

PORT OF VANCOUVER USA

**Terminal 1
Tax Increment Area
Board of Commissioners
Workshop**

December 14, 2021





DISCOVER TERMINAL 1

Roadmap

- What is a Tax Increment Area (TIA)?
- Why use TIA at Terminal 1?
- How would TIA at Terminal 1 work?
- Process for adoption/implementation

What is a Tax Increment Area?



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- Washington 2021 Legislative Session HB 1189
- No new taxes



TIA

City, County or Port

Taxes from new growth pay for public improvements





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Summary

- Economic development tool
- Designed for specific project list
- Projects will not occur “but for” investment
- Results in creation of new assessed value, public benefits, construction and long-term jobs



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Statutory requirements

- Economic analysis
- Impacts analysis
- Timeframe
- Specific project list



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Where are the impacts?

- Not on individual property owners. No new taxes.
- Impacts are on taxing districts
- Do NOT lose any taxes they presently receive
- Forego taxes on growth for 25 years
- Receive substantial increase in taxes after 25 years

Impacts required to be assessed



- Fire Department: Temporary foregone revenues to City of Vancouver



- Affordable housing: Temporary foregone revenues to any future affordable housing levy. Existing levy will expire prior to TIA.



- Schools: benefit from increased taxes

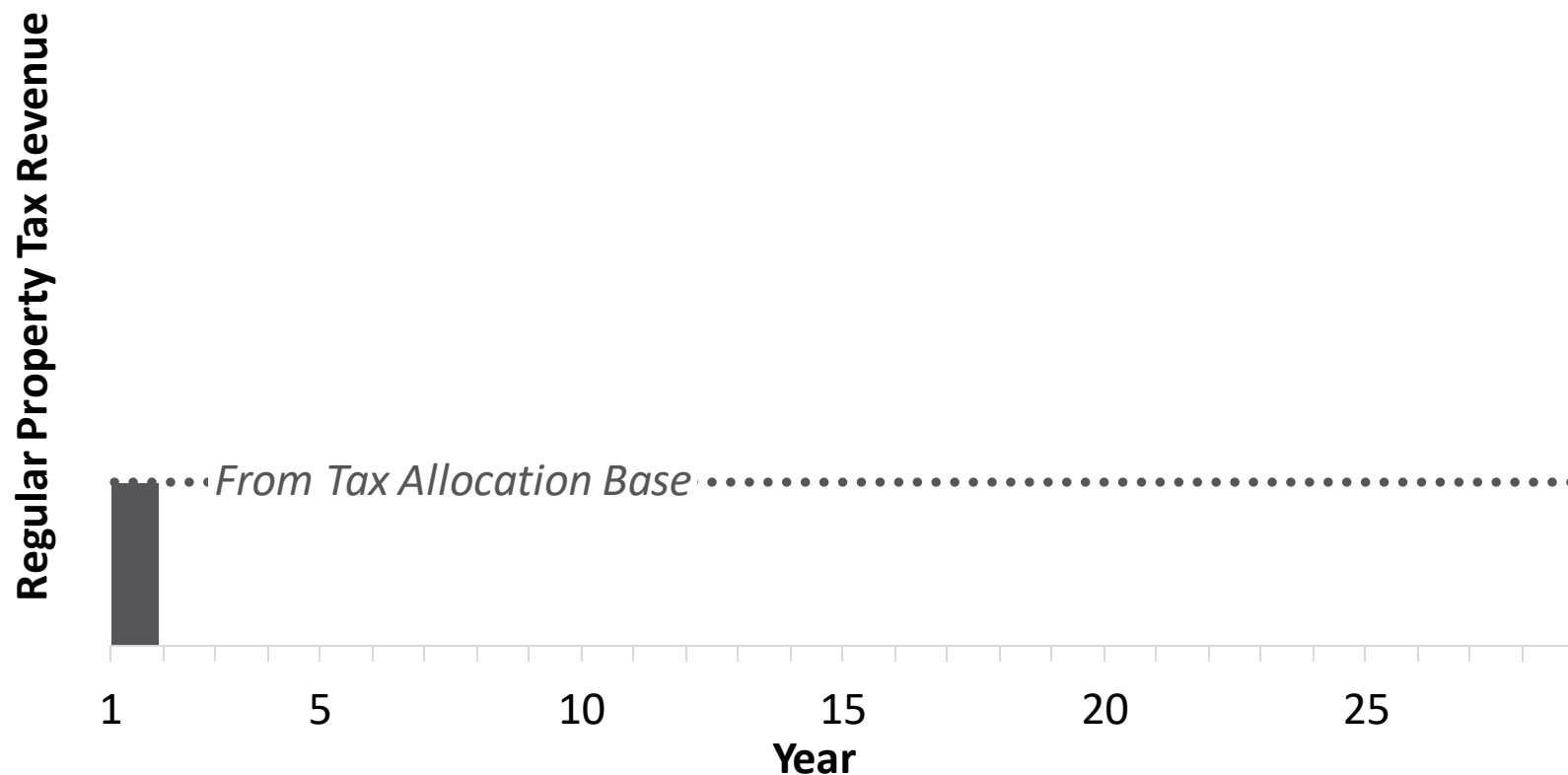


- Business Community: Positive economic impacts and job creation



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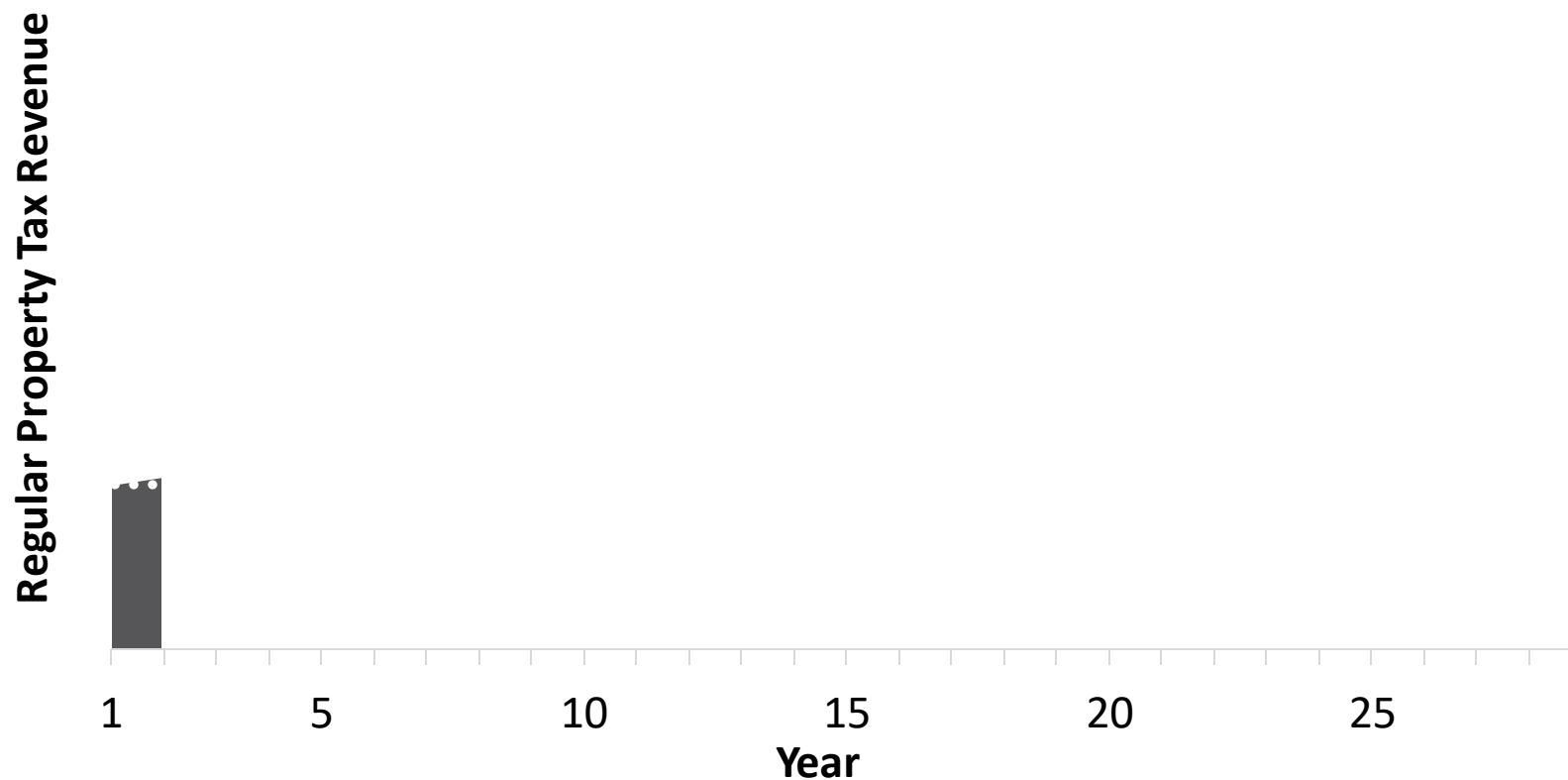
How does Tax Increment Financing work?



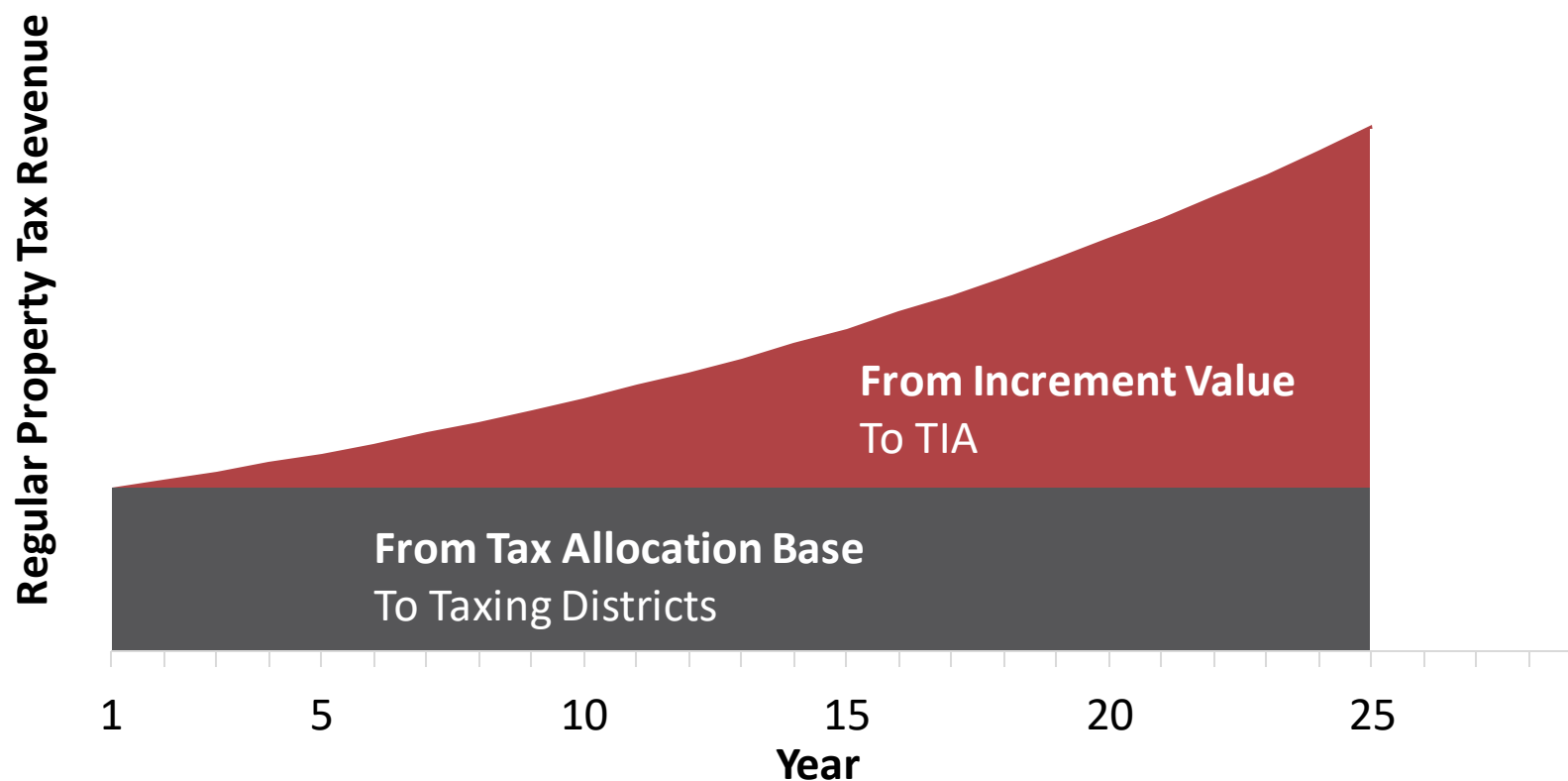


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How does Tax Increment Financing work?



