



Proposed Study Questions

# Local Infrastructure Financing Tool (LIFT)

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# Statute requires periodic review

2006 law requires JLARC to review the program every five years

Report on the tool's effectiveness and status

This will be the second review



# State funds for local government infrastructure

- Intended to attract private investment and improve economic conditions
- Provides state funding for local projects in defined areas



# Closed to new applicants

**Legislature selected three demonstration projects**

**Community Economic Revitalization Board (CERB) awarded six more**

**Awards total \$7.5 million per year**

**LIFT will expire in 2044**

# State Funding



Local governments must spend money on construction of public improvements



State contributes amount based on estimated increased revenue – up to \$1 million per year for 25 years



Operates as a local sales tax credited against state





## Administered by two agencies

- CERB, which is staffed by Commerce, oversees reporting.
- Department of Revenue administers the tax and distributes funding.

# Nine projects selected for funding



# Local government's LIFT tax revenue in 2018

*Awarded \$1 million per year*

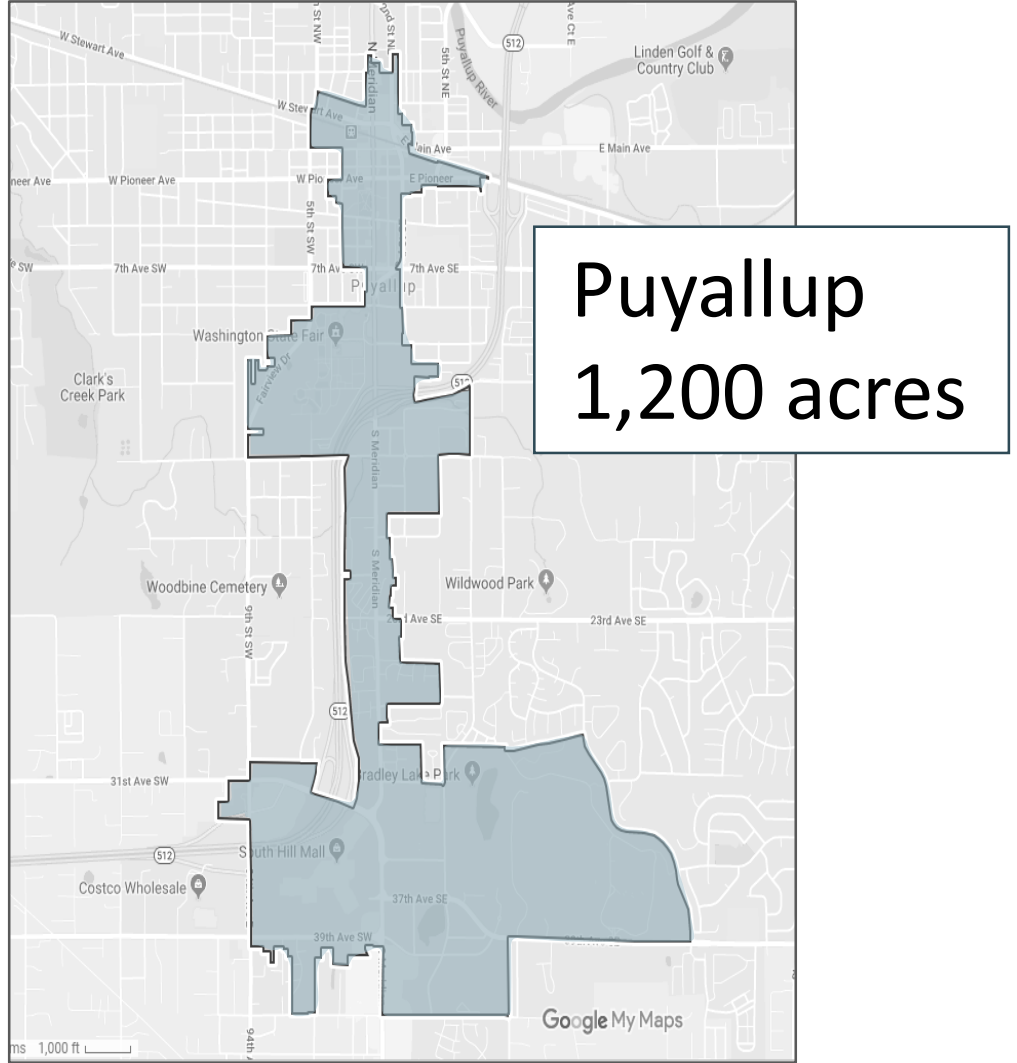
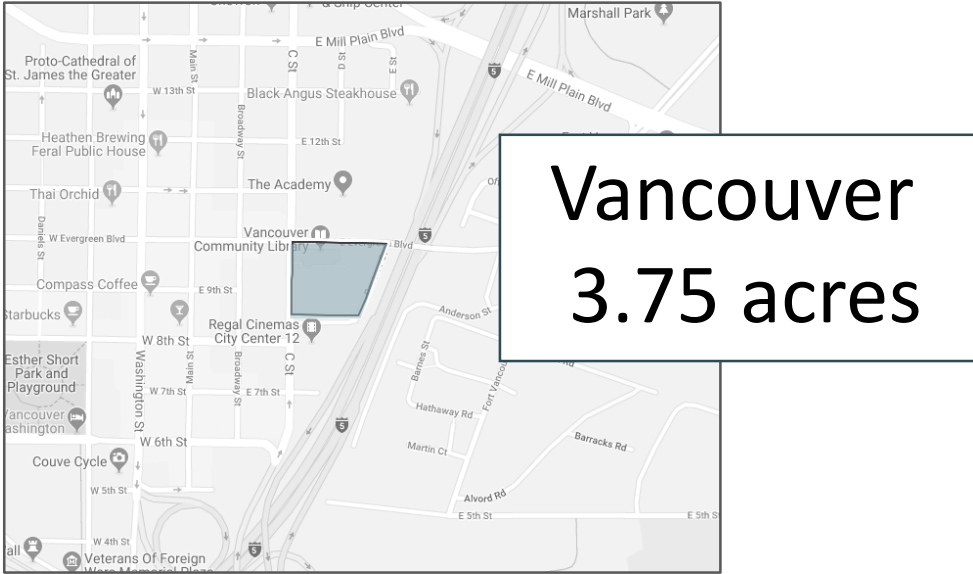
<b>Bellingham</b>	<b>Bothell</b>	<b>Spokane County</b>
\$1 million	\$1 million	\$1 million
<b>Federal Way</b>	<b>Yakima</b>	<b>Puyallup</b>
\$1 million	\$1 million	\$1 million

