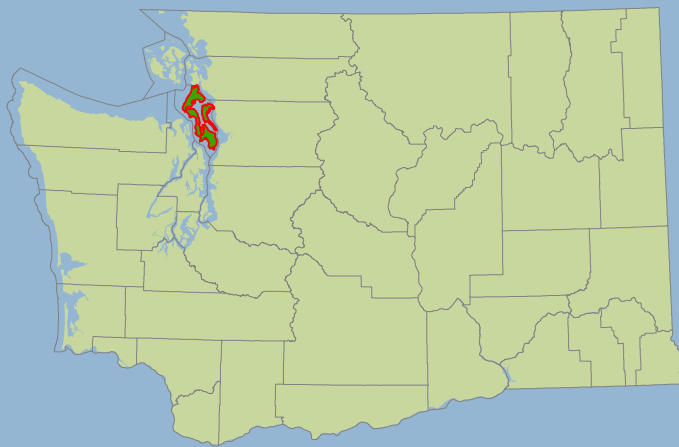


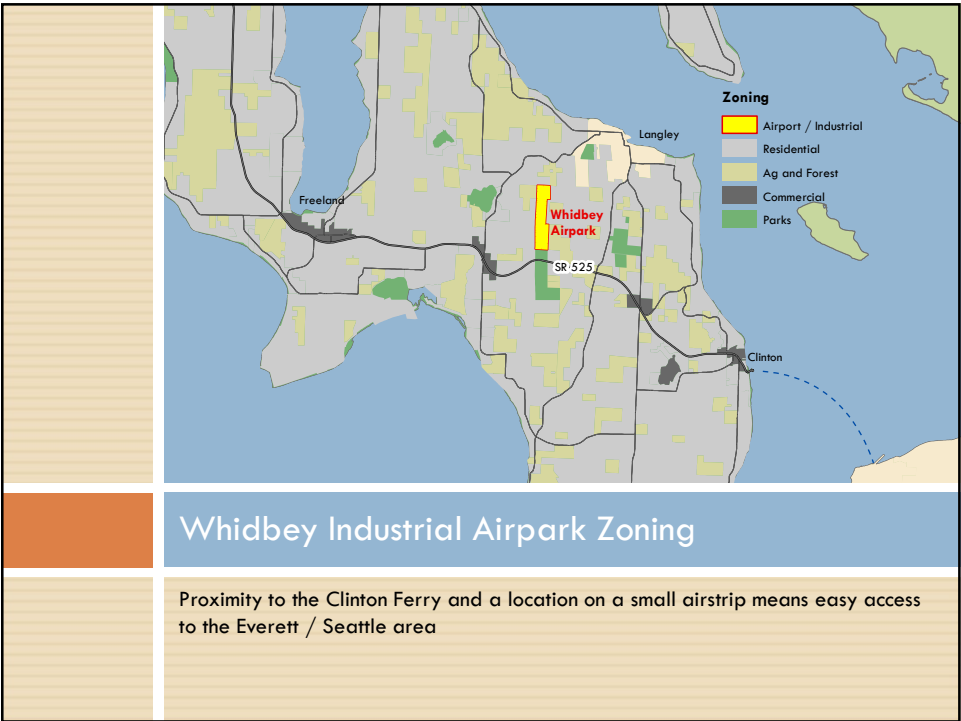
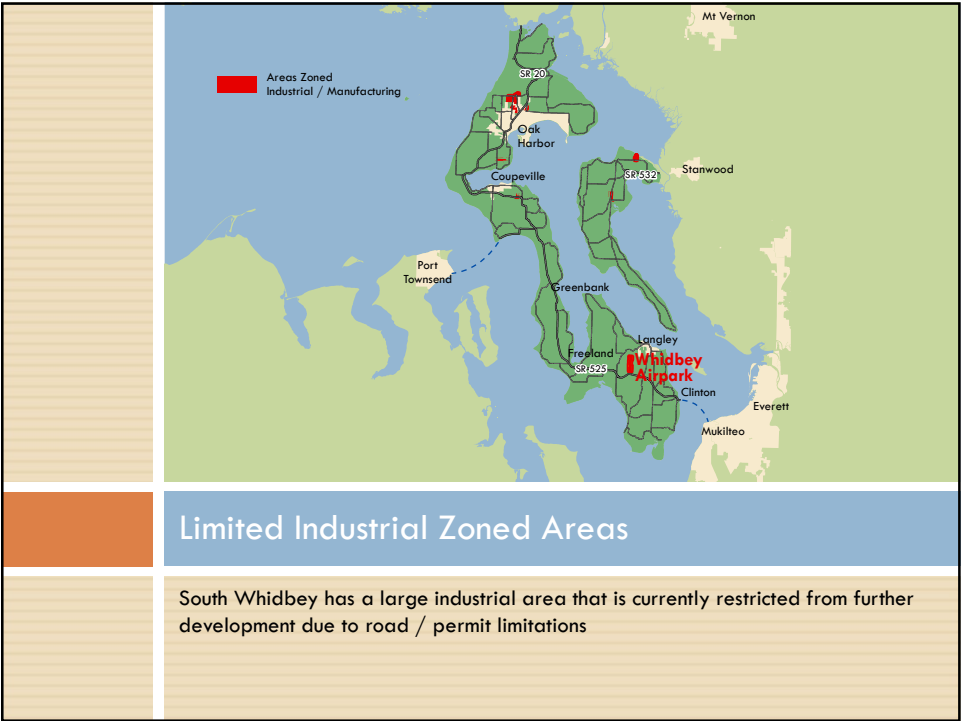
WHIDBEY INDUSTRIAL AIRPARK ACCESS