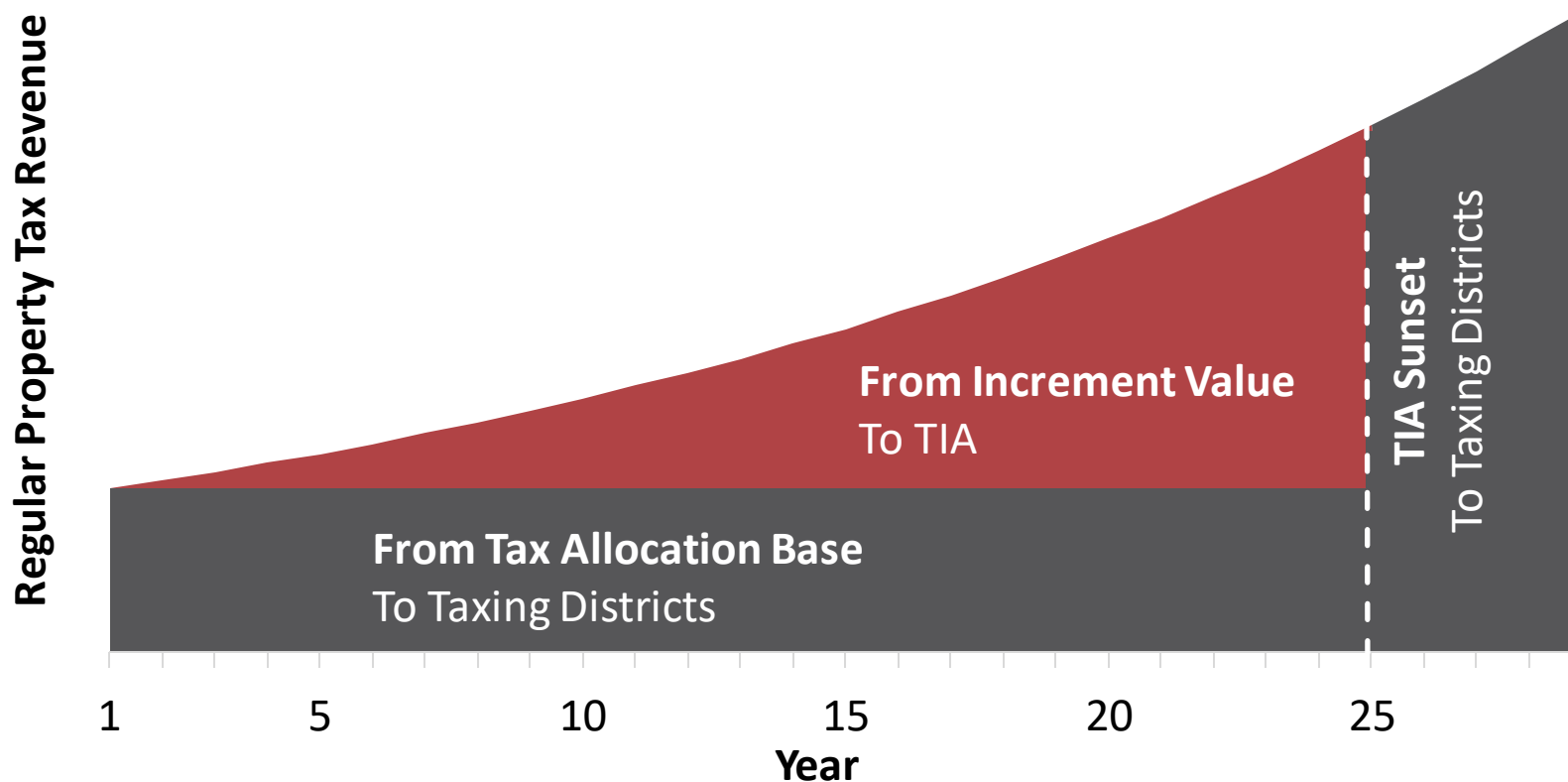
How does Tax Increment Financing work?





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How does Tax Increment Financing work?





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Correcting misconceptions about Tax Increment Areas (TIA)*

A TIA will not negatively impact schools, in fact their tax revenues will increase

