SUPPORTING DOCUMENTATION

CONTENTS

Lodging Tax Basic Fund
Much of the marketing, branding and signage initiatives are being funded using these funds. Throughout this program, we recommend that these funds be used exclusively for marketing and sales, and to help offset operating subsidies of the Event Center, when developed.

Downtown Plaza Funds
Reserve of $180,000. (Funds set aside for construction of downtown plaza, parking and clock tower)

Lodging Tax Additional 2% Taxes
Currently, the city pays this entire revenue to the county-wide program. When that is discontinued, there will be funds of approximately $67,000 to $70,000 annually from this source. I'm not sure if all of those funds are earmarked yet.

.08 Rural County Sales Tax
A portion of the 6.5% state sales and use tax that is returned to rural counties for the purpose of financing public facilities that will foster economic development. The COUNTY administers the fund.
• Approximately $1 million currently available in the County's fund (as per Whidbey News Times, 9/11/04)
• In 2003, Island County received $523,365.66 in Rural County .08 funds.
• Oak Harbor generated approximately 38% of the sales tax revenue in the county, so Oak Harbor generated approximately $197,800 of the 2003 .08 funds the county received that year.
• Island County generates approximately 54% of the sales tax revenue in the county.
• Uses are restricted – must be to finance public facilities serving economic development, and be listed as an item in the officially adopted county economic development plan, comprehensive plan, or city's comprehensive plan.
• Public facilities includes: bridges, roads, domestic and industrial water facilities, sanitary sewer, earth stabilization, storm sewer, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, commercial infrastructure, and port facilities.
• There has been talk of using these funds for a sewer system in Freeland – the cost would use up the whole fund.
• To use these funds, the county must consult with cities, towns, port districts and associate development organization to be sure project meets goals of economic development. The county must report to the state auditor each year with a list of new projects.

Real Estate Excise Tax
Tax on real estate sales. To be used for capital projects defined as: public works projects including street construction, acquisition, repair, improvement; roads; highways; sidewalks; street and road lighting; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative and/or judicial facilities.

New Market Tax Credits
As part of the Community Renewal Tax Relief Act of 2000, Congress enacted the New Markets Tax Credit program to facilitate private sector investment in low-income communities.

First, a community development entity (CDE), applies to the Treasury Department for an allocation of new market tax credits, which are competitively awarded. Then, the CDE seeks to market the tax credit certificates to private investors, usually a large institutional entity that invests in other tax credit programs.

In exchange for their investment, private investors receive a tax credit certificate from the CDE to attach to their federal income tax forms. They can claim a tax credit equal to 5 percent of their equity investment in the CDE for each of the first 3 years, then a 6 percent credit for each of the next four years, totally a 39 percent credit against the investment.

The funds invested by the private investors are then used by the CDE to provide loans, equity investments and other forms of credit to qualified low-income businesses, including nonprofit corporations in designated low-income communities. Companies that qualify for loans or equity include small technology firms, inner-city shopping centers, manufacturers, retail stores.

So far, Washington State CDEs in Bellingham, Everett, Ilwaco, Morton, Oakville, Seattle, Shelton, Shorline, and Spokane have been awarded new market tax credits under the CDFI fund, ranging from $40,000 technical assistance grants to $2 million venture capital funding.

Private contributions, and volunteer effort
This can include sponsorships, fund raisers, endowments and other private contributions for development of portions of Windjammer Park and/or the Event Center. The Event Center, in fact, should sell naming rights, which could generate upwards of $150,000 a year to help offset maintenance, upkeep, and improvement costs.

Grant Resources for Parks and Recreation:

<u>National Park Service</u> – Rivers, Trails, and Conservation Assistance Program
Provides expertise and experience to help conserve rivers, preserve open space,   and develop trails and greenways.

<u>Office of the Interagency Committee (IAC)</u>:
<u>Land and Water Conservation Fund</u>: Provides funding to assist in preserving, developing, and assuring accessibility to outdoor recreation resources, including parks, trails, wildlife lands, other lands and facilities. Administered by the US Dept. of the Interior through the National Park Service and the IAC.

<u>National Recreational Trails Program</u>: To rehabilitate and maintain recreational trails and facilities. Administered by the U.S. Dept. of Transportation through the Federal Highway Administration and IAC.

<u>Boating Infrastructure Grant Program</u>: Funds recreational transient boating facilities. Administered by the US Fish and Wildlife Service, through IAC.

<u>Youth Athletic Facilities</u>: Acquire, develop, equip, maintain, improve youth and community athletic facilities. Requires a 50% match of either cash or in-kind. From fund contributed by Seattle Seahawks, through IAC.

<u>Washington Wildlife and Recreation Program</u>: For acquisition and development of local and state parks, water access sites, trails, critical wildlife habitat, natural areas, and urban wildlife habitat, through IAC.

<u>Aquatic Lands Enhancement Account</u>: For purchase, improvement or protection of aquatic lands for public purposes, and providing access to those lands; through IAC.

Grant Resources for Economic Development or Historic Preservation:

<u>The National Development Council</u>
A national non-profit community and economic development organization. Purpose is to increase flow of capital for investment, jobs, and community development.

Provides technical assistance for community development strategies and project financing and direct developer services. NDC employs 501(c)(3) and 63-20 bond financing, New Markets Tax Credits, Historic Preservation Tax Credits to assist in financing alternatives.

Community Development Block Grant Programs
<u>Entitlement Communities Grants</u>
Annual grants to entitled cities to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities.

<u>State Administered CDBG</u>
Development activities, planning, etc.

Section 108 Loan Guarantee Program

Office of Archaeology & Historic Preservation
Certified Local Government Program: Helps local governments preserve Washington's historic and cultural resources. Provides financial and technical assistance, established by the National Historic Preservation Act.

Housing and Urban Development
> Office of Community Planning & Development
> Office of Economic Development

Washington State Department of Transportation
> Infrastructure Funding Sources

STP Regional: provides flexible funding for projects on any Federal-aid highway, including the NHS, bridge projects on any public road, transit capital projects, and intracity and intercity bus terminals and facilities.

U.S. Department of Commerce
Economic Development Administration
> Public Works Program – Investment Program

Tax Increment Financing – May not be available for use in Washington State.
A tool used in 48 states to promote economic development: City captures the increase in net tax capacity resulting from new development within a designated geographic area called a TIF District. The TIF authority uses the tax increments, which are the property taxes paid on the captured increase in net tax capacity, to pay for TIF-eligible costs of the new development that generated the increase in net tax capacity. The funds pay for the infrastructure needs of the new development.

Washington State Community Economic Revitalization Board
Low-cost financing for public facilities improvements that are required for private development. Job creation and/or retention of jobs are the goals for CERB's investment in public infrastructure. Loans and occasional grants are available to cities to offset infrastructure costs such as access roads, sewer and water extensions, and other public improvements to make specific sites attractive for private sector development.