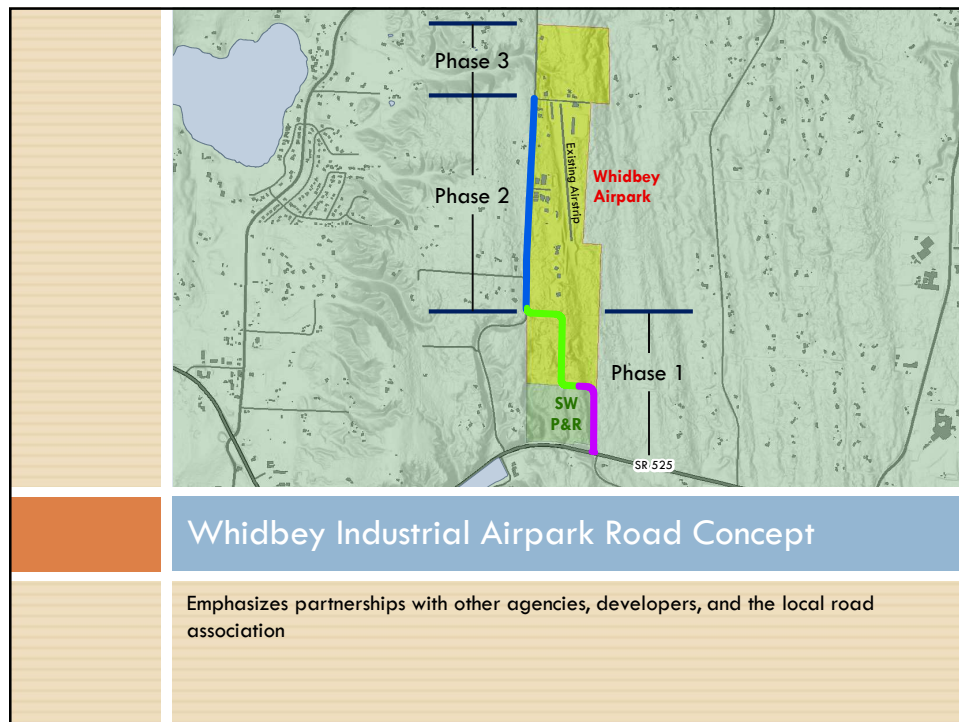
A roadway to economic expansion



Island County is northwest of the Seattle area

Closely located to the industrially active areas of Everett to the east and Mount Vernon to the north





Business development halted

Lack of public access has created a barrier to development of new business in this area

- No additional accesses to SR 525
 - ▣ From the existing private road
 - ▣ 2007 WSDOT permit has been exceeded
- Proposed new county road has WSDOT support
 - ▣ Goal: New unrestricted access to SR 525

New Business Deterrent

'Existing private road is inadequate'



