



TAX INCREMENT FINANCING & Lessons Learned Using the Tool in the City of Walla Walla

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The “Why and Where?”

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GOALS AND OBJECTIVES

- Objectives for TIA required by RCW
- Recommend ensuring alignment with previously adopted planning documents
 - Comprehensive Plan
 - Long Term Arterial Plans
 - Utility Plans
 - Police/Fire response plans

#1 Economic Health
2013, 2015, 2016, 2017, 2018,
2019, 2020, 2021, 2022, 2023

#2 Parks and Recreation
2015, 2019, 2019, 2020, 2021,
2022, 2023

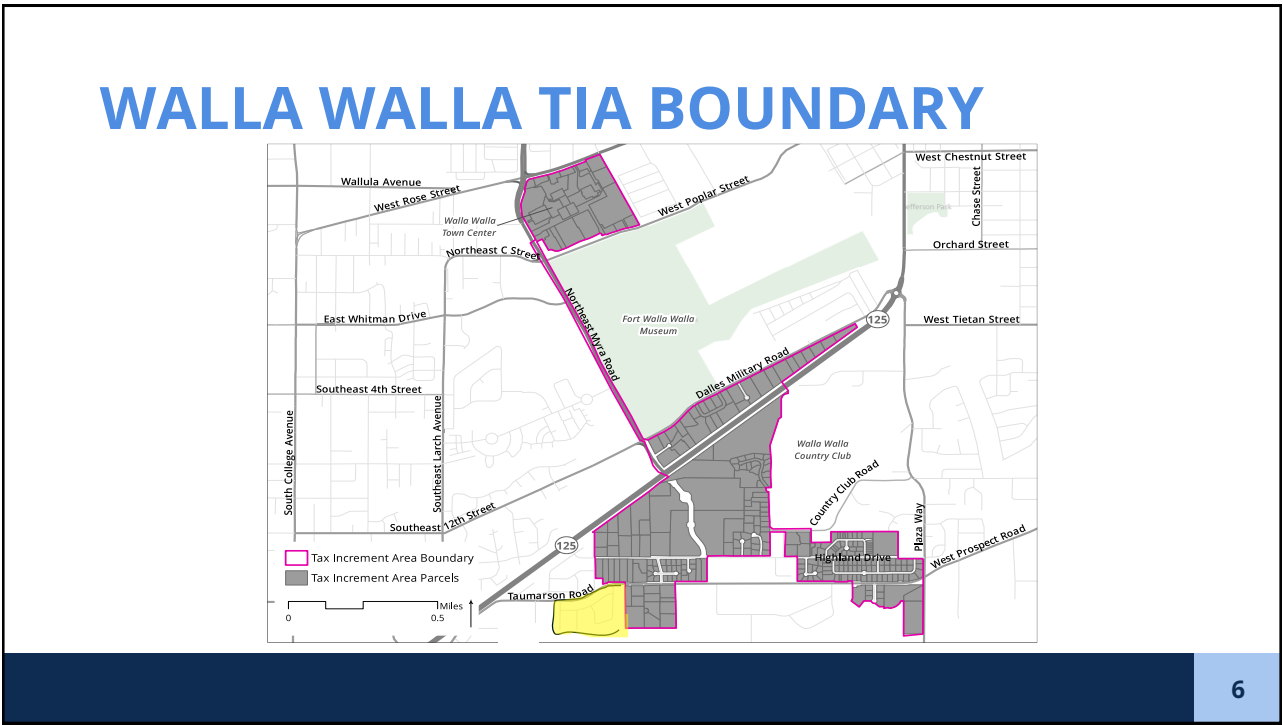
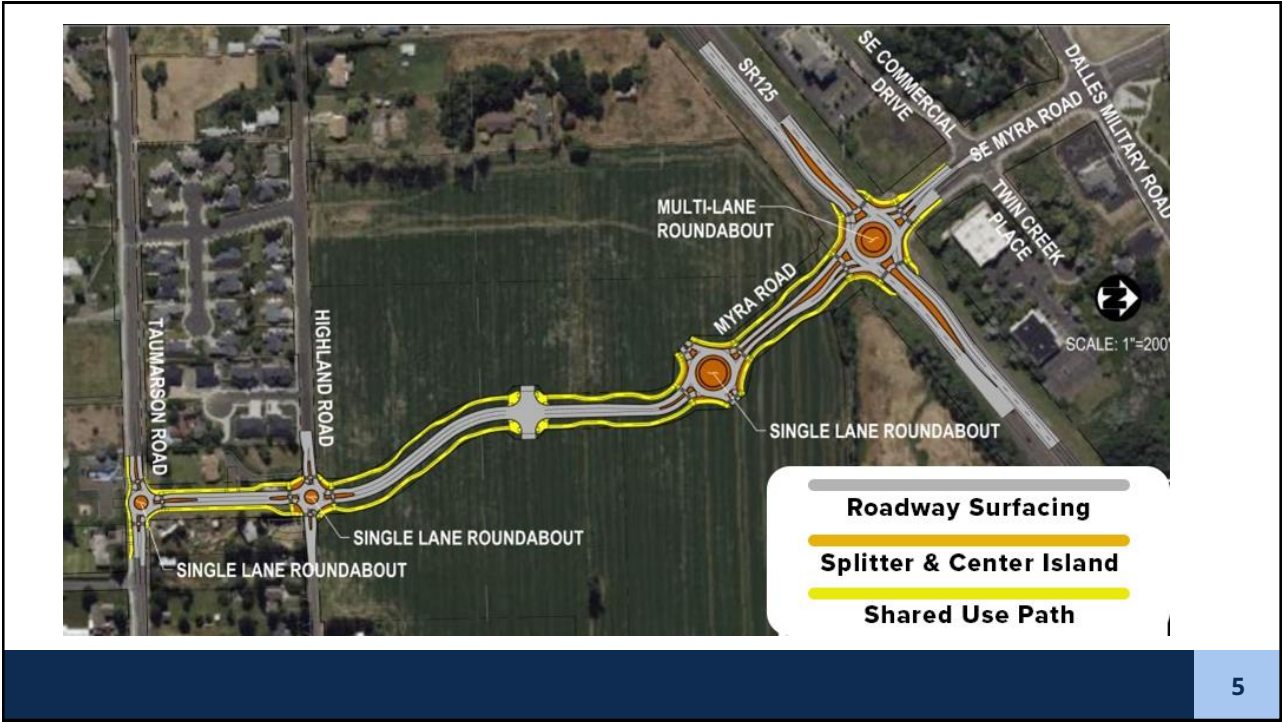
#3 Shopping Options
2013, 2017, 2018, 2019, 2020,
2021

