

# Tax Increment Financing: Grand Connection Crossing

Port of Seattle Commission Meeting  
April 14, 2026



# Agenda

- Grand Connection Overview
- Port Participation in TIF
- Next Steps



# Grand Connection Crossing will promote connectivity and livability



- This bike-ped crossing over I-405, roughly a half-mile in length, will connect downtown Bellevue to the redeveloping Wilburton neighborhood.
- People both walking and biking will be able to travel east-west with ease and safety thanks to separated facilities.
- It will catalyze Wilburton's transformation into a mixed-use, transit-oriented neighborhood with housing choices for people of all incomes.

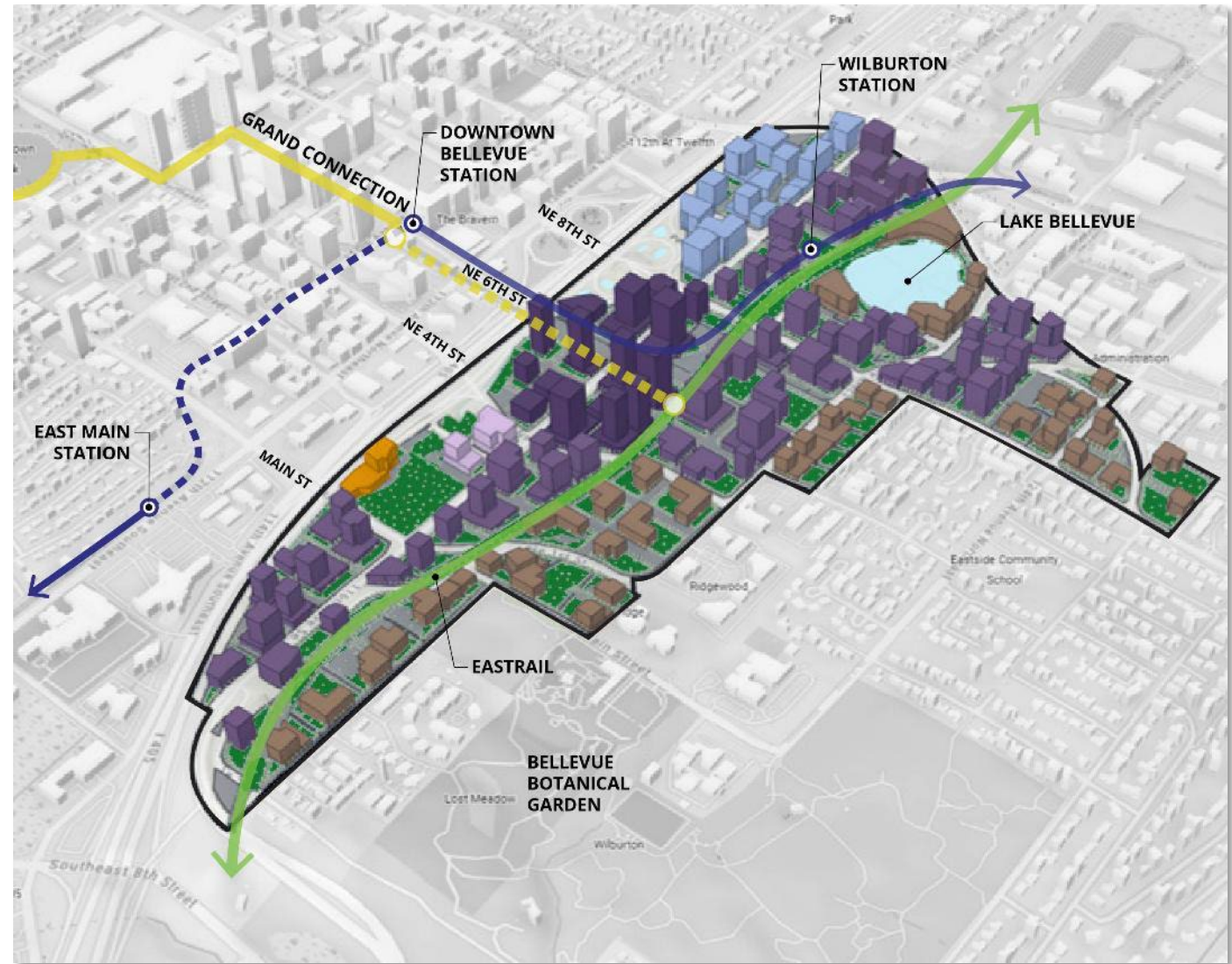
# Grand Connection will connect key regional growth centers, drive up tourism

- Accessible by light rail from SEA and Seattle, including downtown cruise ship terminals
- Investment in active transportation and open spaces projected boost retail and tourism
- Based on a 2025 HR&A analysis of similar projects, we expect to see:
  - Increased leisure visits and an increase in employment in the tourism industry
  - Shoppers who will spend up to 9-12% more when buying goods in areas with greater open space
  - Up to 3 times the amount of people staying in enhanced open spaces, such as at cafes or on park benches.



