



City of Kennewick

SOUTHRIDGE LOCAL REVITALIZATION FINANCING
PROJECT - LRF

Southridge LRF Project Legal Framework



RCW 39.104 and RCW 82.14.510 authorized the imposition of a local sales and use tax (the “LRF Tax”) for the purpose of financing certain Public Improvements located within the Revitalization Area (“RA”) upon certain criteria being met.



This local sales and use tax is credited against the sales and use tax otherwise due to the State under Chapters 82.08 and 82.12, **resulting in a no net change in tax rate to the taxpayer.**

Southridge LRF Project Award



City's application for the use of Local Revitalization Financing was approved by the Department of Revenue on September 16, 2009, granting a project award in the amount of \$500,000.



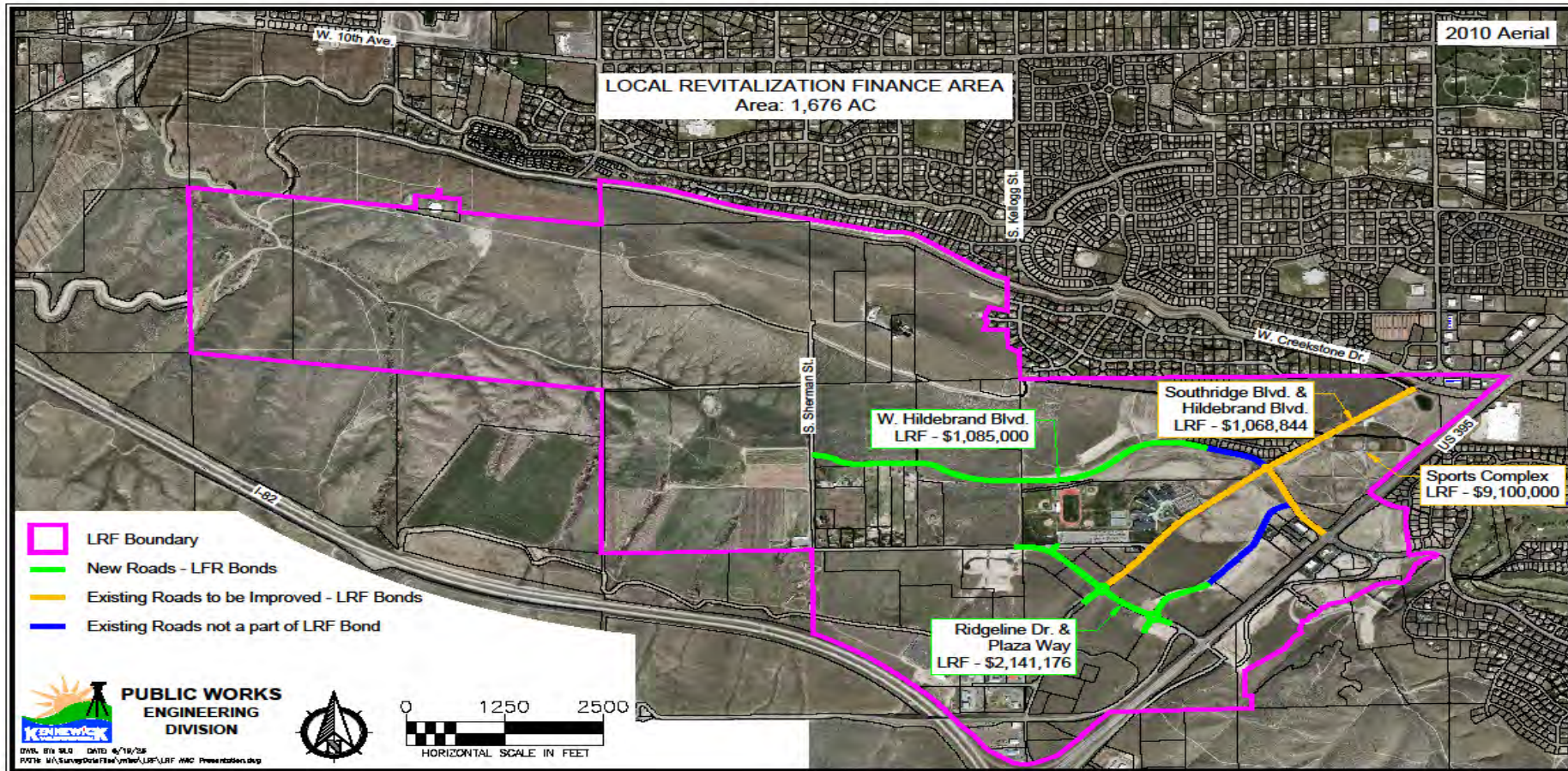
City negotiated ILA's with local partners Benton County, Port of Kennewick and Kennewick Hospital District to acquire \$143,000 in sales and property tax increments.