Reports of lost business potential prior to the access / permit restriction

18' wide, tight turns, speed bumps, ecology blocks

Whidbey Industrial Airpark poised for development

Room to grow

High speed fiberoptic internet



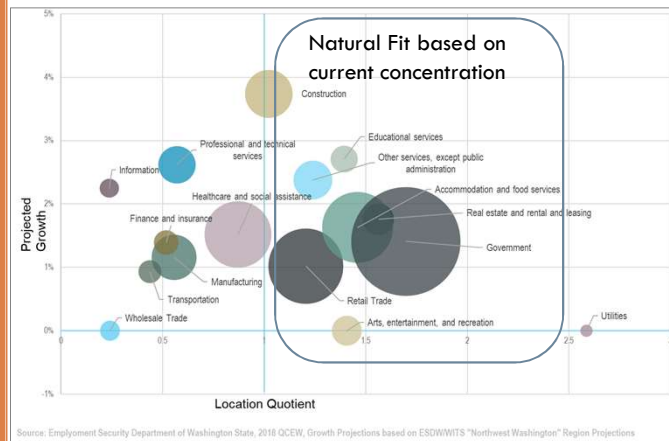
Classification	Gross Acres	%
Developed	31	17%
Airfield Runway (estimated)	30	17%
Partially Developed	32	18%
Undeveloped/Vacant	85	48%
Total	178	100%

Location Quotient Analysis – Island County

Bubble size represents employment in 2016

Higher bubbles have greater potential growth for 2016 – 2021

Bubbles to the right are more than average in WA, left are less



Targeted industries

Supported by the community

Consistent with the area economic profile

Responsive to projected job growth

Target Industry Category	Market Potential	Relative Wage Rates	Potential Target Use
Advanced Manufacturing R&D	●	●	☑
Fabricated Metal Product Manufacturing	●	●	☑
Avionics Navigational, Measuring, Electromedical, and Control Instruments R&D	●	●	☑
Professional/Scientific/Engineering/Environmental Contractors	●	●	☑
Food/Cannabis/Hemp Processing	●	●	☑
Artisans and maker businesses	●	●	☑
Events & Recreation businesses	●	●	☑
Airport Hangars and related housing	●	●	☑
Ancillary workforce housing	●	●	☑
Legend:			
Good: ● Fair: ● Poor: ○			

Source: FCS GROUP.

Over ten current businesses

Mix of manufacturing, hospitality, storage, and light industrial

Rely on the current private road for customer access and deliveries

- Whidbey Airpark (airport)
- Healthcare International
- Mukilteo Coffee Company Wholesale
- B & D Enterprises
- ~~The Roaming Radish Restaurant and Catering~~
- Hein Marine Mobil Service
- Island Ductless Heat Pumps
- Z-Pulley Inc.
- PR & Communication Consultant
- Rooted Pet
- Quicksilver Aero

Economic Development Highlights

Preferred location for small businesses as well aviation- and non-aviation destination visitation and events

- 4-6 new jobs per year (on average) over the 20 year forecast period
- \$31M in net new construction investment
- \$800K in annual local and state tax revenue (after year 20)
- \$1.8M in annual federal tax revenue (after year 20)

Return on Investment is Encouraging

Cost Estimate of Phase 1

Conservative value

- Engineering: \$430K
- Right of Way: \$600K
- Construction: \$5.1M

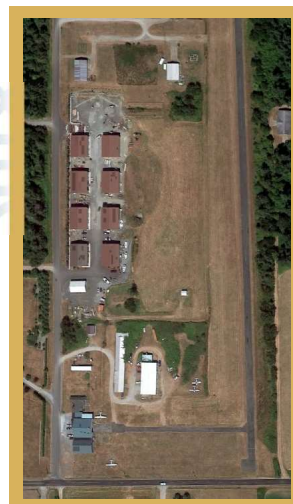
For each \$1.00 of roadway construction, the county would leverage about \$5.29 in net new assessed valuation

Demonstrated Success – Camano AP

2011



2018



Supplement Local Funding Techniques

Highlighted
Techniques
are
recommended

- Impact Fees
- County Road Improvement District
- Transportation Benefit District
- Latecomers District (aka. Reimbursement District)
- Intergovernmental Loans or Debt Financing
- Developer/property owner right-of-way dedications
- Developer Agreements and Public-Private Partnerships
- Rural Economic Development Grants

