhart & Hair • Harper & I Dance Center LLC
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City of Bothell

In 2015, RDA development was still under construction so new employment in the RDA continues to be temporary. Significant permanent employment associated with 2015 RDA development is expected to come to fruition in 2017-2018.

Total Number of Permanent Jobs Created in the RDA	Averages Wages in the RDA
Not Reported	Not Reported

Names of Businesses Locating within RDA

2014	<ul style="list-style-type: none"> • The Village at Beardslee Crossing • 24-Hour Fitness
2015	<ul style="list-style-type: none"> • The Beardslee Public House • The Pot Bellied Pig • Sushi Chinese • Wildwood Distillery • Starbucks • The McMenamins

City of Everett

LIFT TAX NOT YET IMPOSED

City of Federal Way

Total Number of Permanent Jobs Created in the RDA	Averages Wages in the RDA
75	Not Reported

Names of Businesses Locating within RDA

2014	None
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2015	<ul style="list-style-type: none"> • Federal Way Barber College • All Purpose Batteries Llc DbA Batteries Plus Bulbs • Hana Acupuncture • Ulta Beauty • Mirak Restaurant 1 • Discount Direct Inc • Ecoatm, Inc • Hatstop • Murasaki Inc • Primal Perspectives • Ridoy Varieties Store • Lonchera La Esperanz Food Truck • Midnight • Fashion Nails • K-Town Inc DbA Shin Jung • 2ne Pho, LLC • Salon Avida • Bakery Cafe June • Twin Lakes Promotional Center LLC • Pho Quynh • Tita Variedades • Jungle Buffet Inc DbA Hokkai Buffet • Gracie Barra Federal Way • Cathys Boutique LLC/Heaven Sent • Sun & Moon Cafe • Leekaja Hairbis
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City of Mount Vernon

LIFT TAX NOT YET IMPOSED

City of Puyallup

Total Number of Permanent Jobs Created in the RDA	Averages Wages in the RDA
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1,560	\$48,667
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Names of Businesses Locating within RDA

2014	<ul style="list-style-type: none"> • Medical Consultants Network LLC • Triwest Healthcare Alliance Corp • New Orleans Seafood & Steak • Lindsay @ Style Bar • Gnarled Roots Massage Therapy LLC • Bonney Lake Bicycle Inc • Bay Equity LLC • Sniffys Dog Salon • Washington Fine Wine & Spirits LLC • Jacki Kaelin Inc • Hair By Jengrace • Jisung Enterprises Inc • Western Institutional Review Board Inc • Megan Lawrence
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	<ul style="list-style-type: none"> • JM Puyallup Inc • A Lianeve Inc • Guitar Center Stores Inc • For His Glory Early Education & Family Resource • Washington Real Estate Team LLC • AFF Interlink LLC • Royal Motors Inc • Prana Hot Yoga LLC • Hallmark Retail LLC • Gold Empire LLC • Ann Taylor Retail Inc • Spirit Halloween Superstores LLC • 5 Boxes Inc • My Home Group Real Estate LLC • Cowgirls Cup Corp • Armstrong Fitness LLC • Neha Enterprises Inc • Legacy Smo LLC • BB Barbecue LLC • Downtown Vaperz • Rainier Internal Medicine • Paramount Treatment Options LLC • The Heier Echelon • El Mezquite • NW Sports Therapy & Meditation • Ulta Salon Cosmetics & Fragrance Inc • Edward D Jones & Co Lp • Arista Pasta & Specialty Foods LLC • Heavenly Beauty Salon • Trillium Employment Services • Tamia Handcrafts • Cutting Edge Computer Services LLC • Event Photography Group Inc • Tut Unlimited LLC • Rook Defense LLC • Safe Harbor Counseling • JCS Music Inc • Nutrition Authority PLLC • Church Chiropractic Inc • A G Jeweler Corp • Four Our Families Inc
2015	<ul style="list-style-type: none"> • Xiangda Investment Inc • Skin Care By Francessa • Fish Emporium • Silver Needle Embroidery Inc • Walk Me Balloons • Sunleaf Medical Company • Skin Hippy

Spokane County	
Total Number of Permanent Jobs Created in the RDA	Averages Wages in the RDA
5.5	\$30,000
	Names of Businesses Locating within RDA
2014	Bitterroot Apartments & Courtyard Townhouses
2015	None
City of Vancouver	
LIFT TAX NOT YET IMPOSED	
City of Yakima	
Total Number of Permanent Jobs Created in the RDA	Averages Wages in the RDA
30	Not Reported
	Names of Businesses Locating within RDA
2014	None
2015	Get Air Yakima

Appendix A: Sample Reporting Form

Local Infrastructure Financing Tool (LIFT) Program

Annual Report

January 1, 2015 through December 31, 2015

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, 2016** 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-Mickel
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	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 2015.

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	Co- Sponsoring Jurisdiction (Name)	Other Participating Jurisdiction (Name)	Total		State of Washington
Local excise tax allocation revenues received in calendar year 2014 – estimated annual increase in local excise taxes					State excise tax allocation Revenues received by the state in calendar year 2015	

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 2015 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:

2013	2014	2015

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 Community Economic Revitalization Board (board) and the Department of Revenue (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.