



Stevenson Downtown Assoc.

Marie G. Perez, Executive Director

Phone (509) 427-8911
Director@StevensonMainstreet.org

167 2nd Street, PO Box 1037
Stevenson, Washington 98648

To: Stevenson City Council and Skamania County Commissioners
From: Marie G. Perez, Executive Director, SDA
RE: Park Plaza Renovation Interlocal Agreement Direction
Meeting Date: October 8, 2019 5:30 PM, County Boardroom

Project Benefits:

The project is a catalyst investment which increases the long-term value of the county's assets¹ and nearterm tax revenue² for the city. By leveraging the donations of local businesses, government partners can increase the quality of life, recreational opportunities and business environment of their constituencies while strengthening their partnership and longterm financial health.

The items listed below do not represent the ideas of the SDA. They are points of discussion based on conversations with multiple representatives on the issue

Overview of Items:

A list of items and decisions that need to be made to assist with drafting an interlocal agreement regarding the project are below.

- Cost Sharing Options for Development and O&M
 - Split Development Costs 20% City / 80% SDA
 - Split O&M 30% County/ 70% City (facility O&M)

30% County (land lease estimated 10k/year; NPV of \$350,827) ³	70% City (operating cost \$25k/year, NPV of \$877,069 ⁴)
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- City O&M estimated at \$25k/year, net present of 30 years O&M=\$877,069
- County O&M via in-kind land lease (value estimated at 10k/year with NPV of \$350,827)
- County continues to maintain northern/lawn portion of project
- City leases and maintains southern portion including water features, amphitheater and public bathrooms
- In lieu of, or for reduced rent, the county requires continued access to park by county residents and park to be maintained in line with other city parks, a portion of any profits generated from plaza fund renovation/decommission fund

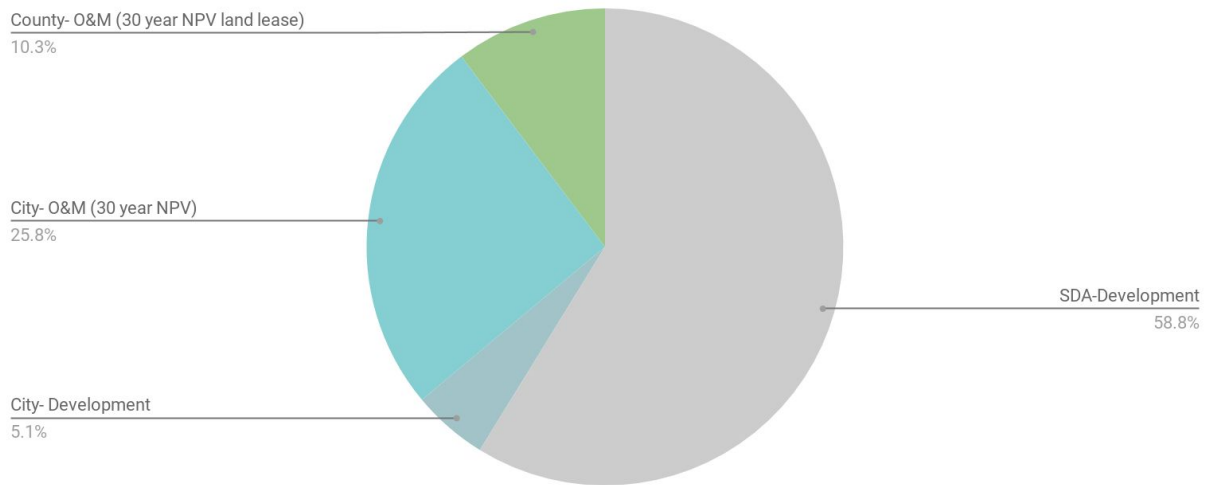
¹ see Section One, Appendix A

² see Table One, Appendix A

³ see Table Two, Appendix A

⁴ see Table Three, Appendix A

Project Life-Cycle Cost Share Estimate



- **Funding Sources**
 - SDA funds - Currently \$420k set aside for the project:
 - i) LTAC pre construction grant (\$90k) expire December 31, 2019
 - ii) LCP funds (\$150k) expire July 2021
 - City's LTAC funds (potential O&M source)
 - BNSF Foundation Grant
 - State Recreation Conservation Grant "RCO" (potential-biennial cycle, max 500k)
 - Corporate Donations (currently WKO, A&J, El Rio, Walking Man, Silver Star, more)
 - In-kind donations of materials or construction services (potential)
 - Fundraising options-raffles, bricks, gala, etc. (potential)
- **Project Budget**
 - Construction cost estimated at 1.8 million plus 30% contingency and sales tax= 2.5 million. Columnar basalt is estimated at \$750k, and likely first source of cost reduction.
 - What happens if the cost for renovation do not match up to the available funds?
 - How are restricted donations handled and honored? Can the SDA accept donations for specific park elements (splash pad, landscaping, etc)?
- **Project Timeline**
 - Partially driven by funding sources, grant awards
 - Next steps in preconstruction: Archaeological review, site survey, geotechnical analysis, permit initiation (lengthy process) followed by engineering, construction plan development, cost estimates, phasing.