*Awarded \$500,000 per year*

<b>Everett</b>	<b>Vancouver</b>	<b>Mt Vernon</b>
\$490,000	No LIFT tax	No LIFT tax



## Projects vary in size and scope



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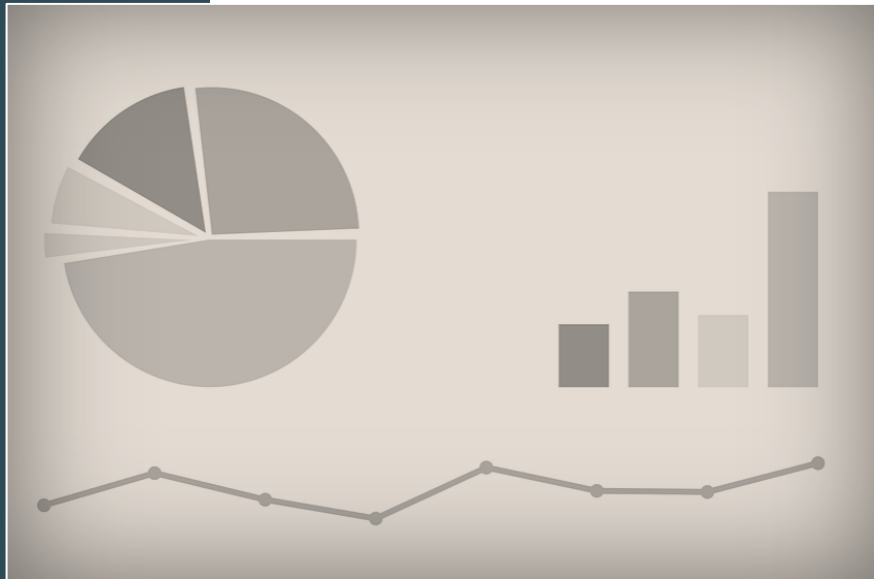


What is the status of the projects?

What role does LIFT play in the overall financing of projects?

How has LIFT changed since the last report?

# Proposed Study Questions



What economic changes have occurred?

Are there methods to estimate economic changes attributable to LIFT public improvement projects?





## Next Steps

Preliminary Report | **December 2019**  
Proposed Final Report | **January 2020**

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[leg.wa.gov/jlarc/plannedreports](http://leg.wa.gov/jlarc/plannedreports)



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