BOARD OF COUNTY COMMISSIONERS CHELAN COUNTY, WASHINGTON

RESOLUTION NO. 2025-UU

Summary: A resolution enacting a moratorium on the creation, designation, application, approval, implementation, and permitting of Tax Increment Financing (TIF) areas and projects in unincorporated Chelan County, Washington.

Whereas, TIF is codified in RCW 39.114 and is generally defined as a financing tool that allows local governments, such as cities, towns, counties, port districts, or any combination thereof, to fund public infrastructure in designated areas to encourage private development and investment and use the increased property taxes generated by the new development to pay for the improvements. This portion of the property tax is received by the local government which created the increment area; and

Whereas, the implementation of TIF and the creation and designation of any increment area in unincorporated areas of Chelan County by a local governmental entity other than Chelan County could have a negative and adverse impact on Chelan County's tax revenue, land use, comprehensive planning, and zoning; and

Whereas, negative and adverse impacts on Chelan County's tax revenue could jeopardize its ability to meet current and future statutory requirements related to transportation, law enforcement, regional jail, court administration, election operations, building permitting, code enforcement, treasury services, and other core functions; and

Whereas, it is necessary for Chelan County to enact a moratorium on the creation, designation, application, approval, implementation, and permitting of TIF projects by any local governments in unincorporated areas of Chelan County to allow Chelan County to analyze potential impacts on Chelan County and other taxing districts, review TIF project analysis requirements, and review of the TIF program's effectiveness within Chelan County; and

Whereas, RCW 36.70A.390, authorizes Chelan County to adopt moratoria; and

Whereas, this moratorium will be for a period not to exceed six months unless extended for good cause by resolution at a later date;

NOW, THEREFORE, BE IT RESOLVED as follows by the Chelan County Board of Commissioners:

- 1. The above recitals are hereby adopted as findings and conclusions herein.
- 2. Chelan County does hereby adopt a six-month moratorium on TIF, including the creation, designation, application, approval, implementation, and permitting of any tax increment area submitted by any local governments in the unincorporated areas of Chelan County.

- 3. While this moratorium is in effect, use of TIF in unincorporated areas of Chelan County, as codified in RCW 39.114, including the creation, designation, application, approval, implementation, and permitting of any tax increment areas or TIF projects is suspended.
- 4. This board will conduct a public hearing on Tuesday, September 23, 2025 at 11:00am regarding this moratorium;
- 5. This moratorium will be for a period not to exceed six months unless extended for good cause by resolution at a later date.
- 6. This moratorium shall take effect immediately and is in the best interests of good government and the public health, safety, and welfare.

DATED at Wenatchee, Washington this 29th day of July, 2025.

CHELAN COUNTY BOARD OF COMMISSIONERS

SHON SMITH, CHAIR

KEVIN OVERBAY, COMMISSIONER

BRAD HAWKINS, COMMISSIONER

Attest:

Anabel Turnes, Clerk of the Board

Dated: 7/29/25