American Planning Association
Washington Chapter

Making Great Communities Happen

Ocean Shores Community Planning Assistance Team Report

A report prepared for the City of Ocean Shores summarizing the outcome of the APA Community Planning Assistance Team Workshop of July 14, 2012

Ocean Shores – Community Planning Assistance Team (CPAT)

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Executive Summary

Washington Chapter of the American Planning Association (APA), in partnership with Forterra and Oregon Chapter of the American Planning Association, sponsored a group of professionals for a Community Planning Assistance Team or CPAT workshop on July 14, 2012. This workshop focused on the downtown core area shown in Figure 1, emphasizing three priority issue areas: connectivity and public safety, economic development, and conservation and stewardship.

Figure 1. CPAT Study Area with 1993 Dune Trail Alignment (Source: David E. Jensen, Architect)

APA Community Planning Assistance Team

Work Session Objectives:

- *Identify a process and resources for developing a boardwalk that will connect visitors between beach front hotels and the beach dunes.*
- *Discuss opportunities and best practices for accommodating fire and other emergency access in the study area.*
- *Discuss and identify opportunities for grooming, preserving, and enhancing existing vegetation and other natural and cultural resources in the dune areas.*
- *Examine additional community design, urban forestry, and economic development opportunities.*
- *Identify this action plan and associated strategies as an economic development opportunity for the community in general, including property and business owners.*
- *Advance the principles of APA for a livable Washington.*

Community Leaders at CPAT Workshop

CPAT Workshop – The Day's Events

Mayor Crystal Dingler opened the CPAT workshop by welcoming the team and highlighting the community's recent success and a vision for the day.

The CPAT Team started by asking the group to discuss strengths and opportunities in Ocean Shores to get a better understanding of the community's vision and needs. Key themes from this discussion included:

- Connectivity and Public Safety
- Economic Development
- Conservation and Stewardship

After an initial discussion of opportunities, Rick Mraz, a wetlands expert with Washington State Department of Ecology, discussed some ways that the City could move forward with several ideas specific to improving and enhancing public access to the dunes and beach, while still achieving the community's conservation and stewardship goals.

The workshop attendees then split into two groups. One group took a walking tour of the dune access points, while the other group toured downtown to focus on urban design, transportation connectivity, and economic development.

After the walking tour, the groups reconvened for more discussion of an overarching vision and action plan.

During the afternoon the group identified several trail/boardwalk connection concepts and other actions that will advance implementation of economic development opportunities, environmental stewardship, and community connections. Table 1 provides a summary of some short term (2-4 year) priority actions along with recommended resources and responsibilities.

Table 1. Short-Term Action Steps (may be done concurrently or in priority sequence)

Themes	Priority Actions	Resources	Responsibility
Connectivity & Safety	• Complete a trail feasibility study discussed during CPAT and pursue funding to complete design and construction. • Pursue a wayfinding signage system.	• Recreation and Conservation Office Grants http://www.rco.wa.gov/rcfb/grants.asp • WSDOT's Pedestrian and Bicycle/Complete Streets Grants (WSDOT) http://www.wsdot.wa.gov/LocalPrograms/SafeRoutes/funding.htm • National Park Service Rivers, Trails and Conservation Assistance http://www.nps.gov/ncrc/programs/rtca	• City Parks and Public Works • Downtown Committee
Economic Development	• Establish a Tourism Benefit District • Pursue social media opportunities for local business community	• Community Economic Revitalization Board (CERB) Growth Management Office (CTED) Grants http://www.infrafunding.wa.gov • Local Improvement Districts http://www.mrsc.org/Subjects/PubWorks/lidpg.aspx • Washington's Main Street Communities Program htttp://www.cted.wa.gov/site/52/default.aspx • Other financing tools and options available in Washington State (See **Appendix A** of this report for a detailed summary of options)	• City and Downtown Committee
Conservation & Stewardship	• Pursue a visual landmark and viewpoint that will help connect educational opportunities related to the City's natural setting. • Incorporate stormwater best management practices, such as native and other plantings in roadway medians.	• Recreation and Conservation Office Grants http://www.rco.wa.gov/rcfb/grants.asp • National Park Service Rivers, Trails, and Conservation Assistance http://www.nps.gov/ncrc/programs/rtca • FEMA Hazard Mitigation Grants - http://www.fema.gov/hazard-mitigation-assistance	• Promotions Committee • City Council and Downtown Committee in partnership with high school and Yakima Valley Community College

Findings and Recommendations

The following pages present the Team's findings and recommendations. Ocean Shores leaders and the Action Committee, an implementation committee potentially comprised of some of those who attended the CPAT workshop in July 2012, should view this report as details fleshing out the ideas developed during the CPAT workshop and suggesting possible approaches to implementation. Keeping this information in mind as you pursue initial short term steps can be a helpful resource in developing specific project scopes of work . These materials are based on presentations by CPAT members and/or information used by them in their official capacity, with web links or other resources for use by the Action Committee.

The findings and recommendations are reported for each of the three focus areas that emerged during the CPAT workshop, including:

Section 1: Connectivity and Public Safety
Section 2: Economic Development
Section 3: Conservation and Stewardship

In order to continue building on the interest and momentum from the CPAT workshop and to carry out these recommended actions , Ocean Shores should engage a broad group of community members, leaders, part and full-time residents, visitors, business owners, etc. This important community engagement "next step" can be a cross-check on these recommendations outlined in this report and can confirm and prioritize actions based on greatest opportunity, lowest cost, and/or other considerations.

We have included a discussion of one method or approach in Section 1 to help reach agreement on a list of priorities among the actions outlined here and/or any others identified by a broader group. Washington APA or the Grays Harbor Dispute Resolution Center are two resources discussed that could offer low or no-cost group facilitation services to aid with a discussion of priorities.

Section I. Connectivity and Safety

Background

Connectivity is an important component of making great communities. A connected community works for all users, regardless of transportation mode, age, or ability. It is about designing our communities to work for pedestrians, bicycles, buses, freight, and automobiles. Connectivity improvements can also lead to more opportunity for urban design and creating a sense of place, supporting economic development, and increasing activities for tourists.

Work to improve connectivity can occur on a variety of scales. The recommendations that follow include a simplified outline of short term and mid- to longer-term actions such as way-finding signage, as well as more complex regional strategies, and include a mix of both policy changes and specific projects.

Ocean Shores Arts and Crafts Fair

Figure 2. Parcel Boundaries

Considering a Beach Access Trail – Five Initial, Short-Term Steps

During the workshop, the CPAT team heard various perspectives, varying levels of support, and the need for some additional information to develop a beach access trail or boardwalk similar to the one outlined in the original 1993 Ocean Shores Boardwalk Construction Project. However, workshop participants seemed to agree that a trail or additional access could help the City to achieve its goals related to increasing tourism, improving beach access, creating a firebreak, providing a “fresh face” for the older hotels in the area, and creating educational opportunities about the natural setting that makes Ocean Shores unique.