SAMPLE IDENTITY USAGE AGREEMENT

Any use of the logo by other organizations other than the city should agree to a Identity Usage Agreement. The City Attorney should review the sample below, and develop an agreement for usage of the identity. The community's brand is being developed using this logo identity as a primary element of the program. Additions to the agreement should also include:
- No alterations to the logo can take place without written permission of the city
- The logo cannot be used for or by commercial enterprises in any way, shape or form

CITY OF OAK HARBOR, WASHINGTON

Use of the Oak Harbor, Washington logo in all forms implies acceptance of this agreement. If you do not agree to all of the terms of this agreement, please contact us.

The City of Oak Harbor hereby grants you the non-exclusive, non-transferable right to use the Hawthorne logo.

By accepting this agreement, you agree to the following:

All uses of the Oak Harbor logo will be for the purpose of promoting Oak Harbor as a desirable destination. All uses of the logo will inure to the benefit of Oak Harbor. The logo may not be used for any commercial purpose.

The logo must not be combined with any other graphic or textual elements and may not be used as a design element of any other logo or trademark. The City of Oak Harbor reserves the right to approve or disapprove the use of the logo to ensure that it complies with these policies.

You will not edit, alter, modify, or prepare any derivative work from or based on the logo. You also will not vary or otherwise change any of the logo, including the color and style of the logo, without the permission of the City of Oak Harbor.

You will not, directly or indirectly, imply that the City of Oak Harbor endorses, sponsors, certifies, or approves of any services, products, or events (unless the City is an official sponsor of said event) without the permission of the city (reference point of contact above); nor will you take any other action that might adversely affect the distinctive quality of our logo, our identity, or our public image.

You may not use the logo in any manner that is in violation of any applicable laws or governmental regulations. Your use of the logo must be truthful and not misleading. You may not use the logo to imply any relationship with, or endorsement or sponsorship by the city that is not true. You may not use the logo in connection with any disparaging statements about Oak Harbor or statements that otherwise reflect poorly on Oak Harbor.

In no event will the city be liable to you, whether in contract or in tort or under any other legal theory (including strict liability) for any damages, including, but without limitation, direct or indirect, special, incidental, punitive, exemplary, consequential, lost profits or revenues or similar damages arising out of or in connection with this agreement. You agree to indemnify the city against all claims and liability that may arise from your use of the logo.

The city may terminate the licenses granted here at any time, for any reason. Upon termination of your rights under this agreement, you will immediately discontinue use of the logo.

You may not assign the rights and licenses granted herein without our prior written consent. The validity and effect of this agreement shall be governed by the laws of the State of Washington, without regard to its conflicts of law rules. All claims relating to this agreement will be resolved in the state and federal courts located in Washington, and you agree to that venue and the exclusive jurisdiction of those courts. This agreement contains the entire agreement between us and you relating to the subject matter hereof, and cannot be modified or terminated except in a writing duly executed by both parties.

City of Stevenson, Washington Downtown Revitalization

We spoke with Maryann Duncan-Cole, the City Administrator.

The downtown revitalization included redoing the street, the lighting, adding a WIFI square, doing the lake road (that leads around the lake to Skamania Lodge), signage, kiosks, and adding a new water main down the main street.

They began the whole project in 1992-1993, when they were competing for Skamania Lodge. The whole project took a combined effort of many involved citizens, many varied and different funding sources, changing some legislation to allow private/public partnerships, annexing some land to the city, and expanding their sewer system.

With several very talented citizens, they worked with Jim Walsh, a landscape architect from Portland, to come up with the designs. The plan had to include a circulation plan not only for cars, but also for pedestrians and bicycles.

They did the work in three stages. The lake road was the first (probably because they needed it for Skamania Lodge.)

For the main street project, they had block leaders for each block who were intermediaries between the design process and the citizens, and they held design meetings to accommodate these people's work schedules, along with the designer and architect. The design process was very open, and if a property owner had a concern, they could address it through their block leader, or go to the meeting, or go directly to the designer or architect. By the time construction was underway, they had the owners' buy off of the plan.

They wanted to handle the work locally, and not have it done by the state – they'd had problems in the past.

Total cost of the downtown main street project was about $2.8 million. This doesn't include city staff time.

Funding was through 17 different sources, including grants, donations, city funds, and loans. Grants were from a CERB Grant, Washington Investment Board (grants for scenic areas), the WSDOT Discretionary Fund (for the engineering), other WSDOT funds, Transportation Improvement Board, FTP money, and a foundation grant for the kiosks.

They also raised $85,000 for the lighting by doing an adopt-a-light plan – local citizens, families, donated for the lights. They received plaques with their names, and had the information put into a book that can be reviewed by people going on a tour of the town (I'm not sure where – I didn't ask.)

They also used various city budgets, such as sewer funds for the new sewer main, utilities for the utilities needs, etc. They were very creative, and asked the State to give them the funds that the State would normally use to resurface the main street (it is a State Highway), and they would use those funds to pave the road as part of their own design.

