

# Funding Partnership with Foss Waterway Development Authority for Parks on the Foss Capital Campaign

July 26, 2018

Port of Tacoma Commission Meeting



# Commission Action Request

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Authorization of a \$250,000 advance fee-in-lieu payment to the City of Tacoma's Public Access Fund per the 2013 Interlocal Agreement Authorizing a Flexible Approach to Shoreline Public Access Provision between the City of Tacoma and the Port of Tacoma. The Port's contribution is contingent on the following additional criteria:

- City of Tacoma and Metro Parks each commit a minimum of \$750,000 to the Parks on the Foss Capital Campaign by formal action of their elected bodies prior to the initial 2021 payment;
- Successful completion of \$11.5 million capital campaign by 6/21;
- Port funds would be deposited into Tacoma's Public Access Fund as credits for future shoreline permits requiring public access; and
- Port funds dedicated to the development of Waterway Park.



# Background on 2013 ILA

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## **Purpose: Provide flexible approach to shoreline public access (PA)**

State Shoreline Management Act requires public entities to include PA as part of development projects.

For more effective public access systems, local gov'ts may institute master program provisions for PA in lieu of site-by-site public access requirements.

The City and Port negotiated an ILA that includes a fee-in-lieu system, formula, methodology, priority access locations, credits for certain sites, as well as the ability to make advance payments to secure credits against particular shoreline permit fees. Program is also available to our tenants.



# Proposed Melanie Jan LaPlant Dressel Park Site



# Proposed Waterway Park Site



# Partnership Agreement Scope

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- Purchase of credits in two \$125K advance payments to the fee-in-lieu program in 2021 and 2022 (total \$250K) and dedicated to Waterway Park
- Payments contingent on COT & Metro Park's each contributing \$750K
- Payments contingent on full project funding by June 2021
- Payments contingent on mutually agreeable terms of advanced payments with the City of Tacoma
- The City of Tacoma and Port may pursue alternative funding mechanisms to provide a minimum of \$250K for the Parks on the Foss Capital Campaign



# Waterway Park Project Scope

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- Boathouse for rowing shells and sculls, workshop and restrooms
- Boat storage building for outrigger canoes, dragon boats, paddleboards and kayaks
- Enlarged dock and gangway
- New sidewalk ramp and/or stairs connecting Dock Street to the park
- Environmental benefits to foster natural shoreline habitat, provide stormwater run-off improvements and create new green space



# Waterway Park Project Schedule

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- Operations Plan by Metro Parks and design work complete in 2018
- Capital Campaign for both parks complete by January 2020
- Construction to start early 2022



# Fundraising Budget

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## **Public Agency Participation**

Metro Parks Tacoma	\$ 1,500,000
City of Tacoma	1,500,000 request
Pierce County	50,000
Port of Tacoma	250,000 request
Washington State	2,000,000 request in 2021
<b>Sub-Total</b>	<b>\$ 5,300,000</b>

<b>Private Donor</b>	<b>\$ 6,266,000</b>
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<b>TOTAL</b>	<b>\$11,566,000</b>
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# Fundraising to Date

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Metro Parks Tacoma	\$750,000
Pierce County	50,000
FWDA***	93,000
<b>Total Fundraising to Date</b>	<b>\$893,000</b>

\*\*\* FWDA purchased the site for \$400K and established a \$500K endowment fund for maintenance of the Foss WW parks.



# Finances

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**Cost:** \$250,000 paid over two years

**Source of Funds:** Funds would be budgeted through the Port's annual budget process.

**Financial Impacts:** The contributions would initially be accounted for as a pre-paid balance sheet. In future years when the fee-in-lieu credits are used, the costs would be recognized as operating expense or depreciation, depending upon the nature of the projects with which they are associated.



# Economic Impact/Job Creation

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Parks Management and Operations Plan anticipated in early fall 2018.  
The current working draft indicates:

- FWDA will transfer ownership of the parks to Metro Parks when facilities complete and be responsible for the management and maintenance;
- Private contractor(s) would provide watercraft rentals, manage watercraft storage and operate any food services;
- User groups to provide water-based programs and services;
- Pro-forma is in development to determine fees and staffing. Consequently, the number of new jobs created by this facility is currently unknown.



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# Staff analysis

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## 5 to 10 years

Two developments that could each require \$5 mill development w/in 200' of shoreline = \$100K each in PA fees

## 10 to 15 years

\$40 mill wharf development w/in 200' of shoreline = \$350K in PA fees