To move ahead with a trail or boardwalk, CPAT suggests the following steps:

Step #1 - Resolve any location or alignment issues. Current property owners should be convened for a facilitated discussion of trail alignment options. Washington APA or the Grays Harbor Dispute Resolution Center may be available to assist with this follow up meeting step. Adjacent property owners (as shown in Figure 2.) could consider several alternatives for trail alignment developed during the workshop. These include: :

Design Concept A - 1993 Boardwalk Construction Project Alignment (as shown in **Figure 1.** of this report). This concept is designed to provide a walking experience in the dunes. It would also provide an opportunity for education kiosks informing people about the natural setting that makes Ocean Shores unique.

Design Concept B - Hotel Path Alignment (adjacent to or overlapping hotel property where owners are amenable). See rendering of Hotel Path in **Figure 3**. This concept is designed to help create a walkable linear space that is attractive to is pedestrians and located on the ocean side of the hotels.

Design Concept C - East-West Connector (improving access to Barnacle Street and extending through to the dunes and beach). See rendering of East-West Connection in **Figure 4**. This concept is designed to provide landmarks and wayfinding to visitors, as well as linking downtown through to the beach.

Note that the components of these different design concepts are not mutually exclusive and may be combined to form a single preferred design based on discussions with property owners and additional feedback from the community. The final design concept for the trail or boardwalk may entail building solely on city property or (as is likely) also obtaining permissive easements from private owners whose property lines are adjacent to the trail. A property survey may also be needed. A public private partnership could be established to facilitate discussion about the cost and timing of easements.

Figure 3. Hotel Path - Designed to help create a plaza space that is pedestrian friendly on the ocean side of the hotels. *Note: concept possible only in locations where property owners are amenable or publicly owned property is available.

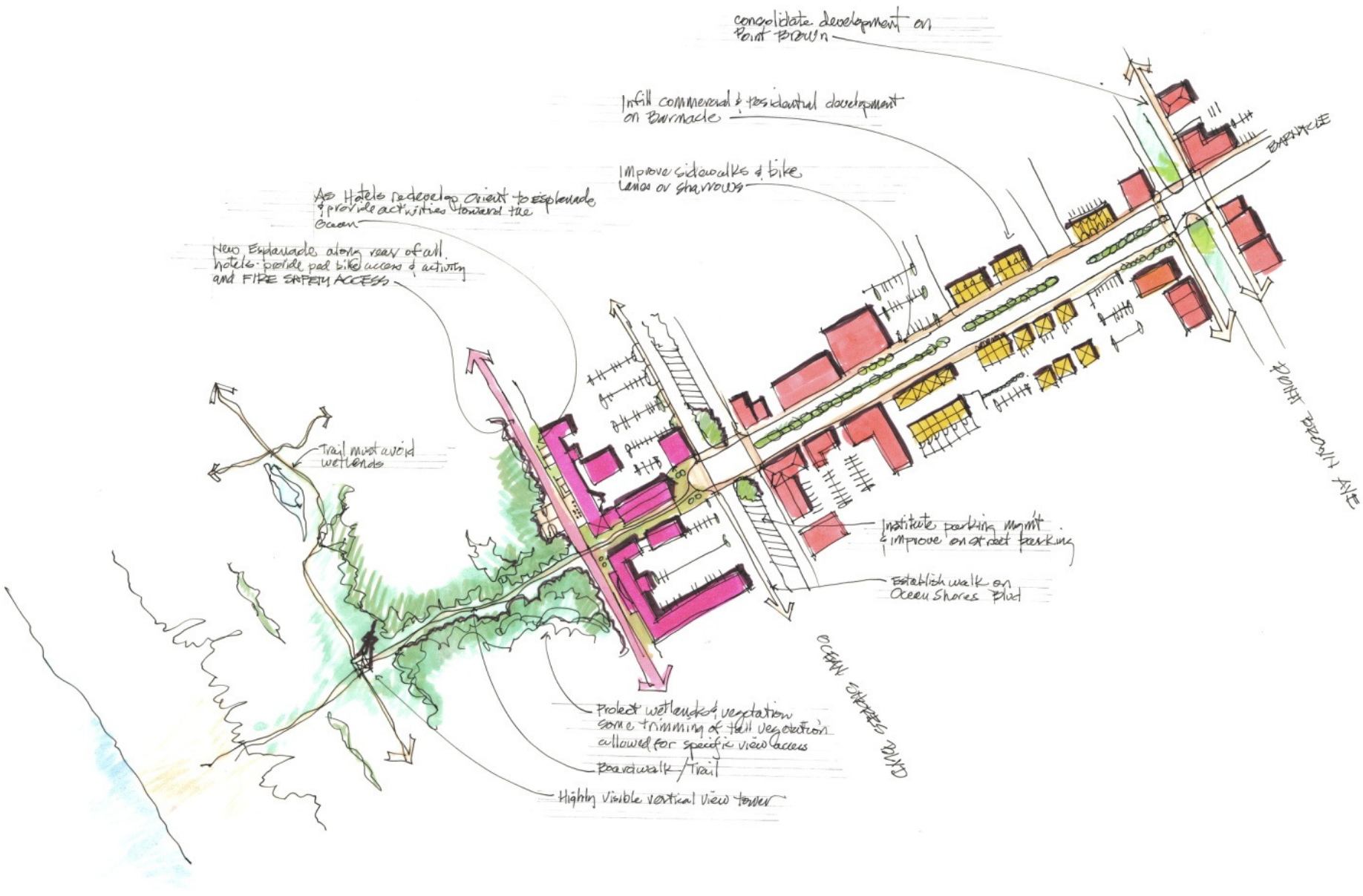


Figure 4. East-West Connector – Designed to provide access to dunes, beach, and downtown commercial area. Could be combined with a vertical feature like a view tower to create a landmark.

Step #2 - Ensure Environmental Stewardship Goals

The next step in developing a preferred trail option for Ocean Shores is to secure funding to delineate wetlands or sensitive areas.

During the workshop, the participants discussed the importance of environmental stewardship, conservation, and environmental education to the Ocean Shores community. Workshop participants expressed a strong interest in ensuring that any trail discussion take these values into account. During the walking tour and subsequent workshop discussion, Rick Mraz, Washington State Department of Ecology, explained that it is possible to develop an environmentally sensitive trail or boardwalk as long as it is not constructed in the buffer zone that extends 200 feet east of the ordinary high water mark, and assuming that it takes into consideration protected vegetation or wetlands. Wetlands delineation may be necessary to identify whether dune wetlands should be addressed individually or as part of the entire dune system. If any part of the proposal calls for construction within the wetland buffer, the City may make that decision without involving the State or Federal Government.