They also obtained several loans. In fact, when they were ready to begin the actual construction, they learned they were short about $30,000, and they obtained a loan for that.
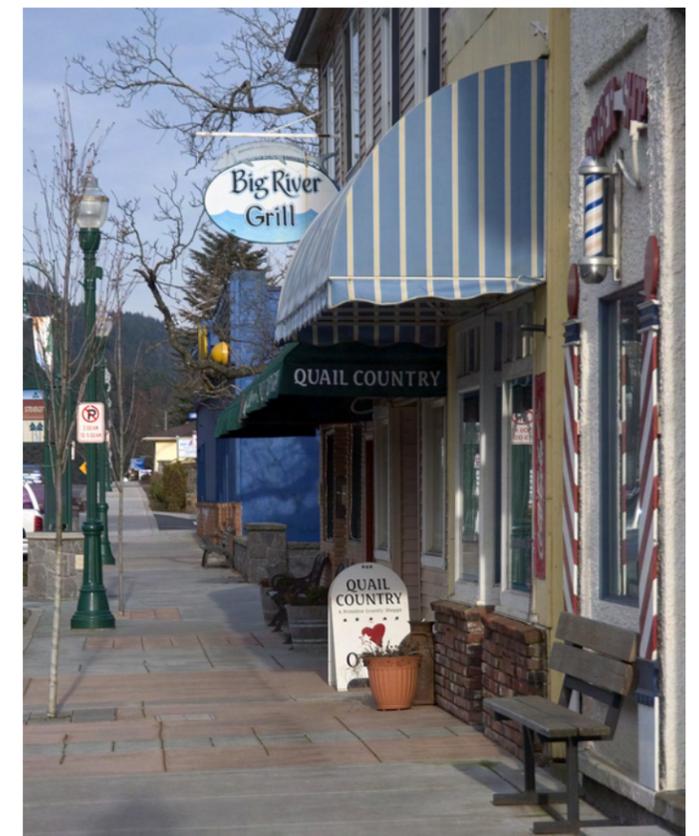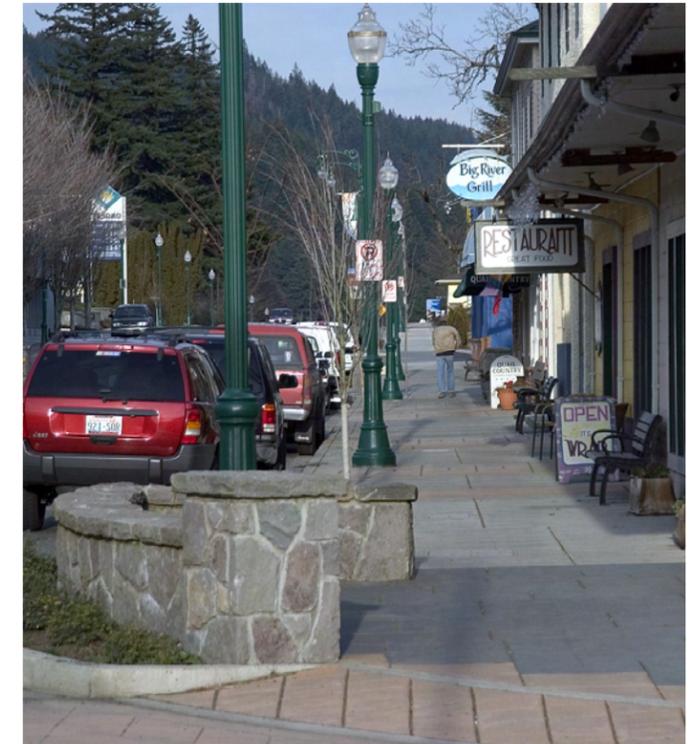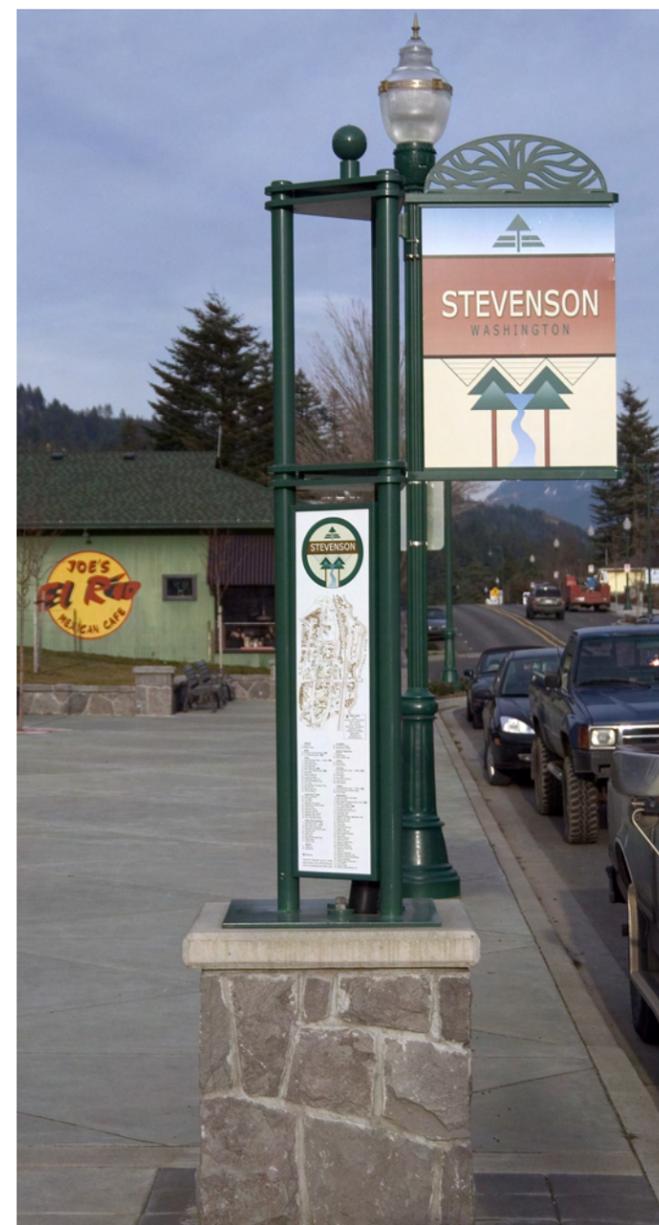
City of Centralia, Washington Revitalization

I spoke with Dave Etonville, the Centralia Downtown Economic Development Coordinator on January 12 regarding the success of the Centralia revitalization effort as described in the November 22, 2004 article in the Business Examiner.

The article stated that the city played an active role in reclaiming downtown Centralia by purchasing and reselling landmark buildings, including a $5 million restoration of the Railroad Depot. The city also provided $100,000 matching grant funds for façade improvements, and completed a $3 million, 10-block streetscape project.

Dave said that he came to Centralia four years ago, and at that time there were 13 vacant buildings downtown. I asked him to describe the efforts the city took to achieve the success of their revitalization efforts. He said that it took a combination of city leaders' commitments as well as a lot of volunteer citizen labor.

The city did, in fact, actually purchase several run-down buildings in the downtown, using general funds. They cleaned the buildings up, stabilized them, and did some renovation of electrical, then sold the buildings to businesses that they wanted to see in their downtown. Volunteer citizens did the clean-up work, but the city paid for the hauling of the debris and any stabilization and electrical work. This enabled the city to determine what businesses would occupy the important structures downtown, and prevented these old structures from either being demolished, or inhabited by businesses that would be undesirable to have downtown, such as warehouses.

The 1912 train depot was the original focus of renovation. The railroad was important for Centralia's economic growth, and the $5 million renovation has restored the original character of the building. The depot is still in use. Among the buildings the city purchased and resold were the old Fox theater and the old Wilson Hotel – both landmark buildings. They hauled 30 dumpsters of trash from the Wilson Hotel, which was sold and is being renovated; it is scheduled to open at the end of 2005. The city still owns the historic 1860 Joseph Borst home in Borst Park, and it is open to the public on weekends in the summer.

The city obtained a grant from the Rural Electric Utility Funds to provide 50% matching grants for façade improvements downtown. The grant funds can be used for the architectural plans as well as the construction – the plans must meet design standards that include historic restoration. There was a three-year period in which the Rural Electric Utility Funds grant was available for this purpose. They have now expanded their grant funding program to include commercial infrastructure needs, in order to add elevators and stairways to old buildings to enable them to meet modern fire codes – to make the buildings usable again.

They have used no CDBG funds at all – in fact, they have obtained very little outside funding. Most of the funds have come from the residents.

A group of ten old-time local business families formed a consortium to help restore the downtown. They each put up funds to purchase downtown buildings. If there were an "undesirable" business located in the building, they would close the business down, stabilize the building, and resell it at no profit. This way, they were able to sell the building to an owner that would put a desirable business in the downtown area. They also sold buildings on contract to new businesses that otherwise would be unable to make a purchase.

I asked Dave what efforts they made to attract the new businesses to their renovated downtown, and he said that, really, most of the businesses were local people.

When Dave started in Centralia four years ago, he wanted the city to focus on the downtown area. Some people objected, and he told them that saving a town is like triage – you fix the vital organs first, then the rest of the body can heal. The downtown is the most vital part of a town – if it fails, the town will fail; if it thrives, the town will thrive.

