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COMMENTARY

Aquatics center could leave local taxpayers underwater

By Chris Cargill and Jason Mercier

Would you put money into a project that was projected to lose $400,000 every year? That's what the people of Kennewick, Richland and Pasco are being asked to support on August 6th.

The ballot measure calls for an increase in the local sales tax of 0.1% to build and operate a new government-run indoor and outdoor aquatics center in Pasco.

To their credit, supporters of the money-losing project readily acknowledge the facility won't be able to sustain itself. At the very best, the Tri-Cities Regional Public Facilities District (TCRPFD) estimates the new aquatics center will run a 12% operating loss.

An independent state financial review of the project won't be released until *after* the election, meaning residents are being asked to approve the measure before they have all the facts. The state review may show the project's losses smaller or even larger than $400,000 a year.

TCRPFD's own financial feasibility study concluded "virtually all indoor/outdoor aquatic centers that have been built in the last fifteen years are not covering their operating expenses with revenues."

So the August 6th ballot measure is, essentially, permission to hand the bill for losses to taxpayers.

The community may very well support the idea of an aquatics center. But taxpayers shouldn't be left to flounder. Major questions still need to be answered.

The first is whether this project is the *right* project to tie up limited sales taxing authority? Down the road, voters may have different priorities. This November, for instance, voters will be asked to approve another 0.1% sales tax increase to fund expansion of the convention center. Repeated tax increases, piled one on top of another, eventually do add up to real income reduction for the citizens of the Tri-Cities.

The second is whether this should be voted on before the state Department of Commerce concludes its own review of the finances? A review is required after financial problems that arose with the City of Wenatchee's own arena debt. Officials in Wenatchee had to seek a bailout after their own municipal project went disastrously into the red, threatening to impose huge costs on citizens.

And the third is whether the public facilities district should instead come back with a new proposal that doesn't demand ongoing operating subsidies from taxpayers? Such a proposal would still require taxpayer expense, but for construction costs only. Operation costs would then have to be covered by fees, concessions and private sponsorships.

Supporters also insist this would be a regional attraction and bring in tourism dollars. Perhaps it would, through *part* of the year. But visitors to the Tri-Cities could have to brave an icy Highway 395 to enjoy *half* of the facility in December, January and February. They may, instead, decide to stay home.

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There is also the overarching debate about whether it is right for public officials to use tax money to try and compete in private business? When a private business fails it only loses its own money. When a public project fails, taxpayers are on the hook.

Serious consideration must be given to the ballot measure on August 6th, but serious questions still need to be answered. Supporters confidently say the Tri-Cities should take the plunge. It may just be they're asking us to dive into the shallow end of the pool.