Wetland and sensitive area delineation work may be included in funding secured through state or federal grant programs that support project development through the construction phase, including right-of-way acquisition, certification, and final design. Washington State Departments of Ecology and Transportation may both serve as resources to help the City update the 1993 Boardwalk Construction Project cost figures, as well as develop cost estimates for additional concepts, including the Hotel Path and East-West Connector or some combination of these options that may result from additional discussions with property owners and the community.

Ocean Shores CPAT Team discusses possible trail alignments

Example Hotel Paths and Trails

Step #3 - Develop a Fire Protection Plan

The desire for optimal fire protection connects with the desire for better beach access. Based on the workshop discussions, it appears that access for fire response could be improved, although the properties along the beach are currently in compliance with the City's Fire Code. The fire trucks can currently access the hotels from the east side and can also run an emergency vehicle along the west side of the hotels within the study area if necessary. The City has a pick-up truck that is used to access the beach when emergency medical services are required. A different vehicle, such as a Polaris or other similarly designed vehicle, may be a consideration in this or future budget cycles.

The desire for better access through a trail/boardwalk may be considered on its own merits if the fire protection issue is adequately (if not optimally) met with current resources and there are no environmental contra-indications to a trail/boardwalk. The City should consider that some of the trail/boardwalk design concepts address the fire protection goals better than others. For example, Design Concept B, the Hotel Path, may serve as a fire break, help to eliminate fire prone vegetation like the invasive Scotch Broom (*Cytisus scoparius*), and improve access for emergency vehicles if adjacent property owners are amenable to the concept.

Step #4 – Conduct a Cost/Benefit and Prioritization of Trail Designs and Other Action Items

During the afternoon session, CPAT led the participants in a discussion about costs/benefits of the various action items discussed throughout the workshop. One purpose of this exercise is to familiarize the Action Committee with a common method of prioritization. A Cost/Benefit Analysis is a standard tool used in planning and other disciplines, and is especially helpful when there are strong differences of opinion about a proposal, multiple options, and gaps in information (such as construction costs) about those options.

Figure 5. Cost Benefit and Prioritization Tool Example

Techniques: **Cost/Benefit or Impact/Ease of Implementation Matrix**

HIGH BENEFIT LOW COST Quick win	HIGH BENEFIT HIGH COST Strategic
LOW BENEFIT LOW COST Debateable	LOW BENEFIT HIGH COST Avoid

HIGH IMPACT LOW EASE OF IMPLEMENTATION Strategic	HIGH IMPACT HIGH EASE OF IMPLEMENTATION Quick win
LOW IMPACT LOW EASE OF IMPLEMENTATION Avoid	LOW IMPACT HIGH EASE OF IMPLEMENTATION Debateable

Use these charts after coming up with a selection of improvements to determine which are viable.

The vertical axis are to be labelled benefit and impact respectively and the horizontal axis are to be labelled cost and ease of implementation respectively.

When you have a selection of improvements discuss as a team where in the chart they should sit the on post it notes place them in their correct position.

The respective areas can also be graded to reflect scale of cost, benefit, impact and ease of implementation.

Step #4 – Continued

The Action Committee should identify a small group of participants to apply this method of prioritization to the action items identified in this report. The exercise is somewhat self-explanatory but it may be helpful to have a neutral third party walk your group through it. Washington APA or the Grays Harbor Dispute Resolution Center may be able to provide or assist with mediation/facilitation on a pro-bono or low-cost basis.

In preparation for this exercise, CPAT recommends that the Mayor and Council identify with some specificity some different options for location of the trail and for construction/design types. These options should "bracket" the range of community desires to be most effective.

Costs will be an important issue. We would also recommend that you consult with Washington State Department of Ecology about the time, effort, and cost needed for permitting – based on construction in or near the wetlands, for example, that may require an Army Corps of Engineers permit.

In addition, it will be helpful to bring to your cost/benefit analysis some notion of the appropriate sequencing and time-span for different trail/boardwalk options. The amount of effort and time involved in a proposal is one of the "costs."

Step #5 – Conduct Targeted Community Outreach

Following the completion of the cost/benefit analysis, CPAT recommends that the Action Committee present a preferred design to the community. This will help establish support and increase momentum for the proposal.

It is likely that when the work is presented to the community – and this could also happen during the cost/benefit exercise – that other priorities not related to the trail/boardwalk proposal will be identified as competitive with that proposal. For example, a comment made by a Councilmember at the public open house indicated that solving the drainage issues

south of the Ramada Inn might be a higher priority than the trail/boardwalk. When resources are limited, opportunity costs are higher because one project is perceived as displacing other projects. A larger priority-setting exercise may be helpful and could be aligned with future public budget discussions. Ultimately, the Mayor and Council are responsible for setting the priorities for public expenditures. A tourism district or hotel occupancy tax increment may also be avenues through which additional funds can be raised to accomplish community goals.

Recommendations

Pursue a way-finding program to make it easier for residents and tourists to get around by foot, bike and car.

Way-finding includes all of the ways in which people orient themselves to their environment and navigate from place to place. In the case of Ocean Shores, way-finding could be used to improve connectivity between the beach, hotel district primarily located on Ocean Shores Boulevard, and the main shopping and restaurant district on Point Brown Avenue. Signage can also be used to orient people toward cultural points of interest and areas that are environmentally significant. On a citywide scale, way-finding can be used to promote recreational bike routes, connections to the Ocean Shores Municipal Airport, and attractions such as the Casino or the Oyhut Wildlife Recreation Area.

Sample Way-finding Signs

Interesting and creative way-finding signs could be identified through a design competition. Criteria for such a completion could include “reflecting the values of Ocean Shores”, “portraying the unique dunes environment and habitat”, and “Ocean Shores is a family friendly community.” This would create opportunities for the local, county, and regional arts communities to lend their creative expertise to defining the “brand” of Ocean Shores. Technology can also be part of way-finding through the use of “smart tags” to help visitors locate destinations or learn more about natural and cultural sites.

Sample Bikeshare Program

Expand Low-Cost "Complete Street" Solutions

Build support for regional signage and tourist center/rest stop to better market the attractions and opportunities in Ocean Shores and the Olympic Peninsula.

A rest stop on Highway 8 or 101 west of Olympia could become the gateway to the Peninsula, providing more coordinated marketing of the attractions in Ocean Shores and nearby coastal attractions. It could become the "Portal to the Peninsula." Additionally, adopting uniform signage for the communities along Highways 101, 8, 12, and 109 would improve the connectivity throughout the region. Roadside signage should say "City of Ocean Shores" rather than "Ocean Beaches" to give visitors more accurate information.

Study opportunities to create innovative local transportation alternatives.

Sustaining more frequent transit service may not be a viable short term option due to the population and residential density of Ocean Shores, but the compact and flat nature of the hotel and restaurant/shopping areas invite creative solutions. One alternative is to look into a human or horse powered pedi-cab business to help hotel guests to move about town quickly and enjoyably. Another possibility is a seasonal bike-share system that could be stored at hotels and used by guests to access nearby destinations.