Bremerton Downtown Revitalization

The City of Bremerton began a major revitalization of the downtown in 2002, seeking to turn around the state of decay and malaise that had plagued the area since the 1970s and 1980s. With the strong leadership of their mayor, plus the vision, hard work, and dedication of many people, the city is now seeing remarkable results from its efforts.

The projects include:
• Regional waterfront conference center with hotel, parking, restaurant, retail and living space $46.8 million (PFD funding; private funding)
• Expanded marina facilities
• Waterfront condominiums (private funding)
• Maritime Park, home to the Bremerton Naval Museum
• Government Center
• Ice Arena   City donated the land; $4 million (private funding)
• Bremerton Fire Station $3.2 million (Public Safety Bond Issue)
• Public Safety Building $2.9 million (Public Safety Bond Issue)
• EastPark Development (300 residential units) $70 million (private funding)
• WestPark Development – 80-acres; mixed-use with retail, open space, housing (including low-income units) $300 million (federal funding; other funding sources)

Funding for these efforts came from a number of sources: PFD funding, federal funding, county and city taxes, bond issue, and private funding. The combined hard work and dedication of many people are making the revitalization possible, including the Bremerton City Council, Kitsap Public Facilities District, Kitsap Transit, Kitsap county Consolidated Housing Authority, the Bremer Trust, US Senator Patty Murray, US Representative Norm Dicks, Kitsap Credit Union, Kitsap County Commissioners, Bremerton-Kitsap County Health District, and many residents and business owners.

Enumclaw Downtown Street Revitalization

The City of Enumclaw recently revitalized a portion of its downtown, re-doing the streets, drainage, and sidewalks, and adding new decorative lighting (see photos below). This encompassed a four-block segment of Cole Street, from Stevenson to Marshall Avenues, plus a three-block segment of Griffin Avenue from Porter to Railroad Streets.

The cost of this project was approximately $1.6 million. Funding was provided from three sources: an LID assessment of $250,000 – for all the properties that fronted the streetscape project; a general obligation bond for $750,000; and funds from Real Estate Excise Taxes from the first and second quarters in the amount of $588,970.

THE POWER OF THE INTERNET:
IS YOUR SITE GOOD ENOUGH TO CLOSE THE SALE?

"The new phone book's here! The new phone book's here!" yelled Navin Johnson, as he danced around the gas station grounds.

"Well, I wish I could get so excited about nothing," replied his boss Harry, the gas station owner.

"Nothing? Are you kidding?!" Navin shouted back. "Page 73, Johnson, Navin R! I'm somebody now! Millions of people look at this book every day! This is the kind of spontaneous publicity, your name in print, that makes people! I'm impressed! Things are going to start happening to me now!"

Navin, played by Steve Martin in the comedy The Jerk (1979), was finally somebody. His name was in print. He was listed in the phone book with hundreds of thousands of other somebody's. What are the chances that his name was spotted by the millions of people who use the phone book? Well, slim, but he was now somebody.

How would this scene apply to the internet? Consider the following:

• A new website goes on line an average of every three seconds. In fact, more than 64 million domain names have been registered – so far. Can you imagine a phone book with 64 million names listed in the white pages?

• The internet is fourth to only electricity, the automobile and television in its influence among daily American life. Not bad for a technology few even knew existed just 15 years ago.

• Eighty-eight percent of all Americans say that the internet plays a major role in their lives, surpassing television for the first time.

• Seventy-five percent of all Americans use the internet regularly, and sixty-eight percent have immediate access to the web either at home or work.

• New internet users are growing at the alarming rate of nearly ten percent – per month!

• Ninety-five percent of U.S. car buyers do research on-line, and a whopping ninety-four percent of all internet users plan their travel using the web.

So, how excited were you when your website "went live?" And now that you have a website, have you ever considered why you have it? What is your website's purpose?

Many communities will state that the website is simply an information source for local residents, businesses, and community leaders. But the real power of the internet lies in its power to promote.

It's rare to find a community that isn't looking for some form of growth: residential, business, industry, or tourism. The internet is the most powerful and cost effective way to market your community.

There are two major challenges with a website: First, is it good enough to close the sale? And second, can your customer find it?

Consider this. If Navin Johnson had a book listing the 64 million registered domain names instead of phone numbers, his name would be listed on page number 12,066 of the 313,725 page book. With 28,000 new websites coming on line every day, the phone book would grow by 4,235 pages per month!

The following are some tips for creating an effective website that will both promote your community and provide information to your community members:

1. Purchase keywords.

If bass fishing is the number one draw to your community, searching those words on Google (the most popular search engine), will yield 1,490,000 results. Since 70% of all web users don't go past the first page of search results, and 82% don't go beyond the first two pages, your site isn't going to be an effective marketing tool if it's on page 994.

Now you know why Google and Yahoo!, both with free search services, now "sell" keyword listings. You bid for the keywords, with the highest bidder taking top honors on the first page of results, under "sponsor matches." Keyword bidding is referred to as "pay per click" – a powerful and cost effective way to market whatever you're selling.

Google's keyword program can be found at www.adwords.com. Yahoo!'s program, which also covers Alta Vista, AOL, and other search engines, can be found at www.overture.com. Google and Yahoo! command more than 60% of all search requests.

From either Google or Yahoo!, type in the words "tourism consultants," and you'll see a listing for Destination Development, Inc. If you click on that link, it'll take you to the Destination Development website. The company will pay a one-time charge for that click, costing DDI about 15¢. That's a lot cheaper than the cost of a brochure, a stamp, and an envelope, plus the potential customer gets immediate information – something we expect in the internet age. Depending on your keywords the cost may range from 10¢ to more than $1 per click, so choose your keywords wisely. Fortunately, you can easily monitor which keywords are most effective or not used at all. You can make changes anytime, and you control the cost by setting limits. You even get to write the "teaser text" under your listing, whereas in normal search engines, text from the first page is simply displayed – not always the text that will pull customers to your site.

If you're looking for tourism consulting, you won't have much problem finding Destination Development. But then comes the second dilemma: if you go to the site, is it good enough to close the sale? If not, then the pay-per-click program will be largely wasted.

2. Create a "splash page" that pulls visitors into the site

Just like a novel or magazine article, the first paragraph or line is critical to grabbing the reader. Your splash page should sell the community in pictures and introductory text. Look at the splash page as the front door to your community. Take a look at Santa Barbara, California's Conference & Visitors Bureau home/splash page, www.santabarbaraca.com. Site visitors are mesmerized and watch the entire introduction (which only takes a few seconds). Does it make you want to go there?