Airpark Access Project Local Funding Options

Funding Tool		Evaluation Considerations							
		Facilities Targeted	Area of Benefit	Approval Body	Capital Funding Raised	Ease of Implementation	Admin. Costs	Risk to County	County wide Equity
ROW Dedications	Transportation, Stormwater	Project Specific	County Commission & Prop. Owners	\$	\$\$\$\$	\$\$\$	\$\$\$\$\$	\$\$\$\$\$	18
Developer Agreements (P3 or special assessment)	Transportation, Stormwater	Project Specific	County Commission & developer	\$\$	\$\$\$\$	\$\$\$	\$\$	\$\$\$\$\$	16
Transportation Impact Fee	Transportation	District or County wide	County Commission	\$\$	\$\$\$	\$\$\$\$	\$\$\$	\$\$\$	15
Road Improvement District	Transportation	District	County Commission & Prop. Owners	\$\$	\$\$	\$\$\$	\$\$\$	\$\$\$\$\$	15
Transportation Benefit District	Transportation	District or County wide	County Commission or Voters	\$\$\$	\$\$\$	\$\$	\$\$\$	\$\$\$	14
Local Improvement District	Sewer	District	County Commission & Prop. Owners	\$	\$\$	\$\$\$	\$\$\$	\$\$\$\$\$	14
Utility Fee Surcharge	Water, Sewer	Special Dist.	County Commission, Utility Board	\$	\$\$	\$	\$\$\$\$\$	\$\$\$\$\$	14
Reimbursement Districts or Late Comers Charge	Transportation, Sewer, Stormwater	District	County Commission & Prop. Owners	\$	\$\$\$	\$\$	\$	\$\$\$\$	11
Limited GO Bond	Transportation, Stormwater	Project Specific	County Commission	\$\$\$\$\$	\$	\$\$	\$\$	\$	11

Legend:

+ least positive

+++++ most positive

Recommended funding strategy

Current budget

Local	\$ 960
Rural Economic Development	\$2,300
RID	\$1,064
Discretionary	\$1,250
CERB	\$ 50
Total	\$5,624

Recommended Budget

Local	\$ 960
Rural Economic Development	\$2,300
RID	\$1,064
ROW Dedications	\$ 300
CERB	\$1,000
Total	\$5,624

Rural Economic Development Grant

- Good contender as focus is on economic development
- Propose to apply for \$2.3M for construction funds
- Apply year prior to construction
- Annual applications in the Spring

Road Improvement District

- ▣ Assessment values depend on total assessment, criteria and criteria rating
- ▣ Two scenarios were evaluated
- ▣ For a \$1M RID, the resulting midpoints
 - ▣ Residential assessments \$ 5,493
 - ▣ Industrial and Commercial \$22,941

RID Potential Criteria

Potential Assessment Criteria

- A. Gross Property Area
- B. Vacant and Part Vacant Property Area
- C. Linear feet along Airpark Access Road
- D. Existing average daily vehicle trips
- E. Projected average daily vehicle trips in year 20

Two Scenarios Evaluated

Scenario 1 – All criteria, equally weighted

Scenario 2 – Criteria C, D, and E, equally weighted

RID Scenario Sensitivity

County Road Improvement District Sensitivity Analysis						
	\$500,000 RID Assessment			\$1,000,000 RID Assessment		
	Lowest	Highest	Avg.	Lowest	Highest	Avg.
Rural Residential Assessments	per dwelling lot			per dwelling lot		
Scenario 1	\$2,451	\$2,451	\$2,451	\$4,902	\$4,902	\$4,902
Scenario 2	\$3,042	\$3,042	\$3,042	\$6,084	\$6,084	\$6,084
Midpoint	\$2,747	\$2,747	\$2,747	\$5,493	\$5,493	\$5,493
	Lowest	Highest	Avg.	Lowest	Highest	Avg.
Industrial and Commercial Assessments	per acre			per acre		
Scenario 1	\$461	\$19,473	\$9,967	\$922	\$38,946	\$19,934
Scenario 2	\$245	\$25,703	\$12,974	\$490	\$51,406	\$25,948
Midpoint	\$353	\$22,588	\$11,471	\$706	\$45,176	\$22,941

** preliminary analysis by FCS GROUP for discussion only, numbers rounded to nearest dollar.*

Right-of-way dedications

South Whidbey Parks and Recreation

1,500 linear feet

Four acres

Estimated cash value: \$35,000

Developers

2000' linear feet

Five and a half acres

Estimated cash value: \$90,000

Intergovernmental Loans

Community Economic Revitalization Board Prospective Development Program

- ☐ Construction funding
- ☒ Requires Economic Development Study
- ☐ Requires 50% cash match of the total cost
- ☐ Likely \$1M max, possibly up to \$2M
- ☐ Interest Rates 1 – 3%, up to 20 years
- ☐ Possible grant for 25% of the total award

Proposed Next Steps

- ☐ Continue with preliminary engineering
- ☐ Initiate Road Improvement District efforts
- ☐ Develop land dedications when ROW needs are known
- ☐ Plan for CERB and Rural Economic Development Grants