#4 City Services
(Police, Fire, Library)
2016, 2018, 2022, 2023

#5 Transportation Improvements
2013, 2018, 2019, 2021

**Residents of
Walla Walla
top areas of
improvement
by year.**





Financial Forecast

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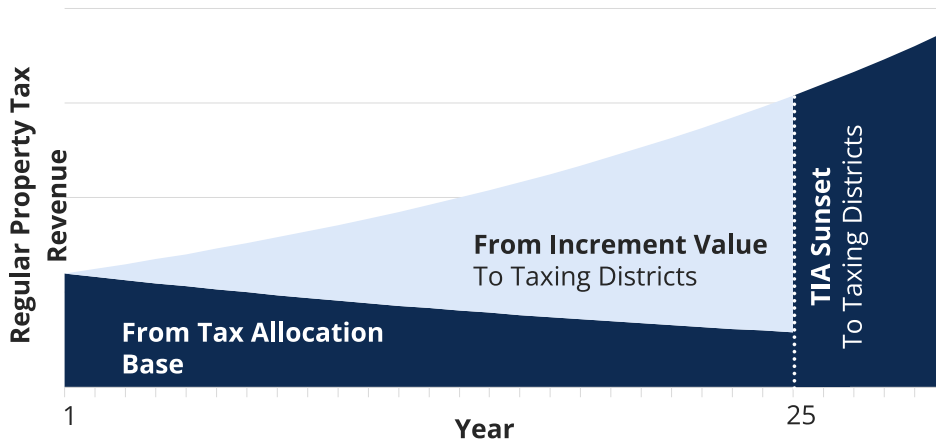
ESTIMATING PRIVATE DEVELOPMENT ACTIVITY

- Get a good consultant to help with forecasting to work closely with finance department
- Include known recently completed or upcoming construction
- Work with developers (when possible) to get accurate valuation of potential future development
- Work with Assessor to clarify assumptions

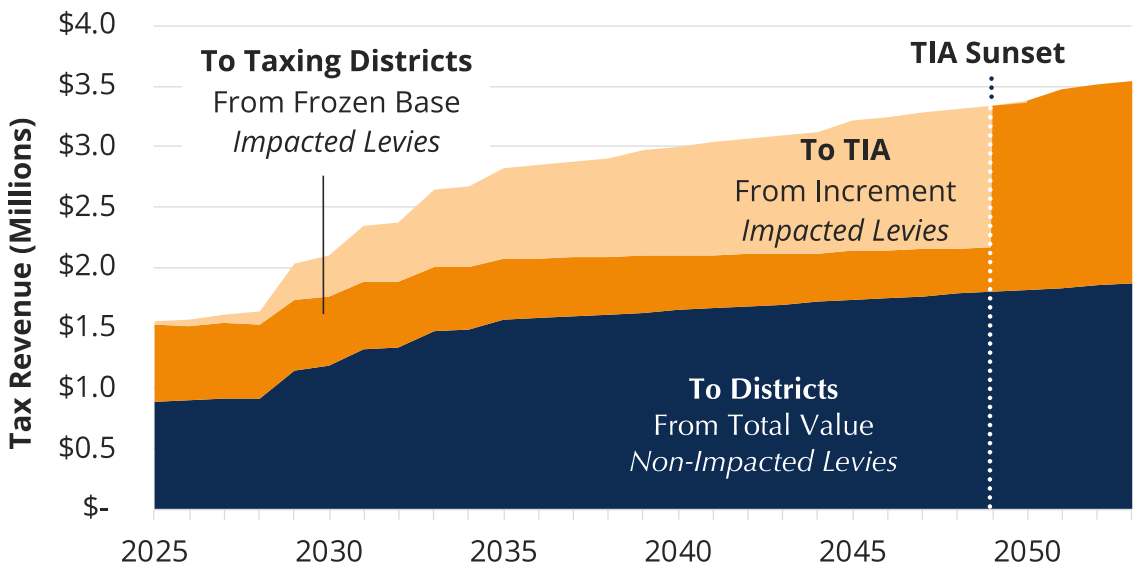
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ILLUSTRATION OF TIF