3. Spread the splash page around

The city, chamber, convention and visitors bureau, and other local organizations should use the same style or "look" on their front doors as well. This continuity helps build the brand:
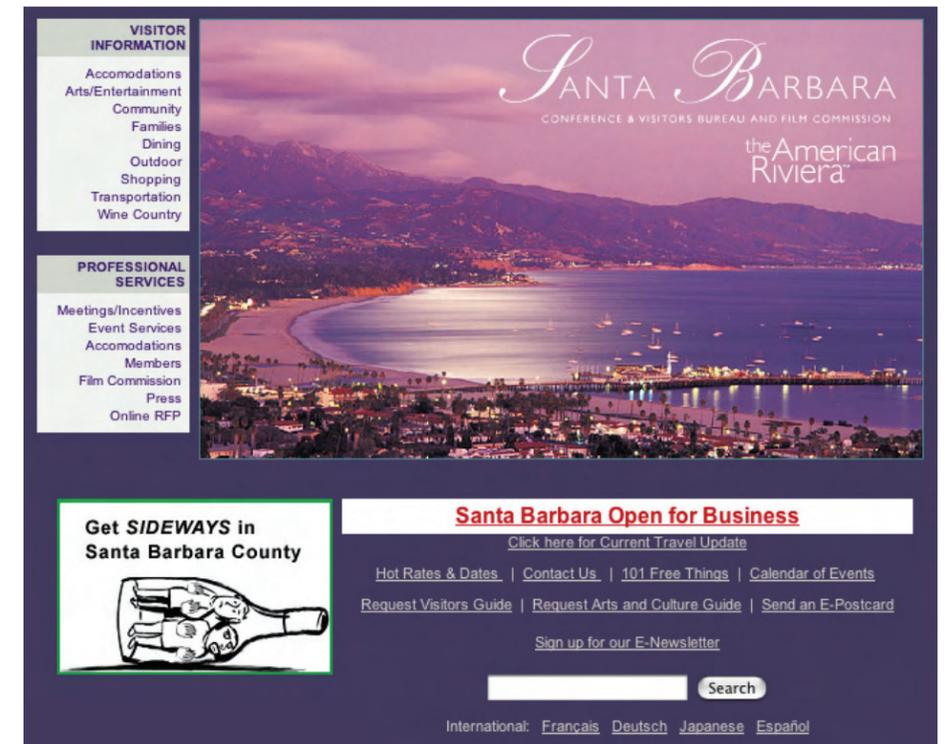
who you are.

4. Create a single "front door" to the site

Once through the front door, there can be more options. Take a look at www.laconner.net. This small Washington State town did a great job bringing the city and chamber together. Once through the front door, you pick which direction you want to go: to the city portion of the site, or the chamber portion. More effective than multiple websites – and less expensive to boot.

5. Tourism IS your front door

Tourism is the fastest growing industry in all 50 states, and nothing promotes a community like tourism. It's the quality of life: culture, history, activities, attractions, amenities, etc. Tourism is a primary attractor for non-tourism economic development efforts. The first few pages of your website should promote the community using professional photography. Take a look at www.pebblebeach.com. Would you like to visit? Maybe live there? How does your site compare?

6. Writing - The Importance of Web Page Content

You want to turn web-site visitors into customers. If outstanding photography is king in making the sale, dynamic content is queen. Know what you're trying to say, and communicate it with friendly, informal, and jargon-free language. And remember, big words are not necessarily better; long sentences are more difficult to understand; and passive voices are boring. That doesn't mean you should include jokes and puns, though. One man's humor is another man's insult, so be careful.

Your content should inform the reader, letting them know what benefits they'll enjoy by visiting your town. What's in it for them? Use the benefits to entice the reader to want to read more. Then, give your visitor detailed information about what you have to offer.
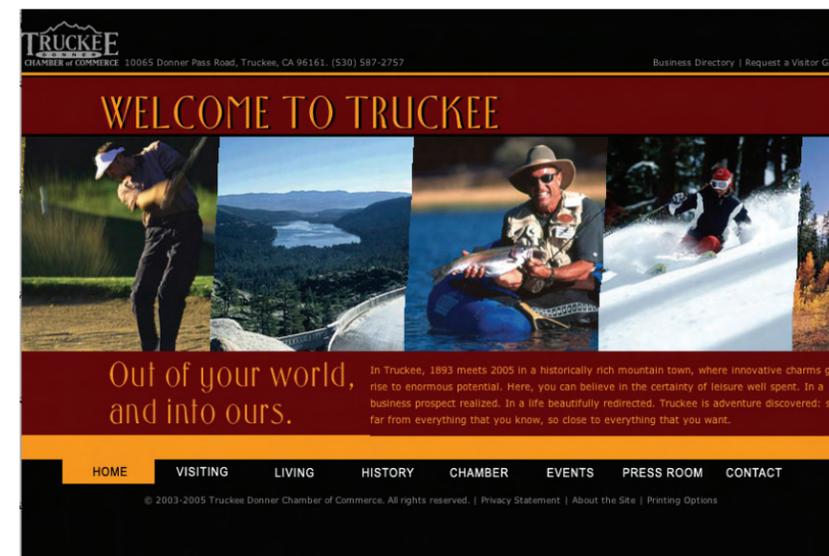
Finally, always spell check your writ-

ing. And go one step further - proofread. Spell check doesn't find every error. Have someone else proofread your work as well; it's easy to miss your own mistakes. Good writing takes time and effort, and the terrific page you wrote one day may reveal itself to be very poor quality the next; so never post your first draft. Proofread, tighten, edit, and correct. You want your web page to convey exactly what you want to say, and you can do that with dynamic, brief, descriptive content that convinces your reader that, of all the places they can visit, they want to choose your town.

7. Check the competition

Make sure you stack up well against your competition. If you are looking to relocate or vacation in one of the old gold rush towns in California's Gold Country, chances are you'll start by doing some web research. Looking for recreation? Take a look at www.truckee.com. Then look at other towns in the region. Angel's Camp, Nevada City, San Andreas, Copperopolis. Where would you go?

8. Keep it simple

Once through the splash page, have no more than seven links on your home page. Too many choices confuse the visitor and take any focus away from the site. Spend some time reviewing the Truckee site. Notice how easy it is to navigate? It's engaging, informative, and easy to use. Truckee, a town of 16,000, was our clear winner when picking a community in this region to visit. That's the power of a website that's good enough to close the sale.
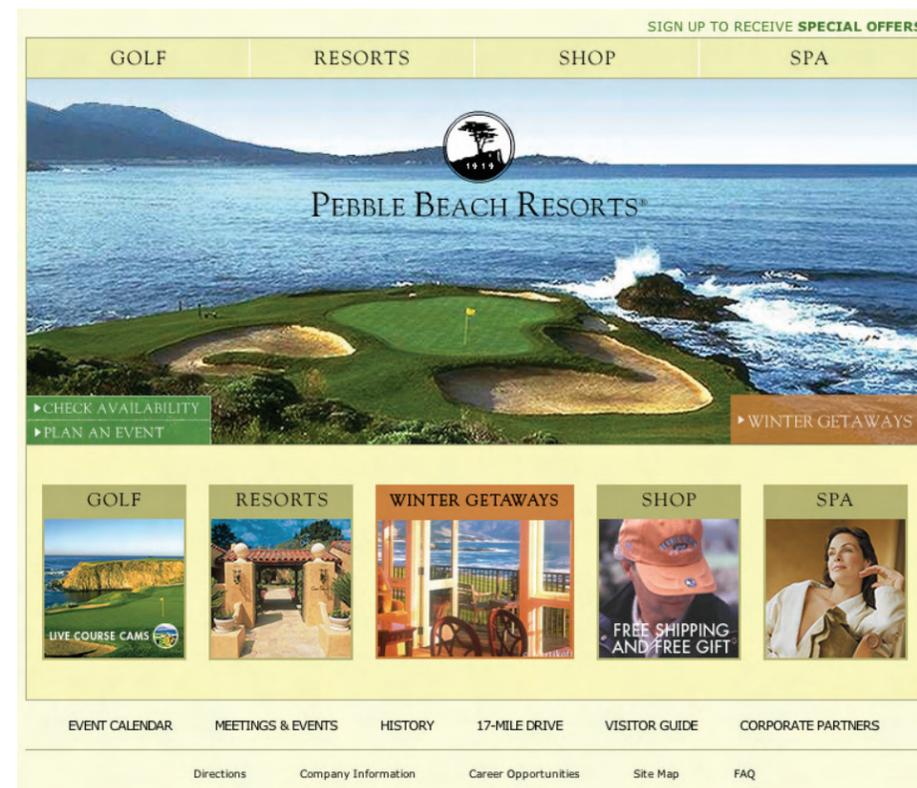
9. Build the brand