- Key Decision Points/Project Milestones
 - Draft design approvals
 - Interlocal draft and approval
 - RCO grant award biennial cycle (March 2020-July 2021)
 - Contractor procurement
 - Change orders
 - Others
- Assessment of insurance and liability implications
- Communication Plan
 - Who are the key points of contact for the project (who will be delivering what information to whom)?
 - Who are the key audiences?
 - How often are updates provided?

Action Needed:

Identify direction on items below for staff research and document drafting.


- Cost Sharing- Development
- Cost Sharing- O&M
- Lease terms including area, compensation and duration
- Assessment of insurance and liability implications
- Scheduling of next joint workshop

Appendix A: Courthouse Park Plaza Renovation Memo

Section One: Projected Effects on Long Term Property Value

The proposed site is comprised of ten lots owned by Skamania County, comprising a total area of 1.1 acres. The site is steeply sloped and situated between highway 14 and the county courthouse. The site has been used as an informal public park for over a century. The commercial value of the site is estimated at \$600-800k.

However; a nearby level, commercially zoned lot listed at a similar price has gone unsold for the last several years. While the inherent value of the proposed site is unquestionable, this fact suggests the market demand currently does not reflect the true value of the proposed site.



Zillow Save Share More

\$299,000 0.51 acres
70 NW Second St, Stevenson, WA 98648

Contact Agent

Home value Price and tax history Monthly cost Rental value

3/21/2019	Listed for sale	\$299,000 (+1.4%)	▼
11/16/2018	Listing removed	\$294,900	▼
2/17/2018	Price change	\$294,900 (-1.4%)	▼
8/10/2017	Back on market	\$299,000	▼
7/11/2017	Pending sale	\$299,000	▼
6/22/2017	Listed for sale	\$299,000	▼

By partnering with local business community, nonprofits and the City of Stevenson, the county has the opportunity to increase the long-term value of its asset:

- increase the site's infrastructure assets including power, water, sewer and stormwater
- through grading, the buildable area will increase
- by increasing recreational and employment opportunities, more local commercial real estate will be bought and developed
- as the supply of commercial real estate decreases, the value of the county's asset increases
-when the lifecycle of the park is completed (30 years from completion) the property would be one of the few commercially zoned available properties.

Appendix A, Section Two: Estimated Effects on Near Term Tax Revenue

Appendix A, Table One: Estimated Effects of Courthouse Lawn Renovation on Local Tax Revenue				
	Visitors/Day ⁵	50% Buy 1 Meal @ \$12.00	25% Stay Overnight @ \$111.91 ⁶	Annual Estimated Revenue
May-September ⁷ 1% of vehicles stop	197.6	\$1,185.60	\$5,483.40	\$1,000,350.00
October-April .5% of vehicles stop	98.8	\$592.80	\$2,741.70	\$700,245.00
	Total Visitor Spending			\$1,700,595.00
	Total Jobs Created ⁸			19.62
	Local Sales Tax Revenue ⁹			\$18,706.55
	State Sales Tax Revenue ¹⁰			\$112,239.27
	LTAC Revenue ¹¹			\$19,651.32

⁵ ODoT average daily car count at 7,600 and average occupancy rate of 2.6 passengers per vehicle

⁶ Average spending per visitor per night. Figures based on 2017 State Tourism Study conducted by Dean, Runyan and Associates

⁷ Average of 147 sunny days in Stevenson, per National Weather Service.

⁸ Amount of visitor spending that supports one job in Skamania County \$86,690 (2017, Dean, Runyan & Associates)

⁹ Stevenson Sales Tax @ 1.1%

¹⁰ Washington State Sales Tax @ 6.6%

¹¹ 39% of overnight visitors (estimated at 25% of 1% and .05% ADT) pay for lodging, triggering \$4 LTAC receipt. Figures based on 2017 State Tourism Study conducted by Dean, Runyan and Associates