# Facilitating both transit-oriented and trail-oriented development

- Bellevue's June 2025 upzone will enable transit-oriented development of up to 450' along the north-south spine of Wilburton.
- Robust ped and bike connections, including the 42-mile regional Eastrail corridor
- Magnet for major employers, including T-Mobile, TikTok, OpenAI, Amazon, Snowflake, and more



An aerial photograph of a city, likely Seattle, showing a mix of modern high-rise buildings and older structures. A multi-lane highway with several cars is visible in the lower-left quadrant. The background features rolling hills under a clear sky. The entire image is covered with a semi-transparent blue filter.

# Tax Increment Financing (TIF) Overview

What opting-in means for Port of Seattle

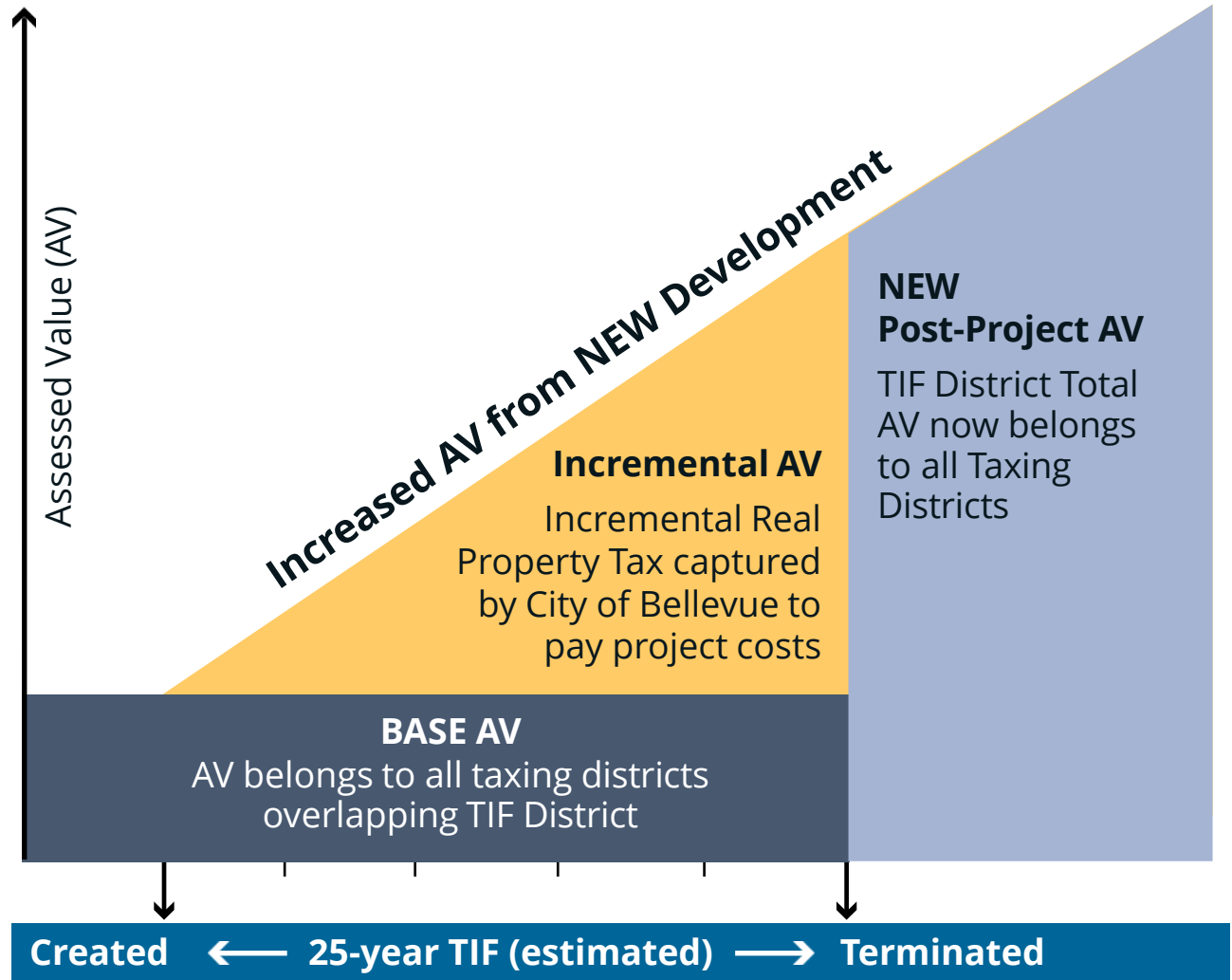
# Funding commitments

- Total project cost estimated at \$200-230 million
- Funding committed to date:
  - **\$2.5 million:** Friends of the Grand Connection
  - **\$46.7 million:** Bellevue's 2025-3031 Capital Investment Program
- TIF is expected to cover **20-30% of debt service**