A TIA will not increase anyone's property taxes

Taxes from new development will fund the public improvements in the TIA

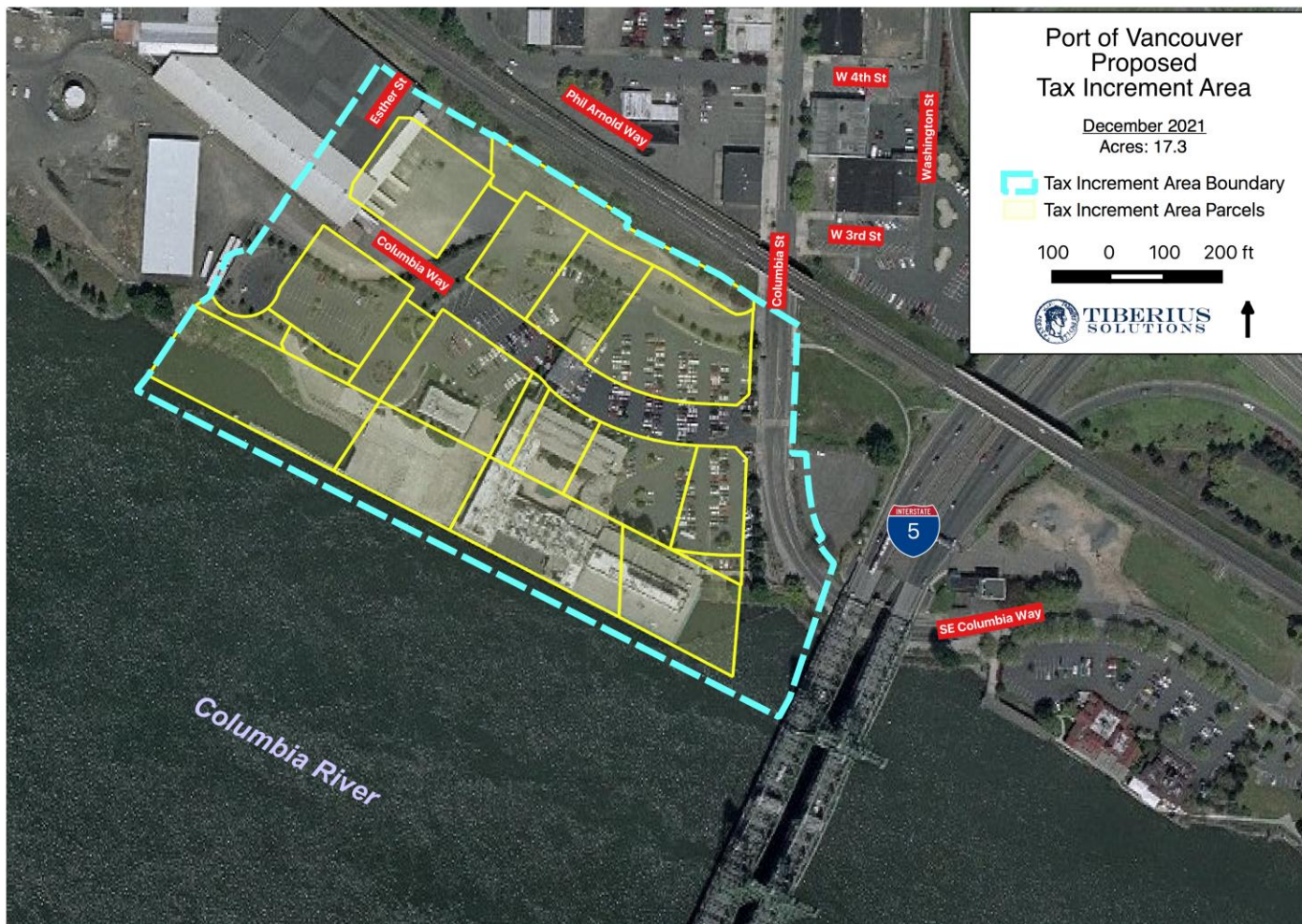
A TIA is also sometimes referred to as a TIF District.

Why use TIA at Terminal 1?



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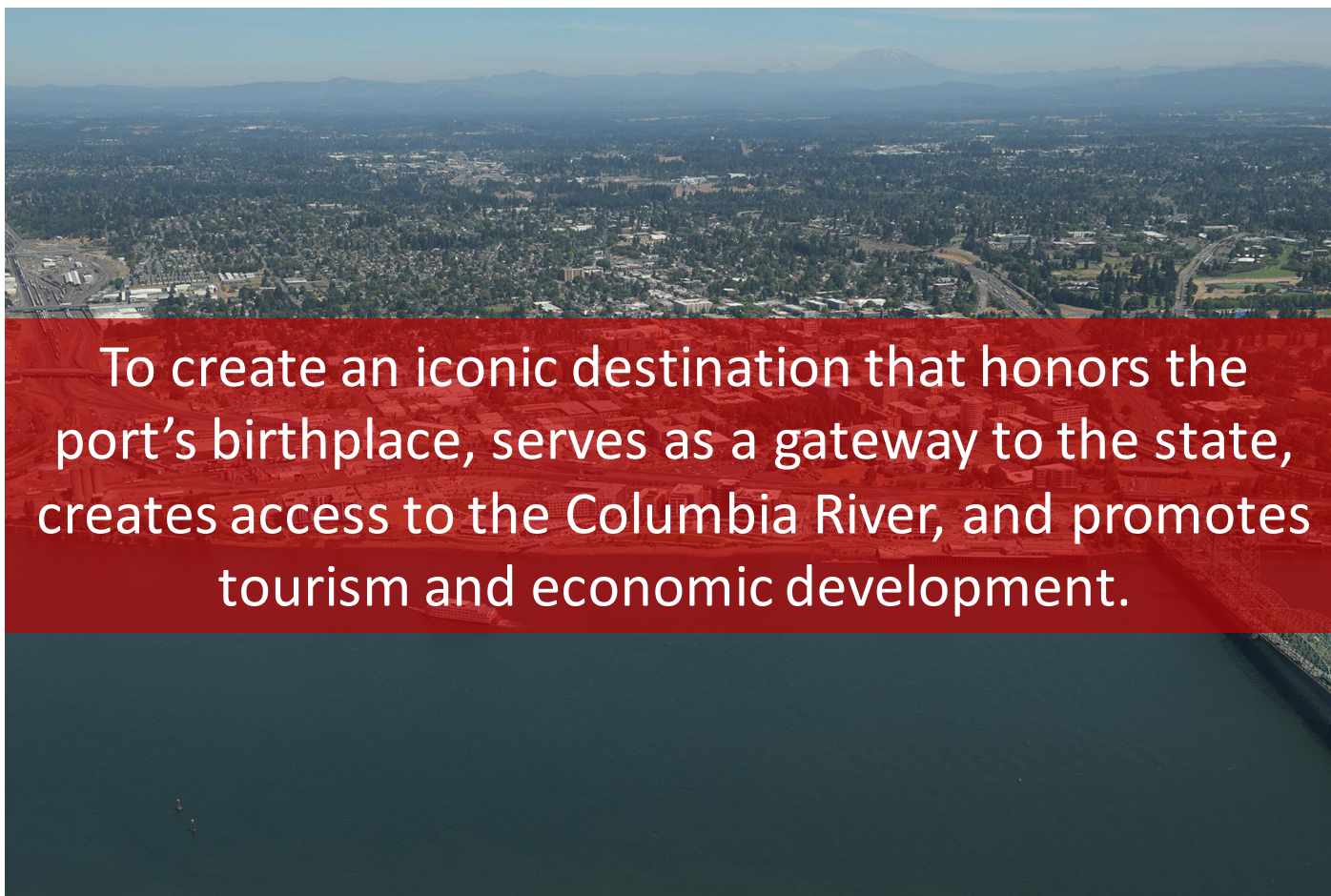
Proposed Boundary