Consider adopting a complete streets policy to ensure that future road construction is designed and built to accommodate all users.

Many communities around the country are adopting Complete Streets policies, resolutions, and development codes. These ensure that major retrofits and new construction include opportunities to bike, walk, and use transit as appropriate for the given location. Not all "Complete Streets" solutions require expensive road construction or capacity expansion. Simple, low cost options for improving east-west and north-south connectivity and safety for biking and walking from downtown to hotels to the beach and back again can be achieved through installations like retro-reflective markers or flexible traffic barrier posts along the fog-line.

Create Mid-Block Crossing from Ocean Shores Boulevard to Point Brown Avenue to shorten pedestrian connections from hotels to shops and restaurants.

Anchor Avenue and Deux Court offer opportunities to use both on-street and off-street mid-block crossings to connect Ocean Shores Boulevard more easily to Point Brown Avenue.

Ocean Shores Welcome Sign

Section 2. Economic Development

Background

Forming a public-private partnership could have multiple community benefits. A strong focus for such a partnership is to capitalize on Ocean Shores' unique assets and image discussed during the CPAT workshop: "authentic, connected, resilient, natural, beautiful"

Adapting to the needs of the aging and the emerging generations, and the 'greener' vacation habits of families by providing safer and more connected streets will be important in the short term. Providing enhanced environmental education opportunities, while equipping the conference center and City core with more telecommunications bandwidth and reliability will help to grow the City's economic base, provide greater support for local businesses, as well as increase both tourism and business travel.

While focusing on a short-term, five-year plan that addresses greener tourism and technology improvements, Ocean Shores can also plan for the longer term. To sustain economic growth, a variety of housing options will be necessary to meet the demands of young entrepreneurs, an aging retirement community, and accommodations for the workforce. We recommend a review of housing and zoning in the city core that should consider population forecasts and related housing needs, to identify any gaps in current policies, programs and the local residential / commercial housing market.

Recommendations

- Focus on improvements that reinforce a sense of community and existing community character, as well as a resort destination.
- First equip the conference center, and later potentially a larger area of the City core with more telecommunications bandwidth and reliability to support tourism, business travel, and local business development.
- Consider downtown residential development to provide a more sustained market for downtown businesses and attainable workforce housing.
- Apply for a grant to undertake a strategic marketing and economic development plan that looks at trends and future options.
- Advertise the eco-tourism and eco-community aspect of Ocean Shores.

Famous Ocean Shores Iconic Shark

Ocean Shores Sand Castle Event

Ocean Shores – Natural Setting

Section 3. Conservation and Stewardship

Background

It was apparent throughout the CPAT workshop that environmental stewardship is important to the Ocean Shores community. As the team and citizens worked through each of the key focus points, it became clear that economic development, fire protection and safety, and environmental stewardship are closely tied in Ocean Shores, and mutually support each other.

As the CPAT team walked the dunes during the field investigation, they found that it may be the natural, incremental dune-building activity of the beach that is impeding the view of the ocean rather than the height of the dune vegetation. The lengthening of the beach and increasing the height of the dunes themselves that occurs over time should be evaluated. There are several options to investigate this, including LIDAR maps available through the University of Washington's Department of Geography. If this is, in fact, the case, then a shift in focus in dealing with this challenge is necessary; there is no feasible way to 'shorten' the dunes. However, it may provide an educational opportunity that would continue to build on the natural and cultural strengths and attractions of the area.

Preserving and protecting the wetlands was a key topic of discussion during the CPAT workshop. With help from Rick Mraz, Washington Department of Ecology wetland expert, the group discussed several parameters for any development such as a trail, boardwalk, viewing tower, or educational kiosks with regard to wetland protection, including:

Specific Parameters - Wetlands

- The wetlands are federally, state, and locally-regulated critical areas:
  - avoid developing or building in or near wetlands where possible
  - minimize impacts
  - mitigate for impacts
- Establish wetland buffer zones.
- Protected beach zone: 200-foot setback from ordinary high water, indicated on the beach adjacent to Ocean Shores by the beach grass line.
- Protect the dunes, which in turn protect buildings and infrastructure from wave action during high-tide events and storms.
- Control non-native and invasive plants that out-compete more desirable native beach vegetation.

Ocean Shores Dune Wetland

Recommendations

A number of recommendations were discussed at the workshop that specifically involved conservation and stewardship of Ocean Shore's unique environment. Most of the recommendations summarized here also support connectivity, public safety, and economic development goals.

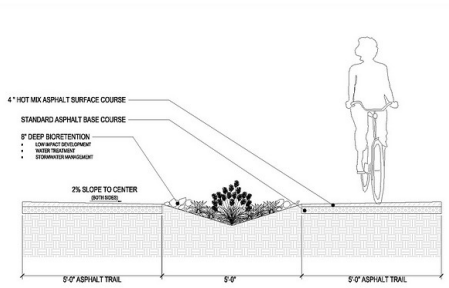
Fire Protection/Prevention

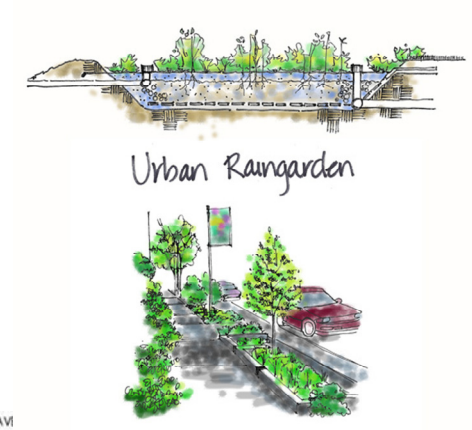
- Consider fire response access on the west side of hotels as an ADA-compliant, pedestrian/recreational amenity.
- Clear deadwood and overgrown underbrush near hotel zones to reduce fire-prone fuels; however, this must be balanced by concern for wildlife habitat.
- Enhance awareness and participation in fire prevention through community participation in the FireWise Communities Program, available through Washington State Department of Natural Resources.

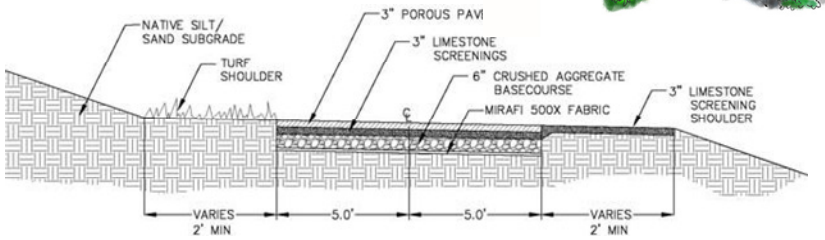
Environmental Stewardship

- Restore and enhance both habitat and stormwater functions of public rights of way. Consider native and other low-maintenance, non-invasive plantings in the roadway medians.
- Design pathways and sidewalks for greater connectivity and pedestrian safety, as well as minimal environmental impacts and even environmental benefits, like stormwater management. Washington State Departments of Ecology and Transportation both have Low Impact Development guidelines that may be useful.