State excise and property tax allocations within the Southridge RA met the criteria to equal the project award by the end of 2010. City Imposed the LRF Tax May 2011.

Southridge LRF Projects

- ▶ City Issued bonds in the principal amount of \$13,665,000 to fund LRF Projects
- ▶ List of LRF Funded Projects:
 - ▶ -Southridge Sports Complex
\$9,100,000
 - ▶ -W. Hildebrand Blvd. \$1,085,000
 - ▶ -Southridge Blvd. & Hildebrand Blvd.
\$1,068,844
 - ▶ -Ridgeline Dr. & Plaza Way
\$2,141,176



Southridge LRF Projects

\$13.6 Million in bonds financed through LRF tax and local government partner contributions.



2006



2011



2019

Southridge LRF Project Results

Key Non-LRF Projects which Accelerated the Southridge LRF Area

▶ **Bob Olson Parkway Project**

- ▶ Extended Hildebrand Blvd. from Sherman Street to City Limits, extended water and sewer, included full build out with landscaping – Total Project Cost Approx. \$7M

▶ **Project Funding Sources**

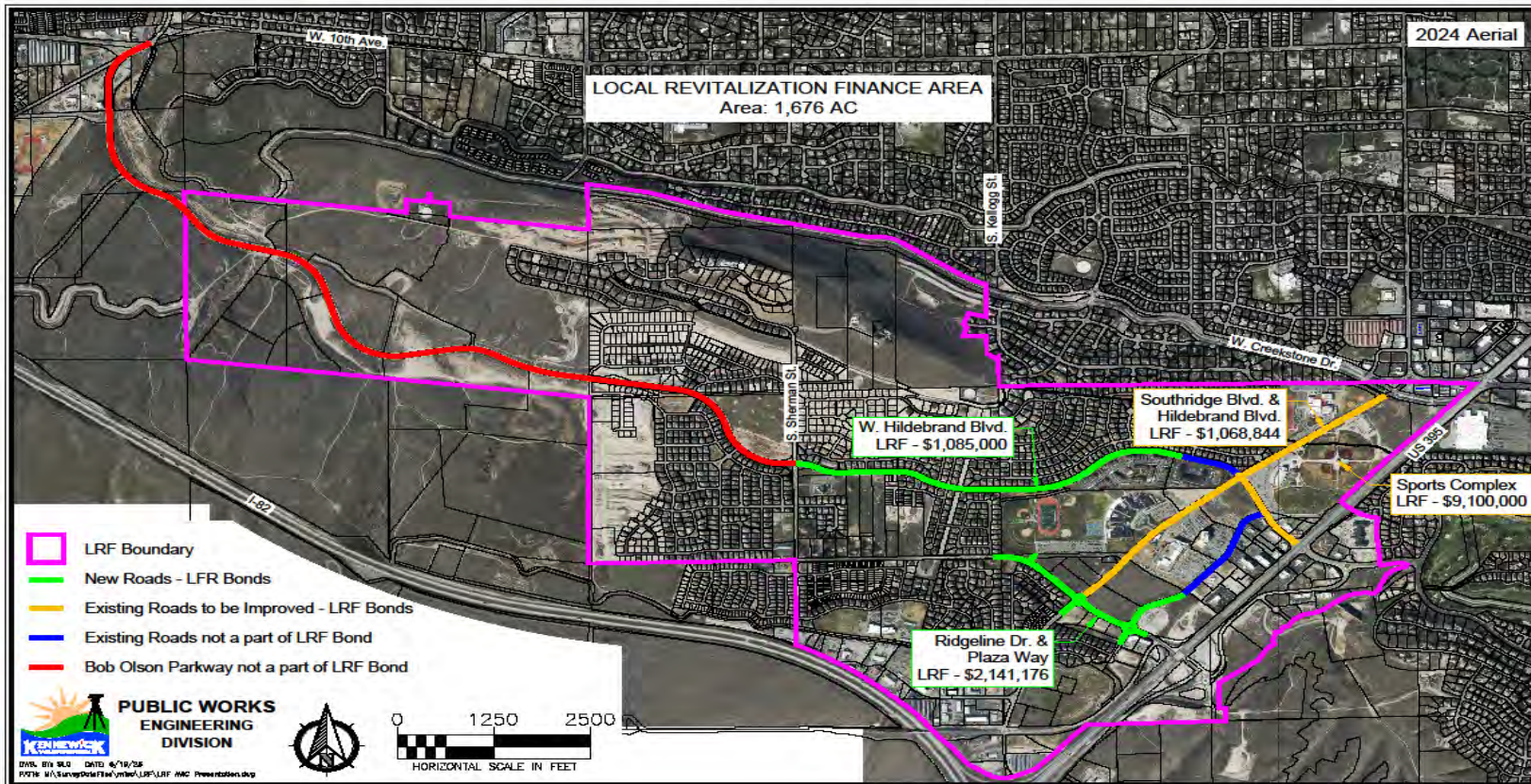
- ▶ Street Funds \$4.4M
- ▶ Water/Sewer Funds \$1.2M
- ▶ GO Bond \$2.2
- ▶ Southridge TIF collected to service debt on Bond