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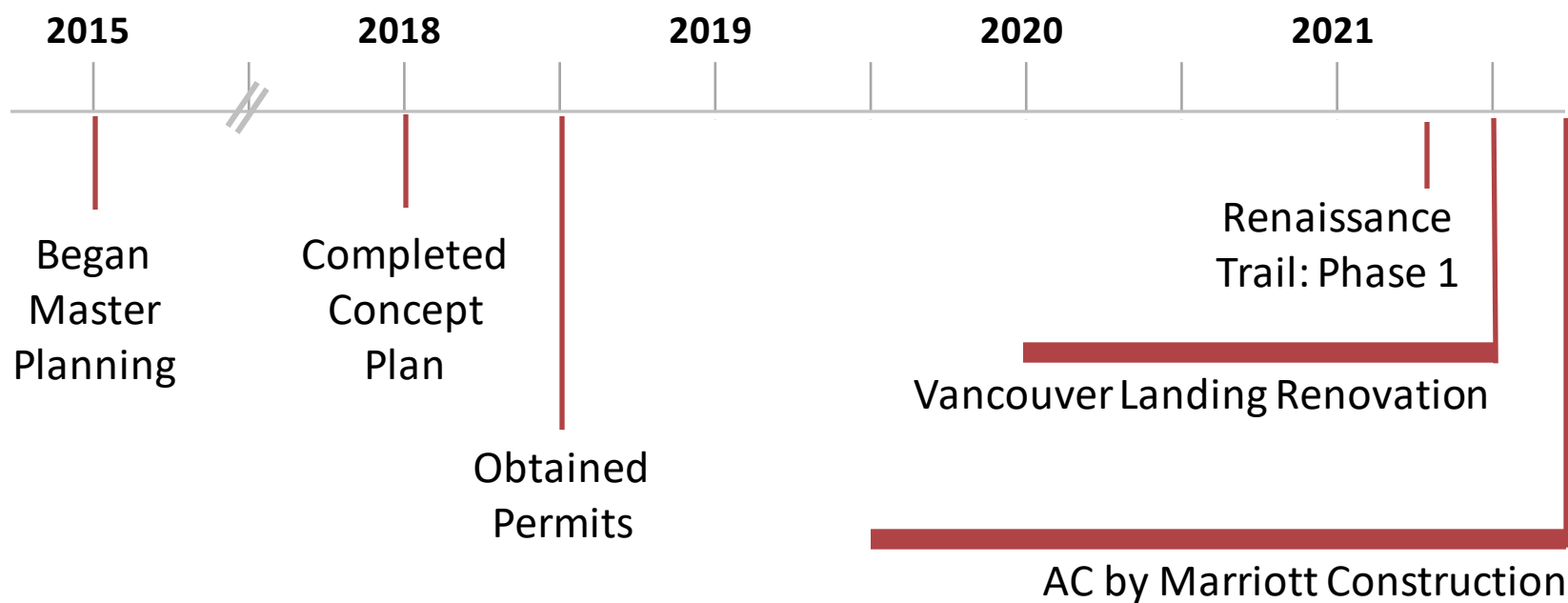
Vision