Low Impact Paths & Trails







Recommendations (Continued)

Environmental Stewardship

- Informative interpretive signage should lead visitors and citizens to explore Ocean Shores' natural beauties and come to a greater appreciation of the complexity of beach systems.
- Review and revise as necessary current dune vegetation management standards, as set forth in City Code, to remain current with State standards and Best Management Practices.

Environmental Education

- Pursue an elevated viewing platform to serve multiple functions: an emergency management asset, way-finding or an orientation point for visitors, and a location for sharing information about the natural and cultural setting.
- Seek assistance from organizations such as The Audubon Society in developing a birding trail on the peninsula, with interpretive signage and/or brochures.
- Expand the reach of the Interpretive Center through traveling exhibits at the Convention Center and other key locations, such as the Chamber of Commerce or Visitors' Center kiosks.
- Involve the arts community in interpretive and way-finding signage to aid the development of visitor kiosks, providing information for both commercial and environmental points of interest in an eye-catching way.
- Consider using Smart Tags to guide visitors to seasonal points of interest throughout the area at their own pace; these provide great flexibility to bring in new points of interest regularly to maintain interest.
- Pursue interpretive and way-finding signage explaining the dynamics of beach movement and dune development to enhance understanding of environmental change over time.

Viewshed Opportunities:

- Ground floor levels of hotels might be refit as ADA-accessible units with both internal and external access. This suggestion has several merits:
    - it increases the number of ADA-accessible units in order to attract this segment of tourism;
    - roll-in/roll-out units may fit well with an esplanade-type trail system on the west side of the hotels, increasing the active participation of this tourist population in the community's unique environment in a safe, vehicle-free setting; and
    - roll-in/roll-out units may provide barrier-free exits from the hotel in the event of fire, reducing the chances of entrapment.

Conclusion - Implementation Considerations

Ocean Shores leadership took some important steps to develop needs and action items during this CPAT workshop. Some of the action items emerging from the workshop are shorter term and some are more extensive and will take years to fully realize. The City and its Action Committee should review the top priorities and determine an easy and visible first step toward one of the actions and then set out to do it.

For example, an early or near term step may be to transition the roadway medians to native plantings as a way to free up funding currently devoted to maintenance of grass areas. Or, it may be as simple as dedicating a traffic lane on Ocean Shores Boulevard to walkers and bikers for two hours every Sunday morning in summer to help build the interest for a north/south promenade while the City develops and finalizes a trail design and assembles funding. This first step should be visible and meet a strategic community goal.

Continuing to build alliances and partnerships necessary for implementation. Partnerships will be necessary to permit, promote, and fund many of the project ideas. The City has developed relationships with some partners, but will need to expand its outreach to all of the interests in the downtown core and surrounding communities. Leaders, staff, and Action Committee members should assess who is missing from the strategic discussions and develop an outreach approach to bring them into the conversation. Due to the economic climate, more often than in the past, funders are seeking projects with collaborations between government, private sector, and community organizations. Ocean Shores will find strength through building lasting relationships and alliances.

Aligning City investments

Each project or action will require an investment of time and/or money. With the potential for many elements to move forward at once, it is critical to coordinate the resources and leverage as much as possible through each public investment. The City should review its human and capital resources and allocate them, based on the community goals and preliminary feasibility analyses. The investment strategy should be communicated to the community, so that the private sector can coordinate their investments as well.

Appendix A: Washington Financing Tools

This appendix briefly summarizes tax increment financing type programs in Washington State. It is intended to provide some basic information to assist persons interested in financing tools for local public infrastructure. It is not intended to be used as an interpretive document on the state laws pertaining to these programs. In addition to the programmatic summary of financing tools, a table, included in this appendix, provides a summary of a wide range of funding sources currently available.

COMMUNITY REVITALIZATION FINANCING (CRF) ACT

In 2001, the Community Revitalization Financing (CRF) Act was created. It authorized cities, towns, counties, and port districts to create a tax "increment area" and finance public improvements within the area by using increased revenues from local property taxes generated within the area.

- An increment area cannot be created without approval of the local governments imposing at least 75 percent of the regular property taxes within the area.
- The incremental local property taxes under this program are calculated on 75 percent of any increase in assessed value in the increment area.
- Any fire protection district with geographic boundaries in the increment area must agree to participate for the project to proceed.
- CRF increment areas are created and administered at the local government level.
- The CRF Act does not include a state contribution.

This program is currently available for local government use. The legal foundation for this tool is detailed in Chapter 39.89 of the Revised Code of Washington.

LOCAL INFRASTRUCTURE FINANCING TOOL (LIFT) PROGRAM

In 2006, the Local Infrastructure Financing Tool (LIFT) program was created and made available to certain local governments for financing local public improvement projects intended to encourage economic development or redevelopment. As part of the LIFT program, a sponsoring jurisdiction (city, town, county, port district, or federally recognized Indian tribe) creates a "revenue development area" from which annual increases in revenues from local sales/use taxes and local property taxes are measured and used. Such increases in revenues and any additional funds from other local public sources are used to pay for public improvements in the revenue development area and are also used to match a limited amount of state contribution.

- A revenue development area and award of a state contribution must be approved by the state's Community Economic Revitalization Board (CERB).
- Incremental local property taxes under this program are calculated on 75 percent of increases in assessed value as a result of new construction and improvements to property within the revenue development area.
- Incremental local sales and use taxes are estimated by the sponsoring local government with assistance of the Department of Revenue when requested.
- Participation in the sharing of incremental revenues for this program is voluntary and requires written agreement. (e.g. A city sponsoring a LIFT project may ask a library district to share its incremental property tax revenue and a county to share its incremental sales tax revenue with the city to support the project. The library district and county could sign a written agreement to participate, but they don't have to.)
- To receive the state contribution, the sponsoring local government imposes a local sales and use tax that is credited against the state sales and use tax. This local tax is the mechanism by which the local government will receive the state contribution. The local tax does not increase the rate of tax paid by consumers but instead diverts state sales and use tax revenue to the local government. The local government receives a limited amount of distributions from the local LIFT tax each fiscal year up to the lesser of: (1) the amount of project award approved by CERB; (2) the amount of local matching funds dedicated to the payment of the public improvements or bonds in the previous calendar year; and (3) the highest amount of incremental state sales/use and property tax revenues for any one calendar year as determined by the sponsoring local government and identified in an annual report submitted to the Department of Revenue and CERB.
- The local funds and state contribution are used for payment of bonds issued for financing local public improvements within the revenue development area. The public improvements may be financed on a pay-as-you-go basis but only for the first five years of the state contribution.
- The state contribution ends after 25 years or when the bonds are paid off, whichever is earlier.
- The state can contribute a maximum of $7.5 million statewide to the LIFT program per state fiscal year.
- The maximum state contribution per project is capped at $1 million per state fiscal year.