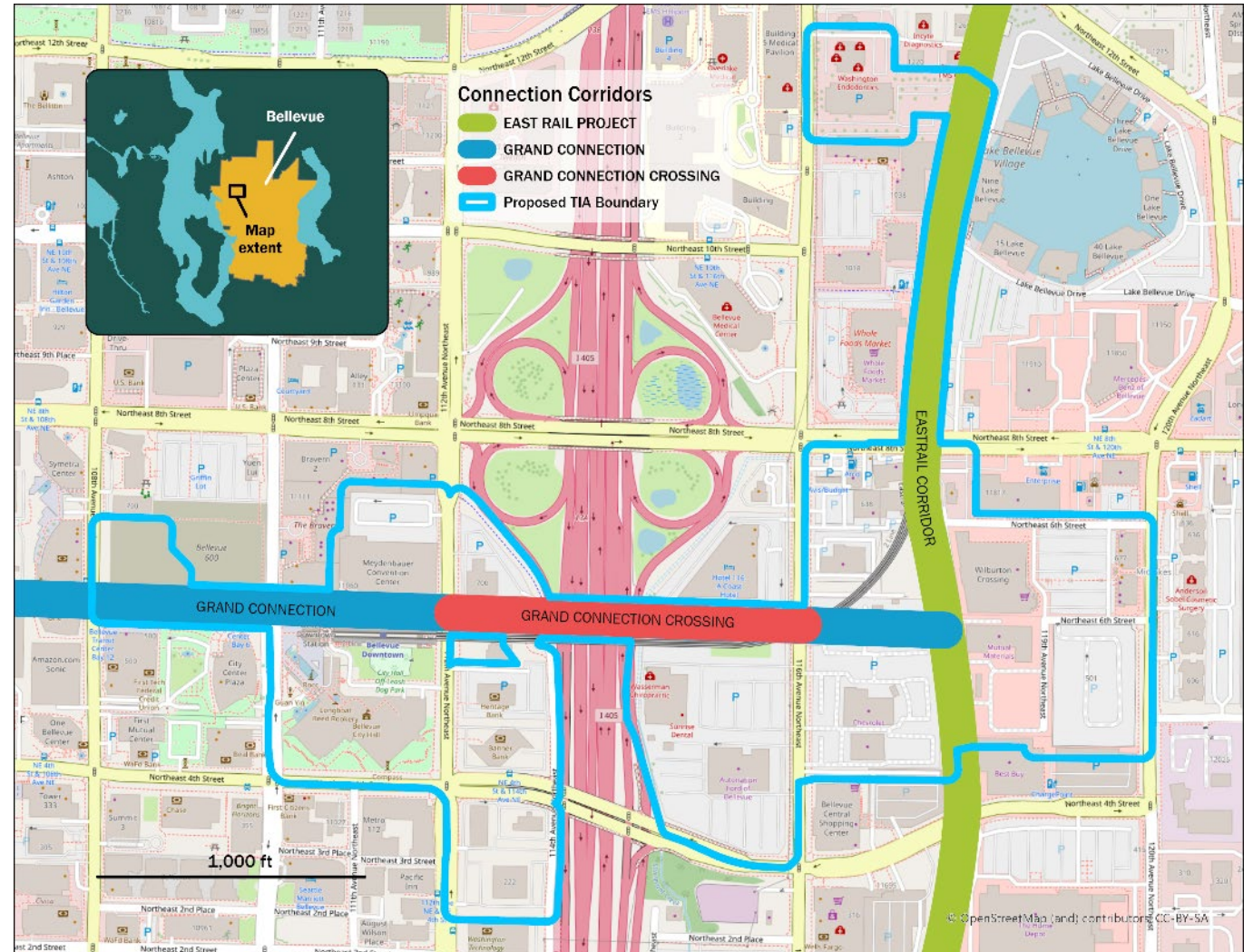
# TIF Model

- TIF captures property taxes generated from increased assessed value (AV) on the sites that redevelop within the TIF boundary
- Only revenues from regular property taxes assessed against the **increment value** are captured:
  - To pay public improvement costs
  - To repay bonds issued for public improvements



# Proposed Tax Increment Area (TIA)

- Delivered to State Treasurer January 14, 2026
- Shared with taxing jurisdictions on January 16, 2026
- \$500M assessed value maximum (0.06% of King County AV)
- Analysis models three development scenarios that could result over the life of the TIF because of the Crossing project:
  - Full, Phased, and Market-Responsive Limited Buildout



# Financial Impacts for the Port

- Taxing districts give up direct access to some revenue in the near term but benefit from long-term growth in assessed value.
- If a taxing district has not reached its statutory levy limit, it is permitted to increase its tax rate slightly to recover the revenue that is allocated to the TIA.
  - This is provided by state law in an effort to cause “no harm” to taxing districts in TIF areas

----- 25-year TIF (2027-20252) -----

Development Scenario	Taxes Allocated to TIF	Total Taxes to Port
Limited	\$1,407,000	\$1,476,000

Total taxes apportioned from the Port to the city \$1.41 million, slightly below the district levy growth of \$1.48 million, which includes \$66,000 from new construction and \$1.41 million from the increment.

# Next Steps

- Request Commission action on TIF by early May
- Bellevue City Council will consider taking action in May to establish the Tax Increment Area
- Funding decisions for TIF are part of the city budget process later this fall