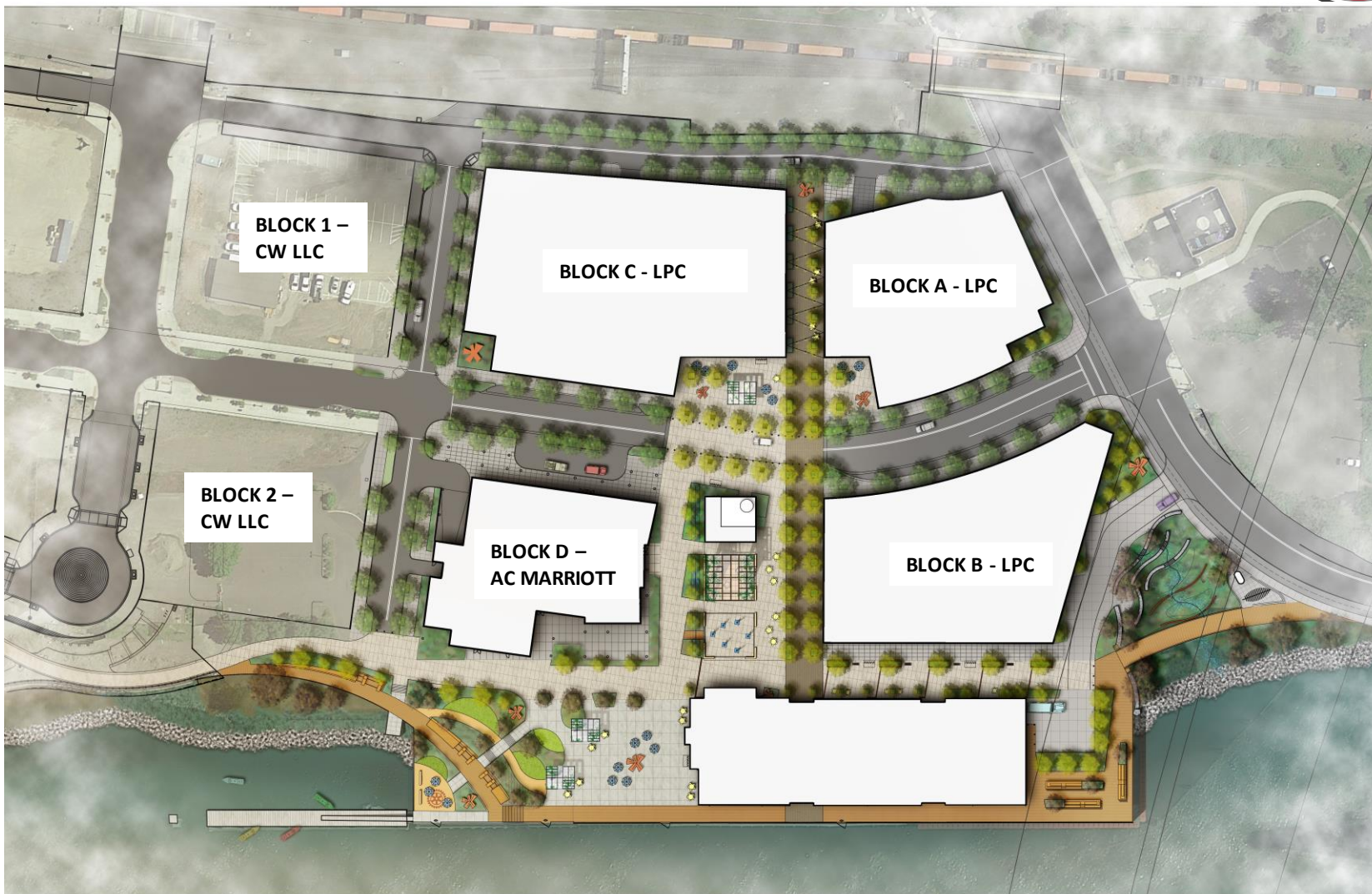


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History



Private Investment



TERMINAL 1





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Economic Impacts

- 4,112 new jobs
- \$282 million annual income
- \$62 million annual state and local taxes
- Additional “induced” and “indirect” impacts
- Additional construction impacts

*Analysis conducted by Martin Associates

Potential Projects



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NEW DOCK for Public Market Place



RENAISSANCE TRAIL – PHASE 2



CENTRAL PLAZA & DANIELS WAY



LAND IMPROVEMENTS



EAST PORTAL

How Would TIA at Terminal 1 Work?