Nine projects have been awarded state contributions under the LIFT program. The projects are located in Bellingham, Bothell, Everett, Federal Way, Mount Vernon, Puyallup, Vancouver, Yakima, and Spokane County. The application process for the LIFT program is closed at this time. Approval of additional projects and awards by CERB would require future legislative action. The legal foundation for this program can be found in Chapter 39.102 RCW, and RCW 82.14.475. See annual LIFT reports prepared by CERB located on the Department of Commerce's web site. Go to www.commerce.wa.gov and search for "Local Infrastructure Financing Tool."

LOCAL REVITALIZATION FINANCING (LRF) PROGRAM

In 2009, The Local Revitalization Financing (LRF) Program was created by Second Substitute Senate Bill 5045 (2SSB 5045). The LRF program authorizes cities, towns, counties, and port districts to create a "revitalization area" (RA) and allows certain increases in local sales and use tax revenues and local property tax revenues generated from within the revitalization area, additional funds from other local public sources, and a state contribution to be used for payment of bonds issued for financing local public improvements within the revitalization area. This program is very similar to the LIFT program.

- The Department of Revenue (Department) is responsible for the administration of the program. To seek a state contribution, the local government that creates a revitalization area must apply to the Department.
- The program makes available state contributions for seven demonstration projects and other competitive projects approved on a first-come basis.
- Incremental local property taxes under this program are calculated on 75 percent of increases in assessed value as a result of new construction and improvements to property within the revitalization area.
- Participation in the sharing of incremental revenues for this program is voluntary but requires action to opt out of participation. (e.g. If a library district, or other taxing district, doesn't want to share its incremental property tax revenue with the city, it must pass an ordinance to remove itself from participation.)

  To receive the state contribution, the sponsoring local government imposes a local sales and use tax that is credited against the state sales and use tax. This local tax credit is the mechanism by which the local government will receive the state contribution.
- The local tax credit does not increase the rate of tax paid by consumers but instead diverts the state sales and use tax to the local government. The local government receives a limited amount of distributions from this local tax each state fiscal year up to the lesser of: (1) the amount of project award approved by the Department of Revenue; and (2) the amount of local matching funds dedicated to the payment of the public improvements or bonds in the previous calendar year and identified in an annual report submitted by the local government.
- The state can contribute a maximum $6.63 million statewide for the LRF program per state fiscal year.
- The maximum amount of state contribution for each demonstration project is specified in the bill and ranges from $200,000 to $500,000 per project. The maximum state contribution for each competitive project approved on a first-come basis is $500,000.
- The local funds and state contribution are used for payment of bonds issued for financing local public improvements within the revitalization area.

Eighteen projects have been approved for state contributions under LRF. The projects are located in Auburn, Bellevue, Bremerton, Federal Way, Kennewick, Lacey, Mill Creek, Puyallup, Renton (2 projects), Richland, Spokane, Tacoma, University Place, Vancouver, Wenatchee, Clark County, and Whitman County.

Additional approvals for a state contribution would require future legislative action. This program is still available for use at the local level without a state contribution. Legal authority for this program can be found in Chapter 39.104 RCW, RCWs 82.14.505, 82.14.510, 82.14.515, and 82.32.765. For additional information visit the Department of Revenue's Local Government Web Page at www.dor.wa.gov/localgovernment and click on the link for "Local Revitalization Financing."

TABLE OF FUNDING SOURCES 2012

PLANNING

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
CDBG-POG Community Development Block Grant – Planning-Only Grant Program	• Comprehensive plans • Infrastructure plans • Feasibility studies • Community action plans • Low-income housing assessments	Projects must principally benefit low- to moderate-income people in non-entitlement cities and counties. • Cities or towns with fewer than 50,000 people • Counties with fewer than 200,000 people	Grant • Up to $24,000 for a single jurisdiction • Up to $35,000 for single jurisdiction projects that address urgent public health and safety needs • Up to $40,000 for multiple jurisdictions/joint application	2012 applications accepted beginning May 2012 through April 2013 on a fund-available basis. **Contact:** Phyllis Cole 360-725-4001 phyllis.cole@commerce.wa.gov
PWTF PLANNING Public Works Trust Fund – Planning Program	• Single or multiple system plans covering eligible systems • Updates to existing capital facilities plans • Environmental studies • Cultural/historical project reviews	Counties, cities, and special-purpose districts that meet certain requirements (contact Client Service Representative). No school or port districts	Loan • Up to $100,000 per jurisdiction each biennium • Must complete plan in 18 months • 0 percent interest, 6-year term • No match required	No planning funding is anticipated for 2013-2014. (Note: Availability of future funds is dependent on approval by the Governor and Legislature.) **Contact:** Chris Gagnon, Client Service Representative, 360-725-3158, christina.gagon@commerce.wa.gov Client Service Representative contacts: https://fortress.wa.gov/com/pwbrfa/NewAppPages/StaffListingPage1.aspx

PLANNING – continued

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
CERB PLANNING AND FEASIBILITY GRANTS Community Economic Revitalization Board – Project-Specific Planning Program	Project-specific feasibility and pre-development studies that advance community economic development goals for industrial sector business development.	Eligible statewide • Counties, cities, towns, port districts, special districts • Federally recognized tribes • Municipal corporations, quasi-municipal corporations w/ economic development purposes	Grant • Up to $50,000 per application • Requires 25 percent matching funds	Applications accepted year-round. The Board meets six times a year. **Contact:** Janea Eddy 360-725-3151 janea.eddy@commerce.wa.gov
RCAC RURAL COMMUNITY ASSISTANCE CORPORATION Feasibility and Pre-Development Loans	Water and/or wastewater planning; environmental work; and other work to assist in developing an application for infrastructure improvements	Non-profit organizations, public agencies, tribes, and low-income rural communities with a 50,000 population or less, or 10,000 or less if guaranteed by USDA Rural Development financing	• Maximum $50,000 for feasibility loan • Maximum $350,000 for pre-development loan • 1 year term • 5.5% interest rate	Applications accepted anytime Contact: Josh Griff 720-898-9463 jgriff@rcac.org Applications available on-line at www.rcac.org
ECOLOGY: INTEGRATED WATER QUALITY FUNDING PROGRAM State Water Pollution Control Revolving Fund Centennial Clean Water Fund	Planning projects associated with publicly-owned wastewater and stormwater facilities. The integrated program also funds planning and implementation of nonpoint source pollution control activities.	Counties, cities, towns, conservation districts, or other political subdivision, municipal or quasi-municipal corporations, and tribes Preconstruction Set-aside Jurisdictions listed above with a population of 25,000 or less and a MHI (median household income) below the statewide average receive priority for loan funds.	Loan, at either: (SFY 2013 interest rates) • 2.7% interest for 6-20 year term, or • 1.4% interest for 5 year term Pre-Construction Set-aside (Distressed Communities) 50% forgivable principal loan and 50% loan, at either: (SFY 2013 interest rates) • 2.7% interest for 6-20 year term, or • 1.4% interest for 5 year term	State Fiscal Year 2014 application cycle closes on November 2, 2012. Applications typically accepted September 1 through first Friday in November. **Contact:** David Dunn 360-407-6503 david.dunn@ecy.wa.gov http:/www.ecy.wa.gov/programs/wq/funding/funding.html