Branding is the art of differentiation. What sets you a part from every other community. Branding requires continuity in all that you do: your product offerings, claim to fame, marketing, identity (logo), slogan, and the look and feel of your marketing materials – particularly your website. Now take a look at www.calistogafun.com. The Napa Valley town of Calistoga has branded itself as a wellness center, and portrays it effectively on the chamber's website.

Round Rock, just north of Austin, has adopted the brand of Sports Capital of Texas. Home of the Round Rock Express AA baseball team, Dell Diamond, with nearly 500 acres of sports fields and amenities, Round Rock is well on its way to capturing that branding title. Visit www.sportscapitaloftexas.com.

10. Convenience is everything
Make sure your marketing materials are available, on-line, for immediate download. Most people do their travel and other planning research during the evening hours in the comfort of home – when city hall, the local chamber, and other resources are closed. Make it convenient. Providing a list of PDF files (make sure they print easily on 8 1⁄2" x 11" paper), will increase your sales and reduce the costs of postage, printing, long distance calls, staff time, etc.

11. Invest wisely
Too many communities think nothing of spending $20,000 or more on a brochure, while they spend $5,000 on a website. 94% of all potential visitors (especially those with money to spend) will use the internet, while less than 5% will call or stop by a visitor information center. So how should you spend your money? Spending $20,000 for a website good enough to close the sale is a very good investment. Spending another $10,000 a year to keep it fresh, updated, and changing (to bring customers back), is well worth the cost.

E-marketing programs are one of the most effective sales tools in the U.S. They create "top of mind awareness," bringing visitors back to your website – and your community – time and again.

American Time News Magazine, in an interview, turned its probing eye on Navin Johnson who went on to fame and fortune after inventing Opti-grab eye-glasses. The little glasses handle sold ten million units in a few short months. "Mr. Johnson," Times News noted, "you've become a millionaire overnight. Who are you?"

Unfortunately, the internet hadn't been invented in 1979. Otherwise, no one would have needed to ask who Navin Johnson was.

WEBSITE • SITE MAP
February 1, 2005

SPLASH PAGE
    Welcome text
    Flash slide show (four or five photos)
    Skip intro button

HOME
    Link to site search page
    Link to site map
    Link to contact info page
    Primary buttons to categories below & right (all caps)

VISITING (intro)
    Attractions (intro)
        Historical
        Cultural
        Urban
        Entertainment
        Environmental
        Recreational
        Activity vendors
    Day trips & diversions (intro)
        Within an hour's drive
        Local diversions (secondary activities)
        Quaint escapes
    Events (intro)
        Major events
        Events by month
    Quick facts (intro)
        Legends & claim to fame
        Elevation & geography
        Population, demographics
        Did you know…
    Photo gallery (intro)
        Send a postcard
        Photos by attractions category w/descriptions
        Photographer credits/links
    Maps (intro)
        National
        Region (multi-state)
        State map
        Region/area map
        Distances chart (miles, k/m)
    Weather & Seasons (intro)
        Typical weather patterns
        Current weather & forecast (link from weather site)
        Best activities by season
    Visitor services (intro)
        Lodging (sort by location, type, price)
        Dining (sort by type, style, location - featured restaurants)
        Shopping (sort by type, location - featured retailers)
        Services (sort by location, type of service)

    Transportation (intro)
        Driving conditions
        Travel by RV
        Travel by boat
        Airports & services
        Tours (individual & groups)
        Rentals, other
    Group information (Intro)
        Venues: outdoor
        Venues: indoor
        Reunions and personal gatherings
        Conferences, meetings & trade shows
        Tours, group services
        Sporting events, venues
    Trip Planner (Intro)
        Suggested itineraries
        Resources
    Travel links (Intro)
        State tourism info
        Local chamber offices
        AAA, travel clubs
        Services

LIVING (Intro)
    Community info
    Community links, events
    Real estate
    Doing business

HISTORY (Intro)
    Pioneer/Native Americans
    Modern times
    Historical attractions (link to attractions)
    Historical resources

SPECIAL DEALS (Intro)
    Packages
    Seasonal discounts

DOWNLOADS (Intro)
    Activities Guide
    Meeting Planners Guide
    Video clips

RESOURCES (Intro)
    Press room
        Press releases (sort by topic)
        Backgrounder
        Events
        Photo library (thumbnail with contact info)
        Press contacts, resources
        Press downloads
    Articles about the area
    State government offices, links

SITE FOOTER
    Copyright info
    About the site link (browsers, webmaster info)
    Link to website designer

SITE DEVELOPMENT SPECIFICS:
    - Dimension: 640 x 480 pixels
    - Urban/modern design parameters
    - Flash: Yes in moderation
    - SQL Server: E-mail newsletter sign-up
    - CGI script: Forms page, request for information
    - Language: English only
    - Downloads: PDF low-res files, static sized pages
    - Attractions, diversions, services: static sized pages, no
      navigation between pages other than next, previous, close
    - Total number of pages: approximately 100
    - Database driven elements for local input, changes, updates

INFORMATION RESOURCES/PARTNERS:
    - Oak Harbor Chamber of Commerce
    - City of Oak Harbor
    - Island County tourism
    - Langley, Coupeville tourism websites
    - Washington State Parks
    - Washington State Ferries

These are brief summaries only, and do not address all the issues and recommendations made in the reports. These summaries attempt to point out the comments and recommendations that are most applicable to tourism development and marketing.

I. HARBOR WATCH – A REDEVELOPMENT PLAN FOR OAK HARBOR'S DOWNTOWN AND WATERFRONT 1990

Primary goal of this plan is to enhance downtown OH's role as focus for mix of businesses: office, residential, and retail. At the time this plan was written (1990), they expected OH to grow tremendously over the next ten years, with population growth of 34%. The redevelopment strategy recommended in this plan is based on having an increased market for retail, increased need for office space, and greater need for recreational facilities because of this projected 34% increase in population. Even though the population did not grow so dramatically, though, the recommendations in this plan are visionary and would enhance downtown OH, making it a more beautiful and functional city center.