▶ **Ridgeline US 395 Interchange Project**

- ▶ Ridgeline interchange project providing full access to 395 – Total Project Cost \$13.4M

▶ **Kennewick Project Funding**

- ▶ Federal STPU Grant - \$642,579
- ▶ Connecting Washington Grant - \$1,997,868
- ▶ Developer Contribution \$215,184
- ▶ PWTF Loan - \$4,270,541
- ▶ CIP - \$175,812
- ▶ Total Kennewick Contribution: \$7,301,984
- ▶ Total WSDOT Contribution: \$6.1M



Bob Olson Parkway

Extended Hildebrand Blvd from Sherman Street to City limits



Bob Olson Parkway

Sherman Street And Bob Olson Parkway Facing West

Ridgeline US 395 Project





Ridgeline US 395 Project

US 395 And Ridgeline Facing West



Economic Development

Southridge Blvd Facing North



Economic Development

Hildebrand Blvd. Facing East

Southridge Sports and Events Complex

- ▶ Complex Grand Opening: March 2012
- ▶ 52 Acre sports focused complex that includes:
 - 4 Multi-use Baseball / Softball Fields
 - 2 Full Size Soccer Fields
 - Covered Playground
 - Splash pad
 - Rentable Gazebo
 - 9/11 World Trade Center Memorial
 - GESA Carousel of Dreams
 - Numerica Pavillion



Numerica Pavilion

- ▶ Only indoor sports pavilion in the region, with 30,000 SQFT, spread over three multi-use courts, upstairs conference room, and lobby.
- ▶ 2024 Special Events Attendees: 65,967
- ▶ 2024 Tournament Attendees: 85,967
- ▶ 2024 Facility-Use Group Attendees: 78,282
- ▶ Numerica Credit Union holds the sponsorship on the Numerica Pavilion for \$85,000/year, diversifying revenue generation for the complex and City of Kennewick.



911 Memorial

- ▶ A volunteer driven project for Southridge.
- ▶ From vision to view in under four months, the 911 memorial was completed with no taxpayer dollars through donations of time and materials from local businesses.



Gesa Carousel of Dreams

- ▶ Opened in 2014
- ▶ Partnership project with the Carousel Foundation, Gesa, Toyota of Tri-Cities, numerous business partners and volunteers.
- ▶ GESA Carousel of Dreams foundation owns the building; City of Kennewick owns the land where the building is located and made the initial investment to purchase the carousel horses.



Public Art in Roundabouts

- ▶ Artwork installed in preparation for future development.
- ▶ Designs were selected to fit the scale of the roundabouts and give visual clearance for drivers.
- ▶ Provides interesting, artistic and colorful designs that eliminate the need for maintaining and irrigating grass and other plantings - saving time, money and natural resources.



LRF Accomplishments

- ▶ Completion of the Southridge Sports & Events Complex and design/construction of infrastructure in the Southridge area.
- ▶ Economic Development to date:
 - ▶ 74 new businesses, 1,160 new full-time jobs & \$662.9M wages and benefits from 2010 - 2024
 - ▶ \$73.3M in sales & use tax increments (\$853M sales) from 2010 – 2024
 - ▶ \$609.4M In new construction value added to property tax rolls in 2010 – 2024
 - ▶ Infrastructure now in place for future development to occur