PLANNING – continued

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
RD PRE-DEVELOPMENT GRANTS (PPD) U.S. Dept. of Agriculture Rural Development – Rural Utilities Service – Water and Waste Disposal Direct Loans and Grants	Water and/or sewer planning; environmental work; and other work to assist in developing an application for infrastructure improvements	Low-income, small communities and systems serving areas under 10,000 population.	Loans; Grants in some cases, depending on funding availability. Maximum $25,000 grant Requires minimum 25% match	Applications accepted year-round, on a fund-available basis. **Contact:** Gene Dobry 360-704-7733 eugene.dobry@wa.usda.gov http://www.rurdev.usda.gov/wa
RD 'SEARCH' GRANTS: SPECIAL EVALUATION ASSISTANCE FOR RURAL COMMUNITIES U.S. Dept. of Agriculture Rural Development – Rural Utilities Service – Water and Waste Disposal Direct Loans and Grants	Water and/or sewer planning; environmental work; and other work to assist in developing an application for infrastructure improvements.	Low-income, small communities and systems serving areas under 2,500 population.	Maximum $30,000 grant. No match required.	Applications accepted year-round, on a fund-available basis **Contact:** Gene Dobry 360-704-7733 eugene.dobry@wa.usda.gov http://www.rurdev.usda.gov/wa

PRE-CONSTRUCTION

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
PWTF PRE-CON Public Works Trust Fund – Pre-Construction Program	Pre-construction activities such as preliminary engineering, design, bid-document preparation, right-of-way acquisition, environmental studies, and cultural/historic project review	Counties, cities, special purpose districts, and quasi-municipal organizations that meet certain requirements (contact a Client Service Representative for more information). No school or port districts.	Loan $1 million per jurisdiction each biennium. • Must complete work within 24 months. • Standard interest rate is 1%, 5-year term. • Terms may be extended to 20 years if construction funding is secured by June 1, 2014.	Visit the Public Works Board website at http://www.pwb.wa.gov to obtain the latest information on pre-construction funding availability. A small amount of pre-construction funding was available July 2012. (Note: Availability of future funds is dependent on approval by the Governor and Legislature.) **Contact:** Chris Gagnon, Client Service Representative, 360-725-3158, christina.gagnon@commerce.wa.gov Client Service Representative contacts: https://fortress.wa.gov/com/pwbrfa/NewAppPages/StaffListingPage1.aspx

PRE-CONSTRUCTION - continued

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
ECOLOGY: INTEGRATED WATER QUALITY FUNDING PROGRAM State Water Pollution Control Revolving Fund Centennial Clean Water Fund	Design projects associated with publicly-owned wastewater and stormwater facilities. The integrated program also funds planning and implementation of nonpoint source pollution control activities.	Counties, cities, towns, conservation districts, or other political subdivision, municipal or quasi-municipal corporations, and tribes Preconstruction Set-aside Jurisdictions listed above with a population of 25,000 or less and a MHI (median household income) below the statewide average receive priority for loan funds. Preconstruction Set-aside (Distressed Communities) Jurisdictions listed above with a population of 25,000 or less and a MHI below 80% of the statewide average.	Loan, at either: (SFY 2013 interest rates) • 2.7% interest for 6-20 year term, or • 1.4% interest for 5 year term Pre-Construction Set-aside (Distressed Communities) 50% forgivable principal loan and 50% loan, at either: (SFY 2013 interest rates) • 2.7% interest for 6-20 year term, or • 1.4% interest for 5 year term Note: SFY 2014 interest rates not yet determined.	State Fiscal Year 2014 application cycle closes on November 2, 2012. Applications typically accepted September 1 through first Friday in November. **Contact:** David Dunn 360-407-6503 david.dunn@ecy.wa.gov http:/www.ecy.wa.gov/programs/wq/funding/funding.html
RCAC **RURAL COMMUNITY ASSISTANCE CORPORATION** Feasibility and Pre-Development Loans	Water and/or wastewater planning; environmental work; and other work to assist in developing an application for infrastructure improvements	Non-profit organizations, public agencies, tribes, and low-income rural communities with a 50,000 population or less, or 10,000 or less if guaranteed by USDA Rural Development financing	• Maximum $50,000 for feasibility loan • Maximum $350,000 for pre-development loan • 1 year term • 5.5% interest rate	Applications accepted anytime Contact: Josh Griff 720-898-9463 jgriff@rcac.org Applications available on-line at www.rcac.org

CONSTRUCTION and DESIGN/CONSTRUCTION

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
CDBG-GP Community Development Block Grant – General Purpose Grant Program	Final design and construction of domestic wastewater, drinking water, side connections, stormwater, streets, bridge, community facility, economic development, and housing rehabilitation projects.	Projects must principally benefit low- to moderate-income people in non-entitlement cities and counties. • Cities or towns with fewer than 50,000 people • Counties with fewer than 200,000 people	Grant • Up to $250,000 - $700,000, depending on project type and financial need • No match required, but local contribution and gap financing preferred	Applications due once a year; tentative due date February 2013. **Contact:** Kaaren Roe 360-725-3018 kaaren.roe@commerce.wa.gov
PWTF Public Works Trust Fund – Construction Program	New construction, replacement, and repair of existing infrastructure for domestic water, sanitary sewer, stormwater, solid waste, road or bridge projects, and reasonable growth	Counties, cities, special purpose districts, and quasi-municipal organizations that meet certain requirements (contact a Client Service Representative for more information). No school or port districts. (*) NEW: • Affordability Index: Affordability Index (AI) is a measure of the consumers' financial ability to pay for utility services. Applicants that qualify for AI terms can receive lower cost loan terms • Performance based incentives: Projects that meet contract incentives can qualify for slightly lower interest rate or longer repayment term	Loan • $15 million per jurisdiction for the 2014 funding year • Must complete work within 60 months • Rates and terms vary based on an affordability index (which assesses a utility's ability to sustain the utility) • Interest rates: 0.25-2%; Standard interest rate is 1%, but can vary • Repayment Term: Up to 30 years. Standard repayment term is 20 years. The repayment term cannot exceed the life of the improvement.	Applications accepted in May 2013. Please visit http://www.pwb.wa.gov for information. **Contact:** Chris Gagnon, Client Service Representative, 360-725-3158, christina.gagon@commerce.wa.gov Client Service Representative contacts: https://fortress.wa.gov/com/pwbrfa/NewAppPages/StaffListingPage1.aspx