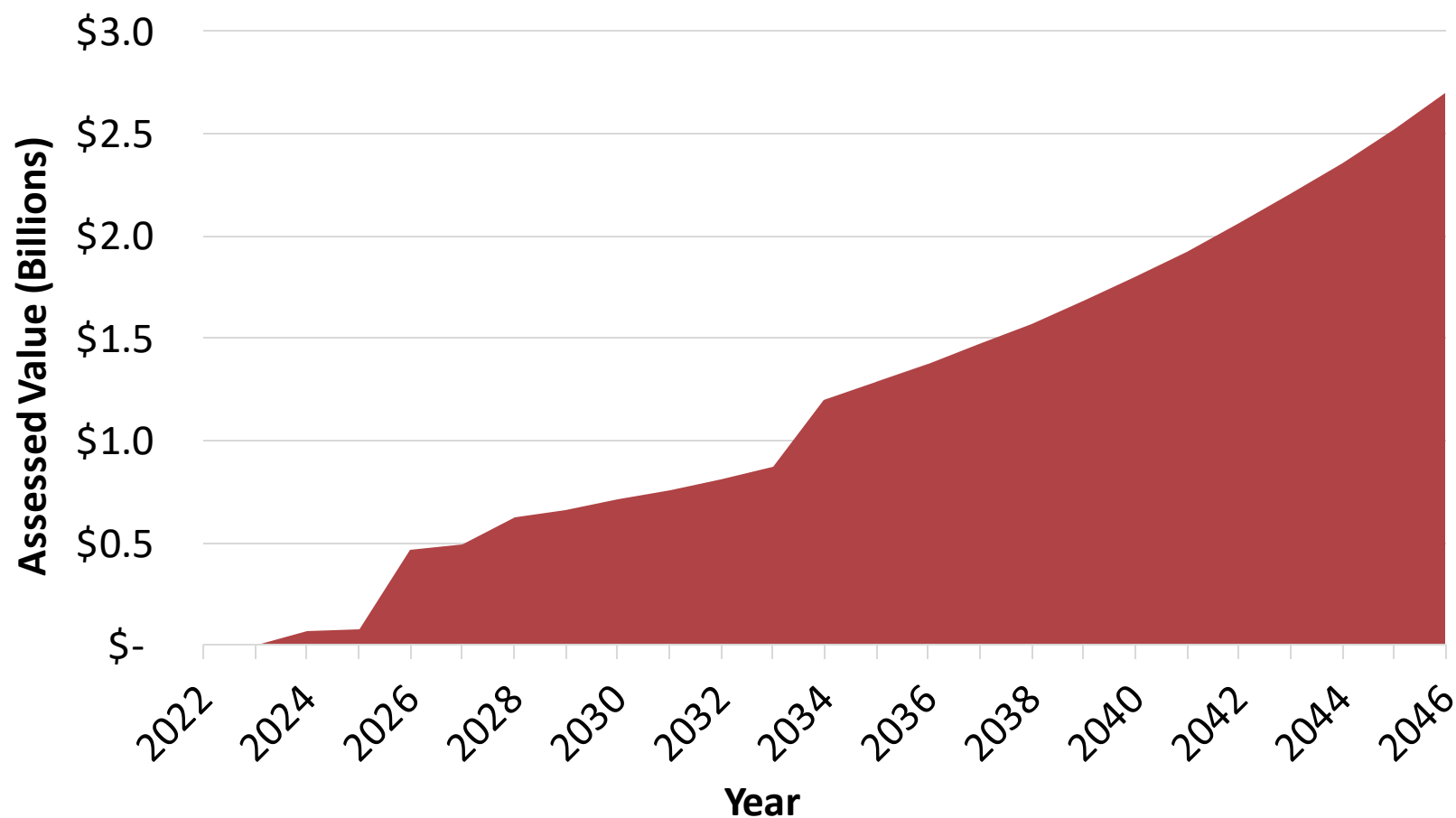


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DISCOVER TERMINAL 1

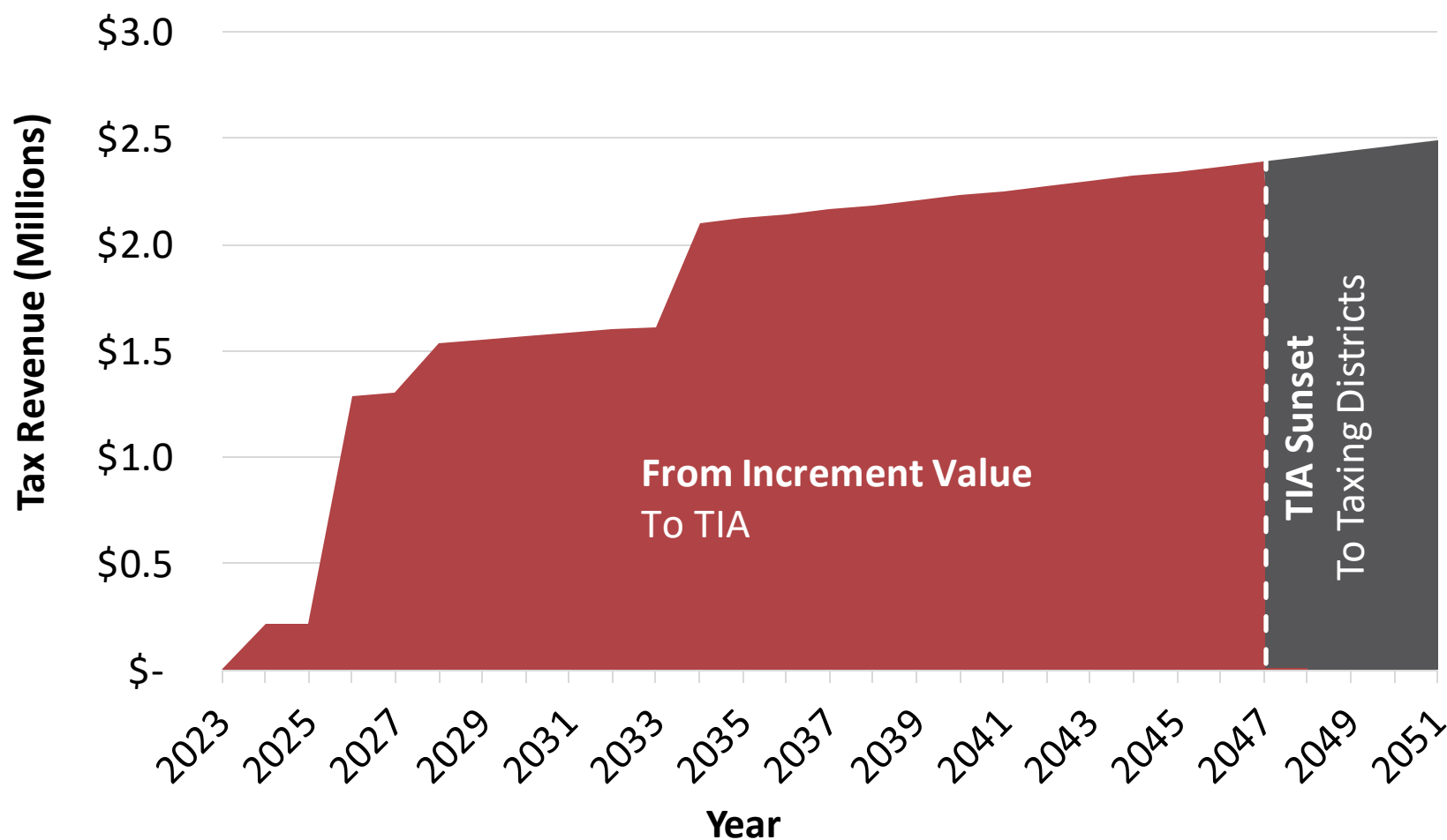
Growth in Assessed Value (billions)





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Port of Vancouver TIA Forecast





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Impacted Tax Districts

- Clark County
- City of Vancouver
- Fort Vancouver Library
- Port of Vancouver



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How could the port pay for projects?

- Debt allows projects to be accelerated and avoid costs of inflation, in exchange for the cost of interest
- Debt would be structured as general obligation bond
- Total project costs exceed project TIA funding, requiring other funding sources
- Port looking to leverage TIA to secure additional funding

Process for adoption/implementation



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Process for review of a TIA

- Review and input from State Treasurer
- Outreach
 - Local businesses
 - Community
 - Taxing districts
 - Other stakeholders
- Two public briefings
- Passage of a Resolution by TIA forming jurisdiction