Recommendations:
Direct new development through zoning: encourage new retail in Pioneer Way core; multiple story residential and office development on slopes above Pioneer Way; greater density for new housing; small hotel, conference center on waterfront location; develop multi-purpose building that can accommodate 400 people.

Urban design:
Install signage at Hwy 20 to direct visitors downtown, to beach park, and along scenic drive.
Plant street trees along Pioneer Way.
Beautification of several streets with screening of parking lots, back sides of buildings, new sidewalks and landscaping.
Establish a Saturday market.
Purchase lot at SE corner of 50th and Pioneer Way, develop parking and a plaza with retail space.

Marketing-Promotion:
Develop a branding image for downtown, and use that to help promote OH to visitors. Examples given are: Gig Harbor – fishing village; Poulsbo – Scandinavian; Mt. Vernon – tulips; Leavenworth – alpine village; Winthrop – Old West.

Tap into tourists passing through on Hwy 20.

Work with OH chamber of Commerce, Cascade Loop Association, CTED to market and promote OH.

Work with marine industry associations, tour boats, etc. to enhance water links to other Puget Sound Community.

Merchants should consider product mixture and displays to try to differentiate themselves from strip shopping centers.

Promote farmer's market development, arts & crafts booths.

Hotel Conference Center:
Attract private developers of hotels with encouragement, support, regulatory concessions.
Build public assembly buildings to be adjacent to hotels.
This plan provides a financial model and ideas for a conference center/hotel.

II. NORTH WHIDBEY COMMUNITY DIVERSIFICATION ACTION PLAN - 1995

An action plan for North Whidbey to create a balanced economic and tax base, increase employment opportunities, enhance vitality of existing businesses, attract new businesses, guide investment of resources, infrastructure improvements and land use.

This action plan is used as a basis for the overall comprehensive plan.

Surveys were done of the community and businesses, and interviews and discussion groups held. Some of the results of this input are as follows:

- Income levels are lower than other areas in the state.
- Too few job opportunities.
- Support of business growth.
- Growth of businesses is slowing.
- Quality of life and small-town rural lifestyle is top priority.
- Not a tradition of economic development on North Whidbey.
- Housing costs are relatively high.
- Demand for social services increasing.
- Waterfront should be reclaimed and connected to downtown.
- Tourism is underdeveloped.
- No program to help/support existing business expansion.
- The EDC and the Chamber spend as much time on survival as they do on helping other businesses.
- Overall sense that government does not support business growth.

Action strategy for tourism development:
North Whidbey needs to create PRODUCT to attract visitors and fund a year-round MARKETING PROGRAM.

- This would include development of destination activities in downtown and on the waterfront.
- The EDC and Chamber should work together to encourage new tourism activities.
- Public recreation facilities should be developed.
- Community events should be supported.
- Create community center to be used for visitors and small conventions.
- Create a Tourism Commission with staff from the Chamber to create an action agenda, holding an annual work shop to determine community priorities.
- Build consensus among community to implement raising hotel/motel tax rate.

Also, strengthen downtown as a place to shop, visit, work, live and have fun. Implement Harbor Watch Plan (plan above.)

III. HARBOR PRIDE: A BLUEPRINT FOR CHANGE - 2000

This report has many photos of downtown as well as diagrams of proposed development.

A visiting design assistance team worked to gather community input and then create a new plan for Oak Harbor.
Recommendations:
1. Make a Gateway to Old Town at intersection of SR20 and Pioneer with a monument, trees, sculpture, etc.
2. Intersection of SR 20 and Midway needs much larger sign that says "city center" to direct people to downtown.
3. Signs at each intersection along Midway should be installed to direct people to the water.
4. Signs describing attractions and recreations should be installed throughout the town.
5. Link the waterfront sections to the rest of town.
6. Further develop public waterfront with path or promenade with many links back to town.
7. Create an element that ties all the fragmented uses together along the water, and then connects to town.
8. Build buildings right up to the edge of the street on Pioneer Way and provide parking in back when redeveloped.
9. Pedestrian passageways between buildings and the water need to be implemented.
10. Parking needs to be coordinated with a linked system.
11. Four ANCHORS should be developed for downtown:
     - A Performing Arts Center

• New City Library
• City Pier
12. Develop Resort and Conference Center

Some short-term projects recommended:
1. Clean up vacant storefronts, clean windows and sidewalks, remove trash, paint graffiti.
2. Fix sidewalks
3. Add landscaping/flowers
4. Install tree lighting
5. Install decoration/low lighting along Bayshore to Marina, then extend as trail expands.
6. Reopen a visitor center in a storefront downtown.
7. Create a sign program with directional signs and gateway signs.
8. Add more events.
9. Resurrect Jazz Festival.
10. Adopt the Harbor Pride logo as a tag or emblem.

IV. OAK HARBOR COMPREHENSIVE PLAN - 2003

20 year plan to provide guidance for growth and development in compliance with Washington State Growth Management Act. This plan covers everything from land use, urban design, open space, housing, utilities, transportation, economic development, urban growth, environmental, capital facilities, government service, community coordination.

Under the Economic Development section, some of the goals are:

1. Provide support to Old Town redevelopment and enhancement, in conjunction with implementation of Harbor Watch plan to support tourism.
2. This includes assisting with funding of Old Town improvements
3. Develop a Saturday Market or Farmers Market
4. Improve Old Town identity from Hwy 20
5. Develop day moorage to draw boaters into town

Ensure tourism with an emphasis on strengthening OH as tourist destination, by:
1. Participate in regional tourism planning
2. Allocate hotel/motel tax funds for tourism
3. Encourage Tourism Promotion and VIC programs of the Chamber.
4. Encourage hotel/conference center development in Old Town.
5. Encourage development of eco-tourism and military related tourism.
6. Encourage Economic Development Council to promote tourism businesses.

Most of the rest of this plan deals with growth management elements.

V. Downtown Public Realm Plan - 2004

The plan is an extension of past planning efforts, combining existing community visions, adopted policies and urban design and planning initiatives.

This plan lists many projects that have been proposed or recommended in the past, and gives recommendations on how to complete them. They are all projects that involve public spaces, mostly downtown and waterfront.

Freund Marsh – several projects are outlined including completing trails, native plantings, improving aesthetics and the gateways to Freund Marsh area.

Lower Pioneer neighborhood – adjacent to historic downtown, including City Beach Park.

Several projects include:
1. Directional signage and gateways from SR20 to downtown.
2. Street-side landscaping, pedestrian amenities.
3. Sidewalk along Beeksma Drive.
4. Landscaping along Beeksma Drive.
5. Redo signage for waterfront trail.
6. Pioneer Way between SR 20 and City beach Street – reduce 4 lanes to 3 lanes, add landscaping, pedestrian signage, lighting, crossings, street furniture.
7. Plant a backdrop of trees along the northern edge of City Beach Park to screen parking lots and commercial buildings.
8. Replant native plants around lagoon in City Beach Park.
9. Replace cobra head light standards around the lagoon with decorative lighting.
10. Gateway to City Beach Park: separate vehicular and pedestrian travel, add gateway feature, street trees, side walk, realign parking.
11. Install bicycle amenities along bike routes.
12. Extend Ely Street in a straight line to Bayshore to add a connection from downtown to the waterfront and create a signature corner at Ely and Pioneer.
13. Build a new library downtown.