CONSTRUCTION and DESIGN/CONSTRUCTION – continued

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
RD - U.S. Dept. of Agriculture Rural Development - Rural Utilities Service - Water and Waste Disposal Direct Loans and Grants	Pre-construction and construction associated with building, repairing, or improving drinking water, solid waste facilities and wastewater facilities	• Cities or towns with fewer than 10,000 population • Counties, special purpose districts, non-profit corporations or tribes unable to get funds from other sources	Loans; Grants in some cases • Interest rates vary (currently 2.125 – 3.50%) • Up to 40-year loan term • No pre-payment penalty	Applications accepted year-round on a fund-available basis **Contact:** Gene Dobry 360-704-7733 eugene.dobry@wa.usda.gov
DWSRF Drinking Water State Revolving Fund	Drinking water system infrastructure projects aimed at increasing public health protection. The program now includes dedicated funding for subsidy. There is a limited amount of principal forgiveness for communities with high affordability index numbers and water system restructuring/ consolidation projects.	Community and non-community water systems (includes for-profit and non-profit systems, but not federal or state-owned systems); both privately- and publicly-owned systems are eligible	Loan • 1 percent loan fee (water systems receiving subsidy are not subject to loan fees) • $12 million per jurisdiction per year • $24 million for jointly-owned projects • 1 to 1.5 percent interest rate • Loan repayment period: 20 years or life of the project, whichever is less • No local match required Note: SFY 2014 interest rates and funding limits not yet determined.	Applications due March 1, 2013 **Contact:** Karen Klocke 360-236-3116 karen.klocke@doh.wa.gov www.doh.wa.gov/ehp/dw/our_main_pages/dwsrf.htm

CONSTRUCTION and DESIGN/CONSTRUCTION – continued

Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
ECOLOGY: INTEGRATED WATER QUALITY FUNDING PROGRAM State Water Pollution Control Revolving Fund-Centennial Clean Water Fund	Construction projects associated with publicly-owned wastewater and stormwater facilities. The integrated program also funds planning and implementation of nonpoint source pollution control activities.	Counties, cities, towns, conservation districts, or other political subdivision, municipal or quasi-municipal corporations, and tribes Hardship Assistance Jurisdictions listed above with a population of 25,000 or less	Loan, at either: (SFY 2013 interest rate) • 2.7% interest for 6-20 year term, or • 1.4% interest for 5-year term Note: SFY 2014 interest rates not yet determined.	State Fiscal Year 2014 application cycle closes on November 2, 2012. Applications typically accepted September 1 through first Friday in November. **Contact:** David Dunn 360-407-6503 david.dunn@ecy.wa.gov
CERB Community Economic Revitalization Board - Construction Program	Projects must support significant job creation or significant private investment in the state. • Bridges, roads and railroad spurs, domestic and industrial water, sanitary and storm sewers • Electricity, natural gas and telecommunications • General purpose industrial buildings, port facilities • Acquisition, construction, repair, reconstruction, replacement, rehabilitation	• Counties, cities, towns, port districts, special districts • Federally-recognized tribes • Municipal and quasi-municipal corporations with economic development purposes.	Loans; grants in unique cases • Public facility projects required by private sector expansion and job creation • Projects without a committed business allowed for rural areas • $1 million maximum per project, per policy • Interest rates: 3% for non-distressed and 2.5% for distressed counties • 20-year term maximum • Requires 10% minimum match	Applications accepted year-round. The Board meets six times a year. **Contact:** Janea Eddy 360-725-3151 janea.eddy@commerce.wa.gov
RCAC RURAL COMMUNITY ASSISTANCE CORPORATION Construction Loans and Intermediate Term Loan	Water, wastewater, solid waste and stormwater facilities that primarily serve low-income rural communities. Can include pre-development costs.	Non-profit organizations, public agencies, tribes, and low-income rural communities with a 50,000 population or less, or 10,000 populations or less if using Rural Development financing as the takeout	• Maximum $2 million with commitment letter for permanent financing • Security in permanent loan letter of conditions • 1-3 year term: 5.5% interest rate • 1% loan fee • For smaller capital needs, normally not to exceed $100,000 (Intermediate Term Loan)	Applications accepted anytime **Contact:** Josh Griff 720-898-9463 jgriff@rcac.org Applications available on-line at www.rcac.org

EMERGENCY

Project Phase/Program	Eligible Projects	Eligible Applicants	Funding Available	How To Apply
PWTF Public Works Trust Fund – Emergency Program	Projects necessary due to natural disaster, or immediate/emergent threat to public health and safety For domestic water systems, sanitary sewer, stormwater, solid waste, roads and bridges	Counties, cities, special purpose districts, and quasi-municipal organizations that meet certain requirements (contact a Client Service Representative for more information). No school or port districts.	No emergency funding is currently available.	Note: Availability of future funds is dependent on approval by the Governor and Legislature. **Contact:** Chris Gagnon Client Service Representative 360-725-3158 Christina.gagnon@commerce.wa.gov
CDBG - IT Community Development Block Grant – Imminent Threat Grant Program	Repair unanticipated water, sewer and other public drainage facility damages that pose an immediate, urgent threat to public health and safety. A formal disaster must be declared	• Non-entitlement cities or towns with fewer than 50,000 people • Non-entitlement counties with fewer than 200,000 people	Grant; pending availability of funds • Only eligible costs incurred after an emergency is formally declared can be reimbursed	Applications accepted year-round. **Contact:** Kaaren Roe 360-725-3018 kaaren.roe@commerce.wa.gov
RD – ECWAG Emergency Community Water Assistance Grants	Domestic water projects needing emergency repairs due to an incident such as: a drought; earthquake; flood; chemical spill; fire; etc. A significant decline in quantity or quality of potable water supply that was caused by an emergency	Public bodies, tribes and private non-profit corporations serving rural areas with populations under 10,000	Grant; pending availability of funds • $150,000 limit for incident related emergency repairs to an existing water system • $500,000 limit to alleviate a significant decline in potable water supply caused by an emergency	Applications accepted year-round on a fund-available basis **Contact:** Gene Dobry 360-704-7733 eugene.dobry@wa.usda.gov http://www.rurdev.usda.gov/wa
RCAC **RURAL COMMUNITY ASSISTANCE CORPORATION** Intermediate Term Loan	Water, wastewater, solid waste and stormwater facilities that primarily serve low-income rural communities.	Non-profit organizations, public agencies, tribes, and low-income rural communities with a 50,000 population or less.	• For smaller capital needs, normally not to exceed $100,000 • Maximum 20 year term • 5% interest rate • 1% loan fee	Applications accepted anytime **Contact:** Josh Griff 720-898-9463 jgriff@rcac.org