WALLA WALLA REVENUE FORECAST



Project Analysis Report

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OVERVIEW OF REQUIRED ELEMENTS

- Objectives
- Property acquisition
- Duration (maximum 25 years)
- Identification of parcels to include in the TIA
- Private development (with and without the improvements)
- Public improvements
- Current assessed value and tax allocation revenue forecast
- Job creation
- Local business impacts
- School impacts
- Fire, hospital, EMS, other junior taxing district impacts
- Housing impacts
- Necessary mitigation
- Proposed indebtedness

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ECONOMIC IMPACTS

- RCW requires an analysis of job creation resulting from the TIA and the TIA's impacts on the local business community, affordable and low-income housing
- Also recommend including additional economic impacts: labor income and fiscal impacts
- Formation of TIF requires governing body approval. The positive economic impacts help raise comfort levels of elected officials of using this financing tool

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WALLA WALLA ECONOMIC IMPACTS

- Construction Impacts (temporary)
 - 2,263 FTE positions
 - \$132.5 million in labor income
 - \$320.2 million in economic impact
- Operating Impacts (annual, ongoing)
 - 1,159 FTE positions
 - \$45.7 million in labor income
 - \$124.0 million in economic impact

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STATE REVIEW

- Office of the State Treasurer (OST) provides review of Project Analysis Report, but their review is not a formal approval/rejection
- Required materials are listed on the OST's TIF website
- OST expects to receive a complete Report but will follow-up with specific questions

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Adoption Process

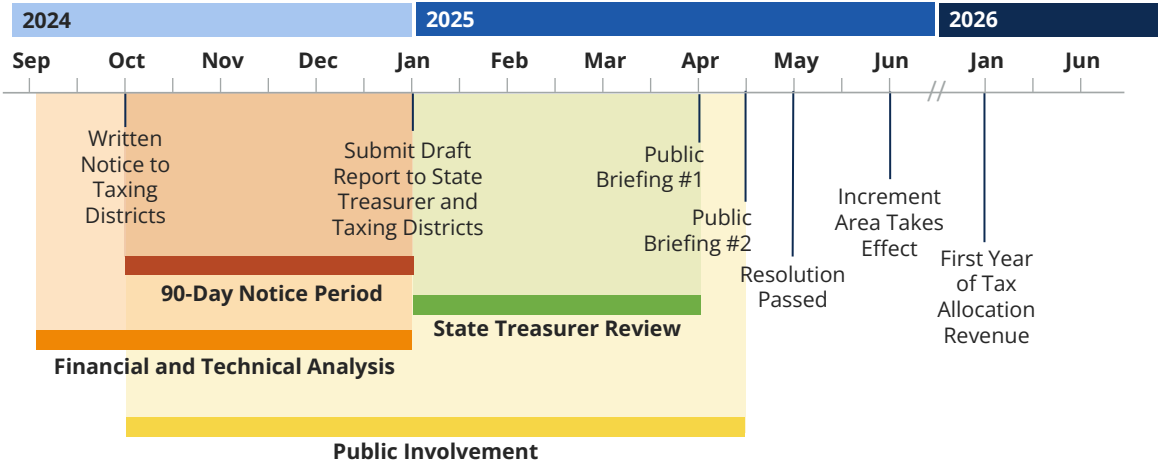
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UNDERSTAND STATUTORY PROCESS REQUIREMENTS

- Notify taxing districts (90 days)
- Complete Project Analysis Report
- State review of Report (90 days)
- Public Briefings (x2)
- Mitigation plan (if required)
- Adoption hearing

DEVELOP A CLEAR TIMELINE



DO OUTREACH EARLY

- Impacted taxing districts
- Non-impacted taxing districts
- Key stakeholders
- Coordination with County Assessor
- Two public briefings

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QUESTIONS?

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