Old Town –
1. Create a "Old Town Gateway Plaza" either at the SE corner of Dock and Pioneer, or at the corner of the proposed Ely Street Extension. This would put the Plaza next to Hal Ramaley Park and City Beach Park across the street.
2. Make improvements to Barrington Drive – sidewalks, street trees, transit shelters, lighting.
3. Connect waterfront trail between the two condo developments west of Flintstone Park.
4. Intersection of Dock and Pioneer – replace traffic signal with all-way stop control, making it more pedestrian friendly. Change the signage.
5. Large vacant area in Old Town just east of Dock Street – city has control of this area and should explore options to sell or exchange this property with a private developer who proposes specific plan to construct new down town buildings.
6. The parcel adjacent to the southern lot line of City Hall property, with three structures, should be used for some public use. Maybe outdoor activities, gathering space for cultural groups, etc.
7. Wayfinding – comprehensive signage program.
8. Enhance pedestrian connections to the waterfront.
9. Bayshore Drive east of Flintstone Park – reduce scale of the street by removing a row of parking and the excessive auto oriented lighting, add landscaping, pedestrian amenities, and bicycle facilities.
10. Extend Jensen Street to waterfront.
11. Smith Park – connect it better to Old Town with signage, pedestrian amenities.
12. Nominate Smith Park to the Washington Register of Historic Places.
13. Old Town Gateway at Midway Blvd – enhance landscaping, add appropriate signage and lighting, redesign pedestrian crossings.
14. Build a new municipal pier.

Oak Grove – residential neighborhood overlooking bay. Recommendations include improving pedestrian amenities.

Marina –
1. Wayfinding and signage for pedestrians along the waterfront.
2. Add wind screening for select areas of Marina Park.
3. Complete trail around the marina.

CURRENT OAK HARBOR LODGING TAX USES

Revenues	2001	2002	2003	2004
Basic 2%	$73,391	$75,847	$71,754	n/a
Additional 2%	73,391	76,804	69,497	n/a
Total Revenues	$146,782	$152,651	$141,251	n/a

Expenditures from Basic	2001	2002	2003	2004
Chamber of Commerce	$52,320	$52,320	$52,320	$52,320
Lions Club Auto Show	8,000	8,000	4,000	5,000
Chamber Float Program	23,400	6,750	-0-	-0-
Chamber Billboard Program	24,528	6,230	6,509	5,000
City of OH Banner Program	-0-	-0-	3,500	-0-
Whidbey Island Marathon	-0-	-0-	-0-	7,000
Total Expenditures Basic	$108,248	$73,300	$66,329	$69,320

The entire Add-on Lodging Tax of 2% is used to fund the current island-wide marketing effort.

The Basic 2% Lodging Tax has two primary uses: $52,320 is paid to the Chamber of Commerce under a support agreement that requires the Chamber to provide marketing services for the City, and that includes $7,000 per year to assist the Chamber as payment of the City's 50% interest in the original $140,000 cost of the building. This is a 10-year support agreement with the Chamber, and is scheduled to expire on June 30, 2009.

The remaining Basic 2% Tax is used to fund the City's 2% Grant Program. Applications are submitted for grant funds and are reviewed by the Lodging Tax Advisory Committee, then recommendations are made to the City Council. In the past, these have included the Chamber Billboard Program, the Chamber Float Program (the float has since been sold), the Lions Club Auto Show, and the Whidbey Island Marathon. Priscilla of the Chamber has said that these events do bring many visitors to Oak Harbor.

Reserve Basic 2% Funds: approximately $180,000. These funds were set aside years ago for the possible construction of a downtown plaza, with parking and a clock tower. Subsequent Councils have looked at the reserve as possible money for other capital projects that would promote tourism.

In late October, 2004, a Tourism Assessment of Oak Harbor was conducted, and was presented in a two-hour workshop. A "Tourism Assessment" is a process in which the area is looked at from the eyes of a visitor. No prior research was facilitated, no community representatives were contacted except to set up the project, and the town and surrounding area was "secretly shopped."

The assessment is a no-holds-barred look at the community from a visitor's perspective. It includes marketing, signage, things to see and do (attractions mix), critical mass, ease of getting around, customer service, availability of visitor amenities (information, rest rooms, parking, etc.), general appeal, and the community's ability to attract overnight visitors, who spend three times that of day visitors.

The On-site Assessment process includes a look at enticement from freeways and highways (signs, billboards, things that would pull a visitor off the primary roadways), beautification, wayfinding (ease of getting around), visitor amenities (public restrooms, visitor information, parking), things to see and do, overall appeal of the community, business attractiveness (drawing power), signage (public and private), customer service, area attractions (things that might prompt a visitor to spend the night), retail mix (lodging, dining, shopping), critical mass (are these things concentrated in a pedestrian-oriented area?), availability of marketing materials and their effectiveness.

The "Recommendations" made herein are referred to as "suggestions," as they were developed without consulting the local community. It will be up to the community to adopt some or all of the suggestions, taking them from suggestions to recommendations.

For every shortcoming or challenge we note during the assessment process, we have provided a low-cost suggestion (when possible) on how the challenge, obstacle or negative element can be corrected. It's important to point out, that to increase the community's tourism industry, fulfilling one or two of the suggestions will have little impact, but implementing a number of them, if not all of them, can have a profoundly successful impact on the community's ability to tap into the tourism industry.
Implementation of these suggestions must be a community effort - involving both privately owned businesses as well as county and state agencies, where appropriate.

A Destination Marketing Organization (DMO or CVB, Chamber, etc.) cannot be successful if the tourism effort is not a community-wide effort.

Tourism is largely a private-sector industry; after all, the benefit of tourism is to convince visitors to come, spend money, then go home. That spending takes place, primarily, in local businesses.

Product development is far more of a driving factor in tourism than marketing. After all, you must be able to deliver on your marketing promises. Visitors are drawn to activities, not cities or counties.

The Visitor/Tourism Assessment took place over a two day period. One day in the community, and one day spent assessing the marketing efforts, providing a low-cost overall assessment with ideas the community can discuss and hopefully implement.

Presenting

A FREE interactive and insightful look at Oak Harbor

A photographic look at Oak Harbor through the eyes of a visitor: first impressions, business mix, signage, local attitude, beautification, ease of getting around, things to see and do, marketing (brochures, internet, visitor services), etc.
Suggestions, tips and tricks that will bring more cash to Oak Harbor.

Who should attend?
Businesses (retail, lodging, dining, etc.), public officials (elected and staff), local organizations AND local residents

Wednesday, October 13th
6:00 to 9:00 pm

at the

Oak Harbor Senior Center
51 SE Jerome Street in Oak Harbor

Sponsored by the City of Oak Harbor

Presented by Roger Brooks
Destination Development, Inc.
Olympia, Washington