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Public Information

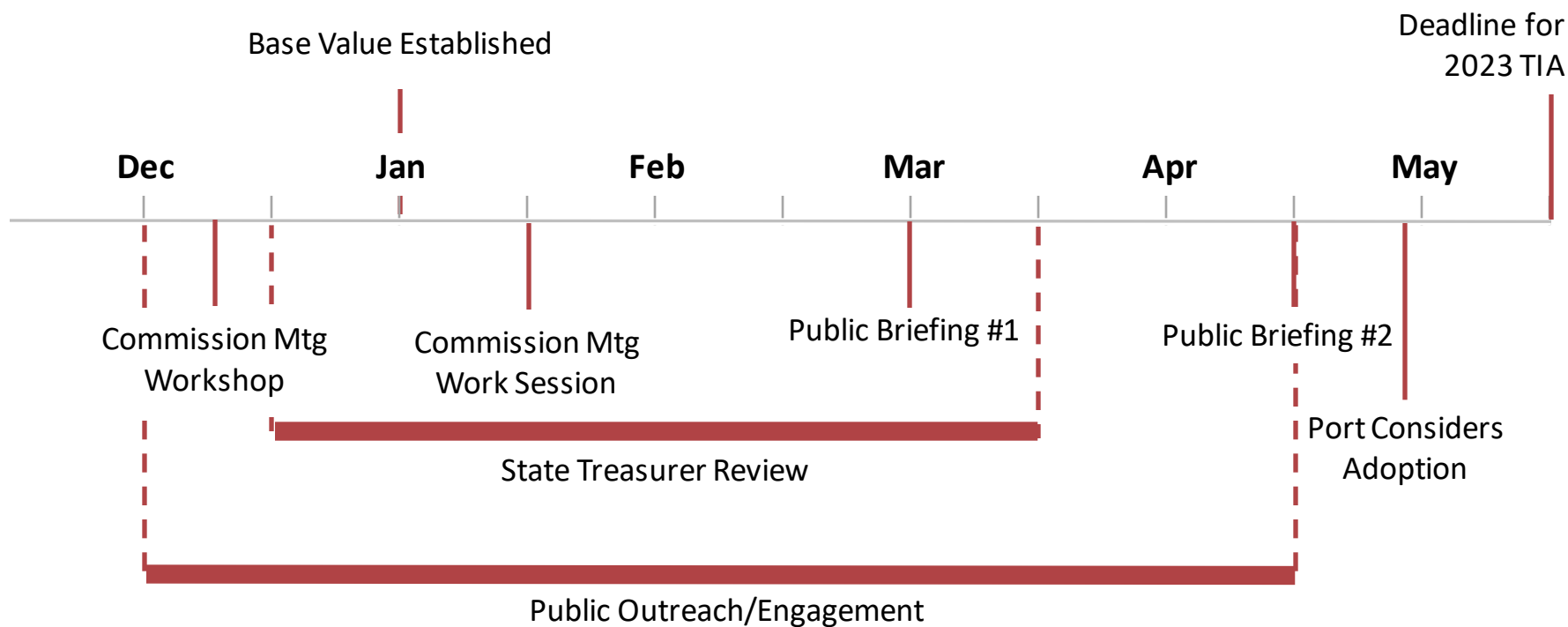
<https://www.discoverterminal1.com/>





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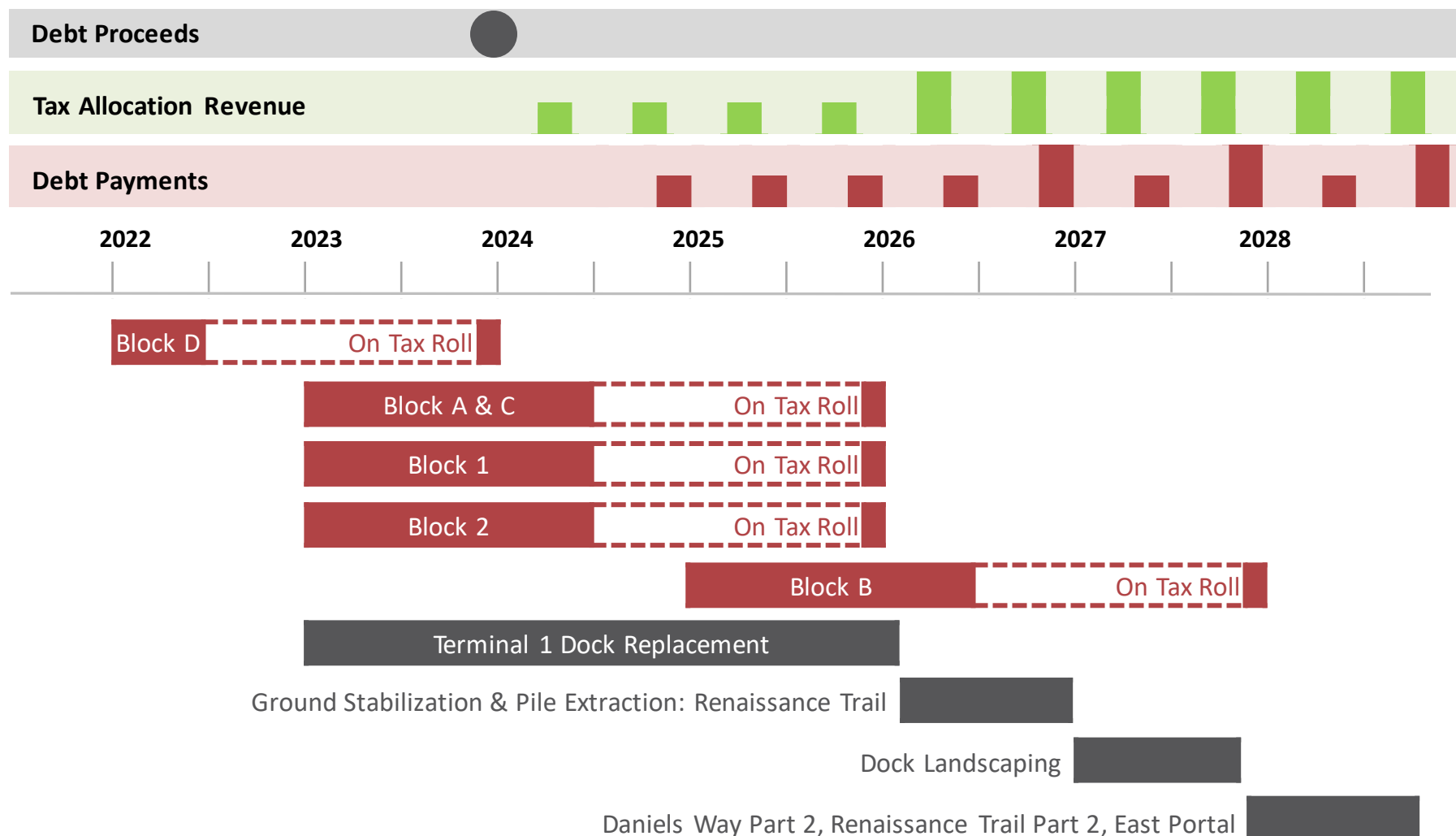
Adoption timeline





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Implementation timeline





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Project Team

Project Lead – Scott Goodrich

Financial Support – Jack Flug

City and County Liaison – Mike Bomar

Economic Development – Jim Hagar

Project Delivery – Monty Edberg

Communications & Public Outreach – Therese Lang, Julie Rawls

Consultant Team

Tiberius Solutions – Project Manager

Elaine Howard Consulting – Public Outreach

Martin Associates – Economic Impacts

PFM Group – Financial Advisor

Snell & Wilmer – Bond Counsel



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Next Steps





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THANK YOU!

QUESTIONS?