Appendix A, Section Three: Net Present Value Calculations

Appendix A, Table 2: Net Present Value of 30-years’ Operating & Maintenance Cost							
\$25k/year at 1.5% Average Inflation Rate					\$25k/year at 2% Average Inflation Rate		
1	\$25,000.0	1.5%	\$375		\$25,000.0	2%	\$500
2	\$25,375.0	1.5%	\$381		\$25,500.0	2%	\$510
3	\$25,380.6	1.5%	\$381		\$25,510.0	2%	\$510
4	\$25,761.3	1.5%	\$386		\$26,020.2	2%	\$520
5	\$25,767.0	1.5%	\$387		\$26,030.4	2%	\$521
6	\$26,153.6	1.5%	\$392		\$26,551.0	2%	\$531
7	\$26,159.3	1.5%	\$392		\$26,561.4	2%	\$531
8	\$26,551.7	1.5%	\$398		\$27,092.7	2%	\$542
9	\$26,557.6	1.5%	\$398		\$27,103.3	2%	\$542
10	\$26,956.0	1.5%	\$404		\$27,645.3	2%	\$553
11	\$26,962.0	1.5%	\$404		\$27,656.2	2%	\$553
12	\$27,366.4	1.5%	\$410		\$28,209.3	2%	\$564
13	\$27,372.5	1.5%	\$411		\$28,220.4	2%	\$564
14	\$27,783.0	1.5%	\$417		\$28,784.8	2%	\$576
15	\$27,789.2	1.5%	\$417		\$28,796.1	2%	\$576
16	\$28,206.0	1.5%	\$423		\$29,372.0	2%	\$587
17	\$28,212.3	1.5%	\$423		\$29,383.5	2%	\$588
18	\$28,635.5	1.5%	\$430		\$29,971.2	2%	\$599
19	\$28,641.8	1.5%	\$430		\$29,982.9	2%	\$600
20	\$29,071.5	1.5%	\$436		\$30,582.6	2%	\$612
21	\$29,077.9	1.5%	\$436		\$30,594.6	2%	\$612
22	\$29,514.1	1.5%	\$443		\$31,206.5	2%	\$624
23	\$29,520.6	1.5%	\$443		\$31,218.7	2%	\$624
24	\$29,963.4	1.5%	\$449		\$31,843.1	2%	\$637
25	\$29,970.1	1.5%	\$450		\$31,855.6	2%	\$637
26	\$30,419.6	1.5%	\$456		\$32,480.2	2%	\$650
27	\$30,426.4	1.5%	\$456		\$33,129.8	2%	\$663
28	\$30,882.8	1.5%	\$463		\$33,142.8	2%	\$663
29	\$30,889.6	1.5%	\$463		\$33,805.6	2%	\$676
30	\$31,352.9	1.5%	\$470		\$33,818.9	2%	\$676
	\$841,719.8				\$877,069.0		

Appendix A, Table 3:

Net Present Value of 30-year Land Lease

	\$10k/year at 1.5% Average Inflation Rate				\$10k/year at 2% Average Inflation Rate		
1	\$10,000.0	1.50%	\$150		\$10,000.00	2.00%	\$200
2	\$10,150.0	1.50%	\$152		\$10,200.00	2.00%	\$204
3	\$10,152.3	1.50%	\$152		\$10,204.00	2.00%	\$204
4	\$10,304.5	1.50%	\$155		\$10,408.08	2.00%	\$208
5	\$10,306.8	1.50%	\$155		\$10,412.16	2.00%	\$208
6	\$10,461.4	1.50%	\$157		\$10,620.40	2.00%	\$212
7	\$10,463.7	1.50%	\$157		\$10,624.57	2.00%	\$212
8	\$10,620.7	1.50%	\$159		\$10,837.06	2.00%	\$217
9	\$10,623.0	1.50%	\$159		\$10,841.31	2.00%	\$217
10	\$10,782.4	1.50%	\$162		\$11,058.14	2.00%	\$221
11	\$10,784.8	1.50%	\$162		\$11,062.47	2.00%	\$221
12	\$10,946.6	1.50%	\$164		\$11,283.72	2.00%	\$226
13	\$10,949.0	1.50%	\$164		\$11,288.15	2.00%	\$226
14	\$11,113.2	1.50%	\$167		\$11,513.91	2.00%	\$230
15	\$11,115.7	1.50%	\$167		\$11,518.43	2.00%	\$230
16	\$11,282.4	1.50%	\$169		\$11,748.79	2.00%	\$235
17	\$11,284.9	1.50%	\$169		\$11,753.40	2.00%	\$235
18	\$11,454.2	1.50%	\$172		\$11,988.47	2.00%	\$240
19	\$11,456.7	1.50%	\$172		\$11,993.17	2.00%	\$240
20	\$11,628.6	1.50%	\$174		\$12,233.04	2.00%	\$245
21	\$11,631.2	1.50%	\$174		\$12,237.83	2.00%	\$245
22	\$11,805.6	1.50%	\$177		\$12,482.59	2.00%	\$250
23	\$11,808.2	1.50%	\$177		\$12,487.48	2.00%	\$250
24	\$11,985.4	1.50%	\$180		\$12,737.23	2.00%	\$255
25	\$11,988.0	1.50%	\$180		\$12,742.23	2.00%	\$255
26	\$12,167.8	1.50%	\$183		\$12,992.08	2.00%	\$260
27	\$12,170.5	1.50%	\$183		\$13,251.92	2.00%	\$265
28	\$12,353.1	1.50%	\$185		\$13,257.12	2.00%	\$265
29	\$12,355.8	1.50%	\$185		\$13,522.26	2.00%	\$270
30	\$12,541.2	1.50%	\$188		\$13,527.56	2.00%	\$271
	\$336,687.9				\$350,827.59		